

MFP-002

Management Programme

ASSIGNMENT
For
January 2023 and July 2023 sessions

MFP-002: Equity Derivatives

**(Last date of submission for January 2023 session is 30th April, 2023 and
for July 2023 session is 31st October, 2023.**



School of Management Studies
INDIRA GANDHI NATIONAL OPEN UNIVERSITY
MAIDAN GARHI, NEW DELHI – 110 068

ASSIGNMENT

Course Code	:	MFP-002
Course Title	:	Equity Derivatives
Assignment Code	:	MFP-002/TMA/JAN/2023
Coverage	:	All Blocks

Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for January 2023 session is 30th April, 2023 and for July 2023 session is 31st October, 2023.

1. What are 'Derivatives'? Explain the various types of derivatives and discuss their uses and applications.
2. What is Hedging? What are the various inefficiencies persisting in the process of hedging?
3. What are Futures? Explain the process of price adjustments of futures when dividend or bonus shares are paid out.
4. What is an 'Option'? What are the factors taken into consideration for determining call option prices?
5. Explain the following:
 - (i) Delta
 - (ii) Gamma