

MFP - 02

**Management Programme (MP) / Post- Graduate Diploma in Financial
Markets Practice (PGDFMP)**

**ASSIGNMENT
For
January 2024 and July 2024 Sessions**

MFP-02: Equity Derivatives

**(Last date of submission for January 2024 session is 30th April, 2024
and for July 2024 sessions is 31st October, 2024)**



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

ASSIGNMENT

Course Code	:	MFP-02
Course Title	:	Equity Derivatives
Assignment Code	:	MFP-02/TMA/JAN/2024
Coverage	:	All Blocks

Note: Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for January 2024 session is 30th April, 2024 and for July 2024 session is 31st October, 2024.

1. What are SWAPs? Explain their main characteristics and applications. Describe the various kinds of SWAPs.
2. What is Index and Stock Futures? Explain the Trading Strategies that can be used to avoid risks associated with Futures Trading.
3. List the various Corporate Actions due to which the price of the Derivative Contracts has to be adjusted. How is the future price adjusted for dividend, stock split and bonus issues?
4. What is Option Premium? Explain the factors that affect Put and Call Option Premium.
5. Explain the Clearing and Settlement Mechanisms of Futures and Options Contracts.