

Management Programme

ASSIGNMENT
(January to December)
2021

MFP-4: CURRENCY AND DEBT MARKETS



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

ASSIGNMENT

Course Code	:	MFP-4
Course Title	:	CURRENCY AND DEBT MARKETS
Assignment Code	:	MFP-4/TMA/SEM-I/2021
Coverage	:	All Blocks

Note: Attempt all the questions and submit this Assignment to the Coordinator of your Study Centre on or before 31st October, 2021.

1. Explain the features of 'Foreign Exchange Market' and discuss the economic variables that impact Exchange Rates.
2. What are the various types of option? How are option contracts priced? Explain the 'Black Scholes' option valuation model with the help of an example.
3. What is a Money Market? Explain in detail the various types of money market instruments and compare their salient features.
4. What are 'Government Securities'? Explain their features and discuss about the various types of Government Securities.
5. How is Bond Valuation done? Explain the application of the concepts of *duration* and *convexity* in bond valuation.