

No. of Printed Pages : 2

**MFP-003**

**MANAGEMENT PROGRAMME/POST  
GRADUATE DIPLOMA IN FINANCIAL  
MARKET PRACTICE  
(MP/PGDFMP)**

**Term-End Examination**

**December, 2023**

**MFP-003 : COMMODITY MARKETS**

*Time : 3 Hours*

*Maximum Marks : 100*

*Weightage : 70%*

---

**Note :** *Attempt any **five** questions. All questions carry **equal** marks.*

---

---

1. What are 'over the counter markets' and 'exchange traded markets' ? Discuss the major differences among them. Explain in brief the 'Forward Contracts and Future Contracts'.
2. Discuss the principal features of the Forward Contracts (Regulation) Act, 1952. Describe the functions and structure of the Forward Market Commission and discuss the regulatory measures evolved by the commission.

**P. T. O.**

3. What do you understand by Risk Management ? Describe the various methods used by exchanges to manage its risk.
4. What are the various types of delivery logic ? Explain the Delivery and Settlement procedure for delivery based settlement.
5. What are base metals ? Discuss the characteristics of any *two* base metals and their uses. Explain the factors that impact prices of base metals.
6. Write short notes on the following :
  - (a) Structure of crude oil markets
  - (b) Weather Derivatives
  - (c) Patterns observed in commodity price charts
  - (d) Warehousing and Bank Financing
7. What do you understand by 'Commodity Futures' ? How is the price of commodity futures determined ?
8. What are 'Options' on commodity futures ? Explain the pay-off associated with buying and selling of call and put option respectively using graphical representation.