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**MFP-003**

**MANAGEMENT PROGRAMME/POST  
GRADUATE DIPLOMA IN FINANCIAL  
MARKET PRACTICES**

**(MP/PGDFMP)**

**Term-End Examination**

**June, 2024**

**MFP-003 : COMMODITY MARKETS**

*Time : 3 Hours*

*Maximum Marks : 100*

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

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1. What do you mean by 'Commodity Market' ? Explain the benefits of trading in Commodity Derivatives.
2. Explain Futures Contract and Forwards Contract. Differentiate Contracts from Forwards Contracts.
3. Discuss the role of National Bulk Handling Corporation (NBHC) and explain the services offered by NBHC. What are the benefits of NBHC to Banks ?

**P. T. O.**

4. What are the characteristics of Bullion Commodities ? Explain the major factors that impact the prices of Bullion Commodities.
5. What is the importance of Natural Gas ? Analyse the factors that impact natural gas price and discuss the natural gas scenario in India.
6. What is 'Emissions Trading' ? Discuss the use of futures on Carbon Credits for mitigating risk of increasing costs in control of pollution.
7. What is Basis and Basis Risk ? Explain the method for pricing Commodity Futures Contracts.
8. Discuss the concept of Arbitrage. Explain Cash and Carry Arbitrage and Reverse Cash and Carry Arbitrage.