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School of Finance and Commerce
Bachelor of Commerce Honours in Financial Market
Semester End Examination - Nov 2023

Duration : 180 Minutes
Max Marks : 100

Sem V - H1UC503T - Commodity Derivatives and Real Estate Markets

General Instructions

Answer to the specific question asked

Draw neat, labelled diagrams wherever necessary

Approved data hand books are allowed subject to verification by the Invigilator

- 1) What is the difference between leasehold and freehold properties? K1 (2)
- 2) Explain the term Index Future. K2 (4)
- 3) Distinguish between American Style Options and European Style Options contract. K2 (6)
- 4) Identify and explain the roles of different market participants in the derivatives market. K3 (9)
- 5) How do demographic trends and population growth impact the demand for land and property. K3 (9)
- 6) A trader implements a cash and carry arbitrage strategy by identifying lucrative arbitrage opportunities in the market. Justify the statement. K5 (10)
- 7) Compare and contrast futures contracts and forward contracts in terms of standardization, trading venue, and counterparty risk. K4 (12)
- 8) Hedgers, Traders and Speculators use derivatives for different purposes. Critically examine the above statement. K5 (15)
- 9) Assess the role of the strike price in determining the profitability of an option. K5 (15)
- 10) Evaluate the process of clearing and settlement in the derivatives market. K6 (18)