

B.B.A. SEM – VI (2015 CBCS Course) : SUMMER - 2019
SUBJECT : ELECTIVE – IV : 7) INTRODUCTION TO DERIVATIVES – EQUITY & CURRENCY (FINANCIAL MARKET)

Day : Wednesday
Date : 24/04/2019

S-2019-1995

Time : 10.00 AM TO 01.00 PM
Max. Marks : 100

N.B.

- 1) Attempt any **FOUR** questions from Section – I and any **TWO** questions from Section – II.
 - 2) Figures to the right indicate **FULL** marks.
 - 3) Answers to both the sections should be written in *SAME* answer book.
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SECTION – I

- Q.1** What do you mean by 'Derivatives'? Explain the terms put options and call options. (15)
- Q.2** Explain the factors affecting the determination of Option Prices. (15)
- Q.3** Explain the following terms: (15)
- a) Hedging
 - b) Speculation
 - c) Arbitrage
- Q.4** What do you mean by Currency Market? Explain the features of Currency Market. (15)
- Q.5** Write short note on any **TWO** of the following: (15)
- a) Pay off of futures
 - b) Option payouts
 - c) Clearing and settlement mechanism

SECTION – II

- Q.6** Write a detailed note on 'Future Pricing'. (20)
- Q.7** Which factors affect the determination of 'Exchange rate'? (20)
- Q.8** Write a note on 'Risk Management System through margins of different kinds'. (20)

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