

**B.B.A. (2010 COURSE) SEM- VI : WINTER - 2017**

**SUBJECT : ELECTIVE – IV: INTRODUCTION TO DERIVATIVES – EQUITY & CURRENCY  
(FINANCIAL MARKETS)**

Day : **Thursday**  
Date : **16/11/2017**

Time : **10.00 AM TO 01.00 PM**

**W-2017-1601**

Max. Marks : 70

---

**N.B.:**

- 1) Attempt **ANY FIVE** questions.
  - 3) Figures to the right indicate **FULL** marks.
- 

- Q.1** Explain how 'Currency Risk' is managed with the help of Derivative Tools. **[14]**
- Q.2** Differentiate clearly between 'SPOT' and 'FORWARD'. **[14]**
- Q.3** Define "Currency Futures". Explain Pay-Off in futures. **[14]**
- Q.4** Define the term "OPTION". In what way it is superior to 'Forward'? **[14]**
- Q.5** Define "Foreign Exchange Market". What are factors that affect Currency Market? **[14]**
- Q.6** Distinguish between "Hedging" and "Speculation". **[14]**
- Q.7** Discuss factors influencing exchange rate. **[14]**
- Q.8** Write short notes on **ANY TWO** of the following: **[14]**
- a) Arbitrage
  - b) Factors affecting option prices
  - c) National Stock Exchange and Derivatives

\* \* \* \*