

MFP - 02

Post-Graduate Diploma in Financial Markets Practice (PGDFMP)

ASSIGNMENT
For
January 2025 and July 2025 Sessions

MFP-02: Equity Derivatives

**(Last date of submission for January 2025 session is 30th April, 2025
and for July 2025 session; is 31st October, 2025)**



School of Management Studies
INDIRA GANDHI NATIONAL OPEN UNIVERSITY
MAIDAN GARHI, NEW DELHI – 110 068

ASSIGNMENT

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|------------------------|----------|----------------------------|
| Course Code | : | MFP-02 |
| Course Title | : | Equity Derivatives |
| Assignment Code | : | MFP-02/TMA/JAN/2025 |
| Coverage | : | All Blocks |

Note: Attempt all the questions and submit this assignment to the Coordinator of your study centre. Last date of submission for January 2025 session is 30th April, 2025 and for July 2025 session is 31st October, 2025.

1. What are SWAPs? Explain their main characteristics and applications. Describe the various kinds of SWAPs.
2. What is Index and Stock Futures? Explain the Trading Strategies that can be used to avoid risks associated with Futures Trading.
3. List the various Corporate Actions due to which the price of the Derivative Contracts has to be adjusted. How is the future price adjusted for dividend, stock split and bonus issues?
4. What is Option Premium? Explain the factors that affect Put and Call Option Premium.
5. Explain the Clearing and Settlement Mechanisms of Futures and Options Contracts.