

Post-Graduate Diploma in Financial Markets Practice (PGDFMP)

ASSIGNMENT
For
January 2025 and July 2025 Sessions

MFP -3: Commodity Markets
(Last date of submission for January 2025 session is 30th April, 2025
and for July 2025 sessions is 31st October, 2025)



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

ASSIGNMENT

Course Code	:	MFP -3
Course Title	:	Commodity Markets
Assignment Code	:	MFP -3/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. Explain the concept of Forward Trading. What are the advantages and disadvantages of a Forward Contract in relation to Commodities Trading?
2. Contact any two market participants and try to find out how they use commodity derivatives to mitigate risk. Give a critical analysis of the same.
3. What are the important base metals traded internationally on Commodity Exchanges? Write a short note on any two base metals.
4. What is 'Emissions Trading '? Discuss the use of Futures on Carbon Credits for mitigating risk of increasing costs in control of pollution.
5. Explain the major events that have led to the volatility in Crude Oil prices during the last 3 years.