No. of Printed Pages : 3 **MFP–003**

MANAGEMENT PROGRAMME/ POST GRADUATE DIPLOMA IN FINANCIAL MARKETS PRACTICE (MP/PGDFMP)

Term-End Examination

June, 2026

MFP-003 : COMMODITY MARKETS

Time : 3 Hours *Maximum Marks : 100*

Weightage : 70%

Note : *(i) Attempt any* ***five*** *questions.*

(ii) All questions carry equal marks.

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1. Explain the term Commodity Market and describe the commodity ecosystem in India. Discuss the benefits of trading in Commodity Derivatives.

2. What is the meaning of Exchange Traded Derivatives ? How are Exchange Traded Derivatives different from the Over-the-Counter Derivatives ?

3. Discuss the various types of Delivery Logic available for delivery of a Commodity. Explain the flow of activities that occur during delivery based settlement.

4. Explain the role of National Bulk Handling Corporation (NBHC). Discuss the services provided by NBHC and why these should be used ? What are the benefits of NBHC to Banks ?

5. What are the major factors that impact the Gold prices ? Discuss the impact of currency movement on Gold prices.

6. What do you mean by 'Weather Derivatives' ? What is the utility of these derivatives ? Briefly explain different products of these derivatives and comment on their use in international markets.

7. What is ‘Basis’ and ‘Basis Risk’ ? Explain the method for pricing Commodity Futures Contracts.
8. Explain the meaning and significance of Hedging. Discuss the applications of long and short Hedges and explain their benefits.

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