

23/7/24 (oe)

TB246602A

Reg. No :

Name :

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2024
2021 ADMISSIONS REGULAR
SEMESTER VI - OPTIONAL CORE (COMMERCE; OPTIONAL: CAPITAL MARKET)
CO6B24ACB18 - Derivatives

Time : 3 Hours

Maximum Marks : 80

Part A

I. Answer any Ten questions. Each question carries 2 marks

(10x2=20)

1. Recall the meaning of hedgers.
2. What is primary market?
3. Define sensex.
4. Differentiate between long position and short position.
5. Examine the meaning of direct quotation?
6. Describe the meaning of transaction cost?
7. Explain briefly maintenance margin.
8. What is variation margin?
9. Define options.
10. Explain put and call options.
11. List out the advantages of interest rate swaps.
12. Discuss the different types of currency swaps?

Part B

II. Answer any Six questions. Each question carries 5 marks

(6x5=30)

13. Point out the limitations of derivative markets.
14. Describe the various features of derivative contracts.
15. Explain the forward pricing of investment assets with no income.
16. Explain the forward pricing of investment assets with known cash income.
17. Explain the features of commodity futures.
18. Distinguish between forwards and futures.
19. Discuss the different variants of exotic options.
20. Explain the rationale of financial swaps.
21. Explain the role of intermediaries in swap contracts.



Part C

III. Answer any Two questions. Each question carries 15 marks

(2x15=30)

22. Explain the different traders in Derivatives market.
23. Explain the features of forward contracts.
24. Describe and illustrate the cost - of - carry model of futures pricing in perfect market environment.
25. Briefly explain the different types of Options.