C 20466 (Pages : 2) Name..

Reg. No......................................

SIXTH SEMESTER U.G. DEGREE EXAMINATION, MARCH 2022

(CBCSS–UG)

B.Com.

BCM 6B 15—FINANCIAL DERIVATIVES (FINANCE SPECIALISATION)

(2019 Admissions)

Time : Two Hours and a Half Maximum : 80 Marks

Section A

Answer atleast **ten** *questions.*
Each question carries 3 *marks.*
All questions can be attended.
Overall ceiling 30.

1. What is Derivative market ?
2. What is an Interest rate future ?
3. What do you mean Swaps ?
4. What is Basket option ?
5. What is Strangle ?
6. What is Currency future ?
7. What is making to market ?
8. What is Long position ?
9. List out the limitations of Forward contracts.
10. What is an Index options ?
11. What is Futures ?
12. What is Swaption ?
13. Who is Speculator ?

Turn over

14. Difference between Spot contract and Forward contract.
15. What is Employee Stock Options ?

(10 × 3 = 30 ma

Section B

Answer atleast **five** *questions.*
Each question carries 6 *marks.*
All questions can be attended.
Overall ceiling 30.

16. Explain the importance of derivative markets.
17. What are the difference between Arbitrage and Speculation ?
18. What are the functions of clearing house ?
19. Describe the functions of regulatory authorities in derivative market.
20. What are the advantages of Commodity futures ?
21. Difference between Intrinsic value and Time value options.
22. Explain the difference between Swaps and Futures
23. Explain the features of Currency futures.

(5 × 6 = 30

Section C

Answer any **two** *questions.*
Each question carries 10 *marks.*

24. Define Future contracts. Discuss the types of Future contracts.
25. Discuss the major players or participants of Derivative markets.
26. Explain the factors contributing to the growth of Derivatives.
27. Explain the role of clearing house in the future contracts.

(2 × 10 = 20