



OP – 227

IV Semester M.Com. Examination, November 2022

(CBCS)

COMMERCE

Paper – 4.1 : Commodity Markets

(Common to AT and FB)

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any seven** questions out of ten. **Each** question carries **two** marks.

(7×2=14)

1. a) Give meaning of exotic option.
- b) What is long position ?
- c) Mention the technical methods of quality assurance.
- d) What is bucketing ?
- e) What are underlying assets ?
- f) Give meaning of bonded warehouse.
- g) What are forward contracts ? How they are different from futures ?
- h) Give meaning of open interest.
- i) What are the functions of clearing house ?
- j) What is Hermetic Storage ?

SECTION – B

Answer **any four** questions out of six. **Each** question carries **five** marks. (4×5=20)

2. Explain briefly the objectives of commodity markets.
3. What is spot exchange ? What are its functions ?
4. What is meant by the 'delivery grade' in a commodity futures contract ? What is the problem with defining the delivery grade too narrowly ?

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5. What is the settlement price; the opening price and the closing price ?
6. List the factors that could cause futures prices to deviate from the forward prices.
7. Describe the role of hedgers, speculators and arbitrageurs in commodity futures markets.

## SECTION - C

Answer **any three** questions out of five. **Each** question carries **twelve** marks.

(3×12=36)

8. Explain various types of transactions to be dealt in commodity market.
9. What is mark to market ? What are the merits and risk involved in the strategy ? Explain.
10. What is the importance of quality in commodities trading ? Explain the quality measurement technique of Nickel and gaur seeds.
11. Explain the economic importance of commodity derivative exchange.
12. Discuss the role and functions of commodity boards. How they differ from FMC constituted in India ? Explain.

## SECTION - B

Answer any four questions out of six. Each question carries five marks. (4×5=20)

1. Explain briefly the objectives of commodity markets.
2. What is spot exchange ? What are its functions ?
3. What is meant by the 'delivery grade' in a commodity futures contract ? What is the problem with defining the delivery grade too narrowly ?