C–6469

Sub. Code
31044A

M.B.A. DEGREE EXAMINATION, APRIL 2022

Fourth Semester

Industry Integrated

FINANCIAL DERIVATIVES

(2017 onwards)

Duration : 3 Hours Maximum : 75 Marks

Part A (10 × 2 = 20)

Answer **all** questions.

1. Define Derivatives.

2. What is Option Greeks?

3. What is Currency Futures?

4. What is Put option?

5. What is Hedging?

6. State the difference between Index Options and Index Swaps.

7. Highlight any two features of Interest Rate Swaps.

8. What is Credit Spread Option?

9. What is Lookback Option?

10. What is Simulation?

Part B $(5 \times 5 = 25)$

Answer **all** questions.

11. (a) Discuss the features of Derivatives Market.

Or

(b) Discuss Black-Scholes Option Pricing Model.

12. (a) Highlight the features of Commodity Futures.

Or

(b) Explain Hedging using Index Derivatives.

13. (a) Explain Interest Rate Futures.

Or

(b) Discuss Hedging using Interest Rate Derivatives.

14. (a) Highlight the features of Currency Forwards.

Or

(b) Explain Hedging using Currency Derivatives.

15. (a) Explain Pricing using Simulation.

Or

(b) Discuss Asian Option.

Part C $(3 \times 10 = 30)$

Answer **all** questions.

16. (a) Elucidate the mechanics of Derivatives Market.

Or

(b) Enumerate the various methods of Currency Derivatives.

17. (a) Explain the various methods of Credit Derivatives.

Or

(b) Explain the features of Commodity market.

18. (a) Discuss Exotic Derivatives.

Or

(b) Explain valuation of Financially Engineered Securities.

———————