

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BCom DEGREE EXAMINATION MAY 2025
(Sixth Semester)**

Branch – **COMMERCE (ACCOUNTING & FINANCE)**

MAJOR ELECTIVE COURSE – II: COMMODITY MARKET

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks

(5 x 1 = 5)

1. Since which year SEBI has been regulating the commodity derivatives trading in India _____.
 (i) 1992 (ii) 1953
 (iii) 2015 (iv) 1956
2. Demand for gold is _____.
 (i) Relatively Elastic (ii) Perfectly Inelastic
 (iii) Inelastic (iv) Perfectly elastic
3. Future price higher than the spot price, is called as _____.
 (i) Conversion (ii) Divergence
 (iii) Contango (iv) Backwardation
4. Besides price risk, which are the risks that exist in spot market?
 (i) Delivery risk (ii) Transportation Risk
 (iii) Credit Risk (iv) All the above
5. In the past, which was the vibrant exchange dealing in turmeric futures _____.
 (i) Spices and Oilseeds Exchange Ltd., Sangli
 (ii) Kanpur Commodity Exchange
 (iii) Hapur Commodity Exchange
 (iv) None of these

SECTION - B (15 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks

(5 x 3 = 15)

6. a) Classify the Benefits of Copper Market.
 OR
 b) Explain about Market for Agricultural Commodities.
7. a) Analyze the Evolution of Commodity Derivatives.
 OR
 b) Identify the Pricing Derivatives.
8. a) Summarise the Commodity Exchange Ecosystem.
 OR
 b) Narrate the Risk in Commodity Market.

Cont...

9. a) Describe the Spot Futures Price Interactions.
OR
b) Discuss about basic Principles of Hedging.
10. a) Compare the Buying and Selling Options.
OR
b) Bring out the advanced option trading strategies.

SECTION -C (30 Marks)

Answer any **Three** questions

ALL questions carry **EQUAL** Marks

(3 x 10 = 30)

11. Categorize the Factors Affecting Commodities Prices.
12. Identify the Economic Importance of Commodity Derivatives Markets.
13. Enumerate the Features of Commodity future Market.
14. Analyze the Spread Trading versus Arbitrage.
15. Summarise the Taxation for Commodity Derivatives.

Z-Z-Z

END