

M.B.A.- II CBCS Pattern Semester-III
PCB3EB2 - Risk Management and Derivatives

P. Pages : 1

Time : Three Hours



GUG/S/24/10708

Max. Marks : 70

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- Notes : 1. Attempt **any five** question.
2. All questions carry equal marks.

1. How do you determine the Risk? Discuss the process for mitigating risks. 14
2. Comment “Index paly a economical significance role the Economy”. Discuss the construction issues in details. 14
3. Explain brief history of financial derivative market. Discuss its participants and economic function. 14
4. Explain the Binomial model of Valuation the option. How an Investor can take benefit of difference between the fair value and market value of option. 14
5. Define the Terminologies used in the options market. Discuss the Strategies of option. 14
6. Discuss the various types terminologies used in futures market. 14
7. SWAP is a technique of hedging in the international finance market. 14
8. “Foreign exchange risk refers to the risk that a business performance or position” Comment. 14
9. Discuss the economic function of derivatives market. 14
10. Write short note **any two**. 14
 - a) Free float Market capitalization.
 - b) Clearing mechanism.
 - c) Cost of Carry Model.
 - d) Option Greeks.
