Q 1) Which of the following are not part of hard commodities under commodities trading-

[a] Natural Gas
[b] Crude oil
[c] Precious base metals
[d] Live stocks
Q.2) Derivative Market is the market where the trade is undertaken through which of the following contracts-

1. Forwards
2. Futures
3. Swaps
4. Options

Codes:
[a]1, 2, 3 & 4
[b]2, 3 & 4
[c]1, 2 & 4
[d]None of the above
Q.3) Which of the following are not the advantages of futures contract-
[a] Futures are highly leveraged investments
[b] Future markets are very liquid
[c] Future markets are volatile.
[d] Affordable minimum-deposit accounts and control full-size contracts.
Q.4) What is the situation known as where futures contract prices are higher than the spot price-

[a] Embargo
[b] Contango
[c] Backwardation
[d] Convergence
Q.5) When the prices of spot, or contracts maturing earlier are higher than a particular futures contract, it is said to be

[a] Embargo
[b] Contango
[c] Backwardation
[d] Convergence
Q.6) The difference between spot and futures contract theoretically should have declining trend over the life of a contract and tend to become zero on the date on maturity and is known as-

[a] Embargo  
[b] Contango  
[c] Backwardation  
[d] Convergence