Enrollment Number: ....

Name: ....

M.COM DEGREE EXAMINATIONS, JULY 2025
Third Semester
M.Com
M21CM01SC – Stock Market Operations
(2023 July admissions)

Time: 3 Hours   Max Marks: 70

Section A

Answer any five of the following questions in two or three sentences each. Each question carries 2 marks.

1. What is a forward contract?

2. When does a bear calendar spread become profitable?

3. What is clearing and settlement?

4. Define resistance in stock trading.

5. What is exchanged in a currency swap?

6. Explain the meaning of IPO.

7. Describe the meaning of bearish candlesticks.

8. What determines the value of a derivative?

(2X5=10)

Section B

Answer any six of the following questions in a paragraph each. Each question carries 5 marks.

9. Explain the structure and components of a candlestick chart used in trading.

10. A trader purchases a 5-year government bond with a face value of ₹10,000 that pays an annual coupon rate of 7%. The bond is currently selling for ₹9,800. Calculate the yield to maturity (YTM).

11. What are the major advantages of trading in futures contracts?

12. What are the key futures trading strategies used by traders?

13. Discuss the role of breadth and sentiment indicators in understanding stock market trends.

14. Distinguish between a Forward Contract and an Option Contract.

15. Explain the types of Swaps.

16. What are the considerations of investment decision under Right Issue

17. Differentiate between Call Option and Put Option.

18. Explain the types of trading based on time frame.

(5X6=30)

Section C

Answer any two of the following questions in four pages each. Each question carries 15 marks.

19. Compare and contrast long trade and short trade strategies in options trading with suitable examples.

20. Explain the advantages and disadvantages of Forward Contracts?

21. Describe the meaning of trading and its types?

22. Analyse various behavioural biases in investment decision-making and explain the strategies to manage them effectively

(15X2=30)