Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
1	On exchange-traded Commodity futures, the prices of commodities are	announced and disseminated continuously	discovered and disseminated at the end of the day	discovered and disseminated at regular time interval	discovered and disseminated from time to time	discovered and disseminated from time to time
2	Hedging is price risk management mechanism that is used by a large number of stakeholders who have	little or no exposure to physical commodity	an exposure to the financial market	an exposure to the physical commodity	none of these	an exposure to the physical commodity
3	In an efficient futures market the spot and futures prices	diverge at the time of expiry of contracts	converge at the time of expiry of contract	converge at the time of squaring off contract	none of these	converge at the time of expiry of contract
4	What are the major benefits of futures trading for farmers and farming community?	price instability or increased price unpredictability	stability in the absence of predictable market condition	price fluctuation or increased price unpredictability	to cover price risk against the unpredictable changes in prices	to cover price risk against the unpredictable changes in prices
5	Interlinked international commodity market across continents are the drivers of strong and efficient	local market	segmented market	regional market	global market	global market
6	The process of protecting oneself against unpredictable changes in prices by shifting price risk to some one else is called	Arbitraging	hedging	investing	None of these	hedging
7	National level multi commodity exchanges like MCX & NCDEX came into existence in	1999	2001	2002	2003	2003
8	What is deliverable grade	The standard grade of commodities specified in contract specification, which can be complied while delivering against futures contract	Different varieties of the commodity available in additional delivery centres that can be delivered against futures contract	The varieties that have been specified as AGMARK grade can be deliverable against the futures contract	None of these	The standard grade of commodities specified in contract specification, which can be complied while delivering against futures contract
9	Please read the given statement and then select the right option as your answer: "Commodity derivatives market is based on principles of perfect	false	partially true	TRUE	Not sure	TRUE
10	What do you understand by circuit breaker?	It is trading halt of 30 minutes	It is a system of planned trading halt and price limit designed to provide a cooling off period during time of volatility	It is trading halt of 15 minutes without cooling off	It is trading halt of 20 minutes with cooling off	It is a system of planned trading halt and price limit designed to provide a cooling off period during time of volatility

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
11	Please read the given statement and then select the right option as your answer: "A futures contract is a legally binding agreement between the buyer and the seller, entered on Stock Exchange, to buy or sell a specified amount of an asset, at a certain time in the future, for a price that is agreed today".	True	partially true	false	Not sure	True
12	Among these, which does not fall under derivatives contract	ready	futures	forward	option	ready
13	What are the underlying in derivatives contract	commodities	currencies	equities	all the three	all the three
14	Please read the given statement and then select the right option as your answer: "A forward contract is a customizable derivative contract between two parties to buy or sell an asset at a specified price on a future date".	True	partially true	FALSE	Not sure	True
15	What is basis in derivatives contract	Difference between spot price and futures price is known as the basis	Futures price is equal to spot price	Futures price is more than spot price	Spot price is higher than futures price	Difference between spot price and futures price is known as the basis
16	If spot price of 10g of gold on April 29, 2019 was 22175, Whereas the June 2019 gold futures contracts on MCX was trading at 22265. What is the value of basis?	-90	+110	80	85	-90
17	When futures contract approaches maturity , the cost of carry	increases	decreases	remains constant	decreases initially and then increase	decreases
18	Supply and demand factors that affect commodity prices include	Production	import &export	Consumption	All the three	All the three
19	Technical analysis involves forecasting of futures price movements based on	demand & supply situation	behavioural study of historical price movement	expert analysis of price movements	perception of traders and client	behavioural study of historical price movement

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
20	Which contract is an agreement between two parties to buy or sell the underlying asset at a future date, at current date's pre agreed price	Forward	Futures	option	warrant	Forward
21	Which contract is an agreement between two parties to buy or sell the underlying asset at a future date, at today's futures price	Futures	Forward	option	swap	Futures
22	Which is not correct concerning futures contract?	entails an obligation rather than an option	contract price is set at the beginning of the	gains and losses are recorded at contract	contracts are exchange traded	gains and losses are recorded at contract expiration
23	The process of marking futures contract to market means	The profitability of the contract is locked from the onset of the contract	The amount of commodity to be delivered changes as price changes	The profit and losses to be debited/credited daily	The contracts are closed out as soon as they become unprofitable	The profit and losses to be debited/credited daily
24	Please read the given statement and then select the right option as your answer: "The seller of a forward contract is obligated to sell the underlying asset when the contract expires"	false	partially true	TRUE	Not sure	true
25	Margin imposed on both long and short sides over and above the other margins is called	Initial margin	Additional margin	Delivery margin	Special margin	Additional margin
26	Who is required to monitor market abuses such as circular trading , price rigging, and price manipulation according to the self governing regulation requirement	brokerage house	traders association	brokers association	stock exchange	stock exchange
27	Trader Work Station (TWS) is	Offline trading platform to facilitate placing of buy and sell orders	online trading platform to facilitate placing of buy and sell orders	online trading platform to clear buy and sell orders	online trading to facilitate squaring up rates	online trading platform to facilitate placing of buy and sell orders
28	Proprietary trade is denoted by the symbol	INST	OWN	CLI	PRO	OWN
29	A type of a order allows one to buy or sell a contract as soon as order is released in the system, if it does not find the match , it is removed from the	Good Till cancelled order	Day order	Immediate or cancel order	End of session order	Immediate or cancel order

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
30	As against OTC market, commodity derivatives exchange	Guarantees delivery of products in deliverable contracts	Guarantees delivery of product in all contracts	assists in delivery but does not guarantee it	does not guarantee delivery of products	Guarantees delivery of products in deliverable contracts
31	Depositors are required to pay to the warehouse owner the applicable charges for	storage and assaying	pest control	insurance	all the three	all the three
32	Which among these does the most to reduce default risk for futures contracts	credit checks for both buyer and seller	Flexible delivery arrangement	Marking to market	High liquidity	Marking to market
33	Commodity Index trading is an instrument that derives its value from underlying	Portfolio of commodities	portfolio of physical commodities	portfolio of financial instruments that include commodities	none of these	Portfolio of commodities
34	Please read the given statement and then select the right option as your answer: "The convenience yield reflects the market expectations concerning the futures availability of commodity"	false	partially true	TRUE	Not sure	true
35	What is short hedge	selling futures contract anticipating price would fall	buying futures contract anticipating price would rise	Simultaneously buying and selling futures contract	Simultaneously buying and selling cash contract	selling futures contract anticipating price would fall
36	What is long hedge	buying futures contract anticipating price would rise	Simultaneously buying and selling cash contract	selling futures contract anticipating price would rise	selling futures contract anticipating price would fall	buying futures contract anticipating price would rise
37	Who is the regulator for approving contract framework of commodity derivatives contracts to stock exchanges	SEBI	Government of India	Team of Commodity Experts	Niti Ayog	SEBI
38	Amongst the given options, which one is not correct?	futures contracts are marked to market	Futures contracts allow fewer delivery options than forward contracts	Futures contracts are more liquid than forward contracts	Futures contracts are traded on financial exchange	Futures contracts allow fewer delivery options than forward contracts
39	As per SEBI guidelines, each stock exchange is required to accredit warehouses	only Exchange owned	registered by WDRA	owned by WSP	only registered by SEBI	registered by WDRA
40	Who is responsible to exercise robust mechanism to ensure good delivery	Commission agent	warehouse service provider(WSP)	Clearing corporation	repository	Clearing corporation

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
41	Please read the given statement and then select the right option as your answer: "A warehouse service provider can be accredited with more than one exchange"	False	TRUE	partially true	Not sure	True
42	Under the staggered delivery mechanism , a buyer has to take delivery from prescribed delivery centre ----	On the same day	on the next day	on the expiry date	on T+2 day	on T+2 day
43	For a new long futures position taken during the day, if the closing price at the end of the day is lower than his transaction price	The buyer has incurred MTM loss	The Buyer has made MTM gain	Seller has incurred an MTM loss	The seller can ask more premium from buyer	The buyer has incurred MTM loss
44	For a new short futures position taken during the day, if the closing price at the end of the day is higher than his transaction price	The seller has incurred MTM loss	The seller has made MTM gain	buyer has incurred MTM loss	The buyer can ask more premium from seller	The seller has incurred MTM loss
45	Please read the given statement and then select the right option as your answer: "Derivatives markets exert positive influence on the efficiency of the markets of the underlying asset"	false	partially true	TRUE	Not sure	true
46	Which is a type of risk that is generally faced by the commodity stockists?	Commodity price risk	Seasonality	Geopolitical risk	none of these	Seasonality
47	What is a commodity price index?	It is weighted average of selected commodities	It is simple average of commodities produced in the country	Moving average of selected commodities	moving average of commodities produced in the country	It is weighted average of selected commodities
48	Please read the given statement and then select the right option as your answer: "Forward contracts are standardized in nature"	false	TRUE	partially true	Not sure	false
49	Who are the participants in commodity derivatives trading	farmers/processors	arbitragers	hedgers	All the Three	All the Three
50	Which one from among the given options, is not basic condition for suitability of commodity for futures trading	large demand and supply	Homogeneity & standardization	No control over supply	government control on prices	government control on prices

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
51	What purposes are served by the commodity market ecosystem?	logistics	Grading	storing and assaying	all the three	all the three
52	Apart from the price risk reduction what are the other benefits of hedging	certainty over the planting cycle	adjust cropping patterns	opt for higher revenue crops	All the three	All the three
53	Under which contract, payment and delivery happen immediately?	Ready	Futures	Option	swap	Ready
54	Which among the given options, is not a risk parameter covered in the contract specification?	Limit on open position	daily Price fluctuation limit	Additional delivery centre	Initial margin/extreme loss margin	additional delivery centre
55	From whom spot prices are polled by stock exchanges	Commission agent	physical market yard	market makers	empanelled polling participants	empanelled polling participants
56	What is pay-off?	pay off refers to profit or loss in trade	pay off refers to both profit and loss in trade	Pay off refers to loss	Pay off refers to profit	pay off refers to profit or loss in trade
57	Which is the correct definition of a long position?	When one enters into a contract to buy goods at futures price then it means taking a long position	When one enters into a contract to sell goods at futures price then it means taking a long position	When one enters into a contract to buy goods at current price then it means taking a long position	When one enters into a contract to sell goods at current price then it means taking a long position	When one enters into a contract to buy goods at futures price then it means taking a long position
58	Which is the correct definition of a short position?	When one enters into a contract to sell goods at futures price then it means taking a short position	When one enters into a contract to buy goods at futures price then it means taking a short position	When one enters into a contract to sell goods at current price then it means taking a short position	When one enters into a contract to buy goods at current price then it means taking a short position	When one enters into a contract to sell goods at futures price then it means taking a short position
59	What is meant by notified commodities	Central Government has notified commodities in which stock exchanges are permitted to trade in terms of provisions of SCRA	State Government has allowed futures trading in certain metal contract under jurisdiction of state boundary	Certain free commodities	The commodities wherein only TSD/NTSD contracts can be traded	Central Government has notified commodities in which stock exchanges are permitted to trade in terms of provisions of SCRA
60	How many commodities are currently notified?	100	91	120	125	91

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
61	Please read the given statement and then select the right option as your answer: "Whether it is correct to state that a party with a long position in a futures contract can directly ask the party with the short open position to deliver the underlying asset"	true	partially true	FALSE	Not sure	False
62	Which among the given options, are examples of tangible assets?	Patent	Trademark	Commodities Bullion/metals/wheat	Brand	Commodities Bullion/metals/wheat
63	Among these, who does not participate in commodity derivatives market?	Hedgers	gamblers	Arbitragers	All the three	gamblers
64	Hedgers are represented by	Day trader	commercial producers, processors, exporters and importers	market maker	Position trader	commercial producers, processors, exporters and importers
65	Which among the given options, is the objective of a hedger?	To earn risk less profit	To manage spot market price risk	To take price risk	None of these	To manage spot market price risk
66	What is prime objective of arbitrager?	To manage spot market price risk	To earn riskless profit by exploiting price differentials across markets or exchanges	To transfer price risk	None of these	To earn riskless profit by exploiting price differentials across markets or exchanges
67	Please read the given statement and then select the right option as your answer: "Is the statement futures contracts are not marketable instruments"	true	partially true	FALSE	Not sure	False
68	Among these, which is not a characteristic of Spot market?	party to party contract/customised	No collateral	Under control of respective state government	serves as risk management tool	serves as risk management tool
69	Among these, which is not a characteristic of commodity derivatives market?	underlying is Standardised as per Exchange specification. Has expiry date	underlying market is fragmented, price opacity	Demat settlement	underlying supply is uncertain, estimated	Demat settlement
70	Which among the given options, is not a benefit of commodity derivatives trading?	price risk management	price signal facilitating selling decision	no market access	pledge financing through warehousing and banks network	no market access

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
71	Which among the given options, is a prerequisite for starting trading in commodity derivatives market?	Opening Trading Account with a SEBI registered stock broker and completing the process of Know Your Client (KYC)	Should be trading in physical market	Should have adequate stock in warehouse/designated vault	Should have experience of trading on Regional exchange platform	Opening Trading Account with a SEBI registered stock broker and completing the process of Know Your Client (KYC)
72	What is trading time of Agri and Agri processed commodities on the stock exchanges?	9:00 am to 11: 30 pm	09:00 am to 3:30 pm	9:00am to 9:00pm	09:00 am to 5:00 pm	9:00am to 9:00pm
73	What is trading time of non Agri contracts on stock exchanges	9:00am to 10:30pm /11:50pm	9:00am to 11:30pm /11:55pm	9:00am to 10:30pm /11:00pm	9:00 am to 11:30pm /11:45pm	9:00am to 11:30pm /11:55pm
74	What are the various types of costs associated with trading in commodity derivatives market	Broker charges	Commodity transaction charges	Stock Exchange transaction charges	All the three	All the three
75	What is a benchmark price?	It is producing centre price	It is base price for establishing agreed price in a contract	It is main marketing centre price	It is a price disseminated from APMC	It is base price for establishing agreed price in a contract
76	What is a contract note?	It is evidence of trade done by the stock broker on behalf of the client	It is evidence of trade done by the client	It is evidence of trade done by the stock broker on his own account	It is agreement between the stock broker and the stock exchange	It is evidence of trade done by the stock broker on behalf of the client
77	What is meant by net bought position?	Long position	Short position	bull spread	bear spread	Long position
78	What is meant by net sold position?	Long position	Short position	bull spread	bear spread	short position
79	At time of expiry (due date) the outstanding contracts not settled are	rolled over	cash settled	credit settled	none of these	cash settled
80	Explain price discovery	Determination of prices of commodity by market forces	Determination of prices of commodity by buyer	Determination of prices of commodity by seller	Determination of prices of commodity by	Determination of prices of commodity by market forces
81	What benefits are derived from commodity derivatives trading :i) Price discovery ii) Risk Mitigation	only price discovery	only price risk management	both	none of these	both
82	Would additional margin be levied for deliverable position	No	As per situation	Yes	Not sure	YES
83	What is the need for regulating commodity derivatives market?	To protect and promote the interest of stakeholders and investors	To ensure fairness and transparency in trading	To carry out clearing and settlement functions effectively	all the three	all the three

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
84	Compulsory delivery is recommended so as to	facilitate threat of delivery	increase supply in spot market	increase demand from the end user	promote sharing service	facilitate threat of delivery
85	What do you achieve by threat of delivery?	The threat of delivery induces the convergence of spot and futures prices through arbitrage	The threat of delivery augments supply of the commodity in the spot market	The threat of delivery supports backwardation in futures prices	The threat of delivery supports contango in ready market	The threat of delivery induces the convergence of spot and futures prices through arbitrage process.
86	What is staggered delivery period?	Delivery in phased manner prior to 5 days of the expiry of the contract	Delivery in phased manner prior to 11 days of the expiry of the contract	Delivery in phased manner after 5 days of the expiry of the contract	None of these	Delivery in phased manner prior to 5 days of the expiry of the contract
87	What types of risk do the participants face in commodity derivatives market	Liquidity risk	Operational risk	credit risk	All the three	All the three
88	what is credit risk	Credit risk arises on account of default by counterparty.	Credit risk arises on account of default done by broker member	Credit risk arises on account of default done by client	none of these	Credit risk arises on account of default by counterparty.
89	Why credit risk is almost zero	clearing corporation takes responsibility for the performance of contracts.	Regulator takes the responsibility for the performance of contracts.	Member takes the responsibility for the performance of contracts.	None of these	clearing corporation takes responsibility for the performance of contracts.
90	What is market risk	It is the risk of loss on account of adverse movement of price.	Buyer 's loss due to rising prices	seller's loss due to falling prices	loss for both buyer and seller	It is the risk of loss on account of adverse movement of price.
91	What is liquidity risk	Buyer is unwilling to trade	It is a risk because of which making unwinding of transactions difficult, if the market is illiquid	Seller is unwilling to trade	None of these	It is a risk because of which making unwinding of transactions difficult, if the market is illiquid
92	What is legal risk	Risk on account of uncertainty in the applicability or interpretation of contracts, laws or regulations or due to uncertainty and complexities relating to successful delivery of stocks of specified quality.	Uncertainty about trading norms	uncertainty about WDRA law	none of these	Risk on account of uncertainty in the applicability or interpretation of contracts, laws or regulations or due to uncertainty and complexities relating to successful delivery of stocks of specified quality.

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
93	What is operational risk	Inadequate corpus to pay settlement obligation	risk arising out of some operational difficulties, like, failure of electricity, transporters strike etc. due to which it becomes difficult to operate in the market.	limited warehouse capacity to store the goods	none of these	risk arising out of some operational difficulties, like, failure of electricity, transporters strike etc. due to which it becomes difficult to operate in the market.
94	What are the different types of margins payable on commodity futures	Initial Margin	Extreme loss margin	Special margin /additional margin	tender period/delivery period margin	All the four
95	What is initial margin	It is the amount to be deposited with designated bank before starting to trade	It is the amount to be deposited with the Exchange before starting to trade	It is the amount to be deposited by the market participants in his margin account with Clearing Corporation before they can place order to buy or sell a futures contract.	It is the amount to be deposited with the regulator before start to trade	It is the amount to be deposited by the market participants in his margin account with Clearing Corporation before they can place order to buy or sell a futures contract.
96	How mark to market is determined	It is determined by taking weekly average	it is determined on the basis of closing prices at the end of each trading day	It is determined by considering two days average futures price	None of these	it is determined on the basis of closing prices at the end of each trading day
97	Mark to market is payable by a buyer when	price declines	price rises	price rises as well as falls	none of these	price declines
98	Mark to market is payable by a seller when	price declines	price rises	price rises as well as falls	none of these	price rises
99	Under whose guidance Investor protection Fund(IPF) has been set up by stock exchanges?	SEBI	RBI	IRDA	Central Government	SEBI
100	What is purpose of Investor protection Fund	Creating awareness and educating general public and stakeholders about benefit of trading on commodity derivatives market	To fulfil corporate social responsibilities(CSR)	To redress the grievances of the investors	To facilitate buyer against delivery default	Creating awareness and educating general public and stakeholders about benefit of trading on commodity derivatives market

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
101	What is function of Investor protection Fund	To compensate legitimate claims of the investors against defaulting member through whom they trade	To monitor trading activity and protect the interest of the investors	To utilise fund for fulfilling delivery obligation	None of these	To compensate legitimate claims of the investors against defaulting member through whom they trade
102	An arbitration reference for a claim / counter claim above Rs.25 lakh shall be dealt with by	Panel of Clearing corporation	Panel of three arbitrators	Monitoring and surveillance panel of SEBI	None of these	Panel of three arbitrators
103	Which category of institutional participants from amongst the given options, have been permitted by SEBI to participate in the commodity derivatives market to improve liquidity?	Category III Alternative Investment Funds (AIFs)	Mutual funds & portfolio managers	Eligible Foreign Entities (EFEs) having actual exposure to Indian commodity markets	All the three	All the three
104	Who is disseminating daily Settlement Price (DSP) at the end of every trading day	Clearing corporation	Stock Exchange	NERL	SEBI	Clearing corporation
105	Please read the given statement and then select the right option as your answer: "Mark to market profit or loss is done at daily settlement price"	false	TRUE	partially true	Not sure	true
106	Please read the given statement and then select the right option as your answer: "The daily profits/losses of the members are settled through using the daily settlement price"	TRUE	FALSE	partially true	Not sure	true
107	How daily settlement price i.e. closing price is being calculated?	It is calculated on the basis of the last half an hour weighted average price of contract	It is calculated on the basis of the last one hour weighted average price of contract	It is calculated on the basis of the last half an hour of simple average price of contract	It is calculated on the basis of the last one hour of simple average price of contract	It is calculated on the basis of the last half an hour weighted average price of contract
108	Please read the given statement and then select the right option as your answer: "Futures contracts are zero sum game"	false	TRUE	partially true	Not sure	true
109	Why it is said that futures contracts are zero sum game	losses and gains to all positions net out to zero	losses and gains to all positions net out to be negative	losses and gains to all positions net out to be positive	None of these	losses and gains to all positions net out to zero

Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
110	What is meant by convergence in derivatives market	Basis is zero (When the difference between ready and futures price is zero)	Basis is higher	Basis is lower	Basis is higher than actual prices	Basis is zero(When the difference between ready and futures price is zero)
111	When convergence happens	In the beginning of the running contract	At the contract expiry	Midst of the running contract	After one month duration of running contract	At the contract expiry
112	When basis is positive	Futures price is higher than spot price	Futures price is equal to spot price	Spot price is higher than futures price	Near month futures is higher than spot price	Futures price is higher than spot price
113	When basis is negative	Near month futures is lower than spot price	Spot price is higher than futures price	Futures price is equal to spot price	Futures price is higher than spot price	Spot price is higher than futures price
114	Who plays role for convergence of spot and futures to happen?	Hedgers	Market maker	Arbitrager	None of these	Arbitrager
115	How arbitrager reaps the benefit when futures price is higher than the spot price	Sell and buy from futures market	Sell and buy from spot market	sell in futures market and simultaneously buy from spot market	Buy in futures market and simultaneously sell	sell in futures market and simultaneously buy from spot market
116	How arbitrager reaps the benefit when spot price is higher than the futures price	Sell in spot market and simultaneously buy from futures market	Sell and buy simultaneously from futures market	Sell and buy simultaneously from spot market	sell in futures market and simultaneously buy from spot market	Sell in spot market and simultaneously buy from futures market
117	Carrying cost involves	insurance	interest	storage cost	All the three	All the three
118	How final settlement price (FSP) is arrived at?	The FSP is arrived at by taking the simple average of the last polled spot prices of the last three days viz., E0 (expiry day), E-1 and E-2.	FSP is arrived at by taking simple average of prices of 15 days of basis centre prior to due date	FSP is arrived at by taking simple average of prices of 10 days of additional centres as well as basis centre prior to due date	FSP is arrived at by taking simple average of prices of 5 days of basis centre prior to due date	The FSP is arrived at by taking the simple average of the last polled spot prices of the last three days viz., E0 (expiry day), E-1 and E-2.
119	What is delivery/expiry month	It is the specified month in which giving/taking delivery happens	It is the specified month within which a futures contract matures.	It is the specified month in which contracts are offset and residual outstanding position is marked for delivery	None of these	It is the specified month within which a futures contract matures.

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
120	What is offset	It refers to exitting the futures market	It refers to liquidation of a futures contract by entering into opposite (purchase or sale, as the case may be) of an identical contract.	It refers to entering into selling transaction for giving delivery intention	It refers to entering into buying transaction for taking delivery	It refers to liquidation of a futures contract by entering into opposite (purchase or sale, as the case may be) of an identical contract.
121	What is cash settlement	It is process of performing futures contract by giving delivery through payment of cash	It is process of honouring the futures contract, while dispensing with delivery	It is a process for performing a futures contract by payment of money difference rather than by delivering the physical commodity at the time of maturity of contract.	None of these	It is a process for performing a futures contract by payment of money difference rather than by delivering the physical commodity at the time of maturity of contract.
122	Please read the given statement and then select the right option as your answer: "Mark to market implies adjusting the margins after every transaction"	FALSE	TRUE	Partially true	Not sure	FALSE
123	What do you understand by volatility	Estimation of changes in price over given period of time	It is a measurement of the variability rate (but not the direction) of the change in price over a given time period.	measurement daily change in the price trend	None of these	It is a measurement of the variability rate (but not the direction) of the change in price over a given time period.
124	Which among the given options, is incorrect regarding role of clearing corporation	collects different types of margins and computes obligations	arranges for pay-in and pay-out of funds	assumes the counter-party risk of each member and	facilitates off market transactions	facilitates off market transactions
125	What is novation	Stock exchange interposes between buyers and sellers as a legal counterparty	Clearing Corporation becomes buyer to every seller and seller to every buyer	Designated banks interpose between buyers and sellers as a legal counterparty	None of these	Clearing Corporation becomes buyer to every seller and seller to every buyer
126	Which among the given options, is included in the contract note	Birth date of investor	education details of investor	Arbitration clause	bank account details of investor	Arbitration clause
127	Why unique client code(UCC) is required	It will enable accessing the stock exchange trading details	It will facilitate arbitration opportunities	It will permit to trade on the stock exchange platform	It will help to track trading screen of the stock exchange	It will permit to trade on the stock exchange platform
128	What is inverted futures market	Near month prices are higher than far month	Near month prices are lower than far month	Near month prices are equal to far month	None of these	Near month prices are higher than far month

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Sr. No.	Queries	Answer Choices				
		A	B	C	D	Correct Answer
129	What is normal futures market	Near month prices are lower than far month prices	Near month prices are higher than far month prices	Near month prices are equal to far month prices	None of these	Near month prices are lower than far month prices
130	Please read the given statement and then select the right option as your answer: "Low inventories tend to lead to high convenience yield and high inventories tend to lead low convenience yield"	false	TRUE	partially true	Not sure	true
131	Please read the given statement and then select the right option as your answer: "Mark-to-market ensures financial integrity of the markets"	true	false	partially true	Not sure	true

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				Futures contracts are trade on financial	
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exchange	Futures contracts allow fewer delivery options than forward contracts		

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