

# BHARAT SCHOOL OF BANKING

## Commodity, Hedging, Blue Chip, Bull and Bear

( Commodity Market, Hedging, Blue Chip, Bear and Bull )

1. A commodity market is a market that trades in primary/raw products, rather than manufactured products. Commodities include -
  - a. Soft commodities, like wheat, cocoa, sugar, etc (agricultural products)
  - b. Hard commodities, like gold, rubber, oil, etc (mined products)
  - c. **Both (a) and (b)**
  - d. None of the above
  
2. Commodity Market trading can include -
  - a. Physical trading
  - b. Derivatives trading (futures, forwards, options, etc.)
  - c. **Both (a) and (b)**
  - d. None of the above
  
3. Which of the following is/are commodity exchanges of India?
  - a. Multi Commodity Exchange (MCX)
  - b. National Commodity and Derivatives Exchange (NCDEX)
  - c. National Multi-Commodity Exchange (NMCE)
  - d. **All of the above**
  
4. Which of the following is the regulatory body of Commodity Market / Derivative Market?
  - a. Reserve Bank of India (RBI)
  - b. Securities and Exchange Board of India (SEBI)
  - c. **Forwards Market Commission (FMC)**
  - d. None of the above

\* **FM ArunJaitley announced merger of FMC with SEBI in his Budget 2015-16 speech**
  
5. Who is the current chairman of Forwards Market Commission (FMC)?
  - a. **RameshAbhishek**
  - b. RaghuramRajan
  - c. U.K.Sinha
  - d. S.S.Mundra
  
6. Hedging is the process of -
  - a. increasing risk
  - b. **reducing risk**

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- c. increasing profit
- d. reducing profit

7. Nationally recognized and financially sound companies, investment on which is considered reliable are known as -

- a. Blue Chip companies
- b. Red Chip companies
- c. Green Chip companies
- d. Black Chip companies

8. Which of the following is/are considered as Blue chip companies of India?

- a. HDFC
- b. Reliance
- c. Infosys
- d. All of the above

9. In market trends, Bull market is -

- a. A period of generally rising share prices in stock market
- b. A period of generally lowering share prices in stock market
- c. A period of generally stagnant share prices in stock market
- d. None of the above

10. Which of the following is true regarding Bear and Bull in market trends?

- a. Bear means upward and Bull means downward market trends
- b. Bear means downward and Bull means upward market trends
- c. Bear means stagnant and Bull means upward market trends
- d. Bear means upward and Bull means stagnant market trends