

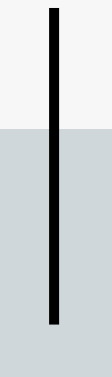


# **NISM-Series-XVI: Commodity Derivatives Certification**

***Session: Online Live Interactive / Onlive Self-paced***

## SKILLS YOU WILL LEARN!

- Derivatives
- Finance
- Commodity Trading
- Futures
- Derivatives Trading
- Risk Management
- Financial Modelling
- Trading
- Commodities
- Forwards

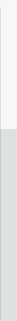


# ABOUT NISM:



The National Institute of Securities Markets (NISM) is a public trust established in 2006 by the Securities and Exchange Board of India (SEBI), the regulator of the securities markets in India. The institute carries out a wide range of capacity-building activities at various levels aimed at enhancing the quality standards in securities markets.

The institute's six schools of excellence work in synergy towards creating professionalized 25 SEBI-mandated and voluntary examinations on various products and functional domains of securities markets conducted across 250+ accredited test centers across the country.



# ABOUT

## EMPIRICAL F&M ACADEMY:

A Centre of Excellence for Professional Trading Development and Enchase Empirical Academy, the education and training programs have been specially designed to meet the different needs of individuals and professionals. The education delivery formats such as seminars, courses, and e-Training allow participants to choose their preferred mode of learning and achieve the desired learning outcomes.

Empirical Training Institute with long-term and Short term Job Oriented skill development courses with offline and online classes. Our specialization is in Job Oriented Training Courses in Accounts, Banking & Financial Market segments, We offer short-term crash courses on Stock Market, Derivatives Market, Commodities & Forex Market, Technical Analysis, Fundamental Analysis, Futures & Options, Options strategy, Equity Research, Investment Advisors, Mutual Funds, Insurance Sector, Banking sector and Tax Saving Instruments etc from basic to advanced. Our specialization is because we have a special focus on Quality Education.

Take a deep dive into the world of financial markets with industry experts to make smart and edge decision for investment in market.



# ABOUT NISM-SERIES-XVI

The Commodity Derivatives examination seeks to create a common minimum knowledge benchmark for associated persons functioning as approved users and sales personnel of the trading members in the commodity derivatives segment of a recognized stock exchange.

The examination aims to enable a better understanding of various derivatives products available in commodity derivatives markets, regulations and risks associated with the products and the exchange mechanisms of trading, clearing and settlement.



# OBJECTIVES:

On successful completion of the Commodity Derivatives examination, the candidate should:

- Know the basics of the Indian commodity derivatives markets.
- Understand various trading strategies that can be built using commodity derivatives.
- Understand various trading strategies that can be built using commodity derivatives.
- Know the regulatory environment in which the commodity derivatives markets operate in India.



# CERTIFICATES BENEFITS:

- Better Job Opportunities and Career Advancement in the Financial Sector
- Improved knowledge and understanding of commodity trading, risk management, derivatives market operations, and compliance in commodity derivative markets.
- Stay up-to-date

# COURSE DETAILS:

- The total fee of the course is Rs 10,000 (Rs 11,800 is actual course fees Rs 1800 is GST).
- NISM exam registration fees is included in the above mention Course Fees.
- 10 Mock Exams (5 online mock exams & 5 mock papers shared for self-practice).
- Sessions would cover doubt solving from the Mock Exams.
- Online Interactive Session for the practice on software's required in particular module.



# ELIGIBILITY:

- Interested students/professionals.
- Students (10th, 10+2, Undergraduates, Graduates, Post- graduation)
- 10 Mock Exams (5 online mock exams & 5 mock paper shared for self-practice).
- Investors and traders
- RM, SRM, & Dealers who would like to enhance their career opportunities.
- Any other individuals

## **JOB OPENINGS ON LEADING JOB PORTALS FOR SERIES-XVI: CERTIFICATE CANDIDATES:**

Candidates in these stock courses get JOBS in commodity trading, risk management, derivatives market operations, and compliance in commodity derivative markets. Professionals can also use these courses to enhance their knowledge/skills and guide/assist their clients in making investment decisions.





# GUIDE FOR NISM REGISTRATION PROCESS:

[https://www.nism.ac.in/wp-content/uploads/2020/12/Registration\\_Guidelines-NISM-and-CPE.pdf](https://www.nism.ac.in/wp-content/uploads/2020/12/Registration_Guidelines-NISM-and-CPE.pdf)

## TEST DETAILS:

### Name of Module: NISM-Series-XVI: Commodity Derivatives Certification

- Duration 120 mins
- Format Multiple Choice
- Number of Questions 100 Questions
- Validity of Certificate: 3 Years
- Examination Fee Rs 1500
- Exam Language English
- Pass Score 50%

\* No negative marks for incorrect answers.

+ Payment gateway charges extra.

# Passing Certificate will be issued only to those candidates who have furnished/ updated their Income Tax Permanent Account Number (PAN) in their registration details.

*Call us for Special Discount on Individual and Customized Corporate Training*

## REGISTRATION NOW:

<https://rzp.io/l/lbHFG7X>



## CONTACT NOW:

Counsellor: +91 9137180194 | +91 9137386493

Email us : [helpdesk@empiricalacademy.net](mailto:helpdesk@empiricalacademy.net)

WhatsApp: <https://wa.me/+919137180194>

# **COURSE CONTENT FOR THE NISM-SERIES-XVI: COMMODITY DERIVATIVES CERTIFICATION**

## ***I. Introduction to Commodity Markets***

- A. History of Commodity Trading
- B. Spot and Derivatives Trading in Commodities
- C. Major Commodities Traded in Derivatives Exchanges in India
- D. Participants in Commodity Derivatives Markets
- E. Commodities Trading vis-à-vis Trading in Other Financial Assets
- F. Commodity Markets Ecosystem
- G. Factors Impacting the Commodity Prices
- H. Commodity Options and Index Futures

## ***II. Commodity Futures***

- A. Introduction to Futures
- B. Distinction between Forwards and Futures
- C. Cost-of-Carry
- D. Convergence
- E. Fair Value of a Futures Contract
- F. Convenience Yield
- G. Commodity Futures and Commodity Forwards
- H. Pay-off Profile for Futures Contracts
- I. Spot Price Polling and Final Settlement Price of Futures

## ***III. Commodity Options***

- A. Introduction to Options
- B. Option Terminology
- C. Pay-off Profiles of Options Contracts
- D. Determinants of Option Premium
- E. Options on Commodity Futures
- F. Options on Goods

## ***IV. Commodity Indices***

- A. Commodity Index
- B. Index Construction and its Constituents
- C. Trading in Index Futures
- D. Uses of Index Futures

## ***V. Uses of Commodity Derivatives***

- A. Hedging
- B. Long Hedge and Short Hedge Strategies Using Futures
- C. Speculation
- D. Arbitrage
- E. Spread Trading
- F. Basis
- G. Option Trading Strategies
- H. Hedging Strategies Disclosure Norms

## ***VI. Trading Mechanism***

- A. Membership on Exchanges Having Commodity Derivatives Segment
- B. Trading System in the Exchanges
- C. Selection Criteria of Commodities for Trading on Derivatives Exchanges
- D. Contract Specifications for Commodity Derivatives Contracts
- E. Profit/Loss per Contract for a Change of One Tick
- F. Order Types and Conditions
- G. Tracking Commodity Futures and Options Prices
- H. Participants in Commodity Derivatives
- I. Disclosures by Exchanges

## ***VII. Clearing Settlement and Risk Management of Commodity Derivatives***

- A. Clearing Corporation
- B. Clearing and Settlement
- C. Delivery Process
- D. Entities Involved in the Clearing and Settlement Process
- E. Premium/Discount
- F. Penalty for Delivery Default
- G. Deliveries in the Case of Physical Delivery
- H. Risk Management for Exchange Traded Commodity Derivatives Markets
- I. Position Limits and Computation of Open Position
- J. Salient Features of Risk Containment Measures
- K. Margining Mechanism
- L. Additional Procedures for Other Market Segments
- M. Raising of Bill for Delivery

## ***VIII. Accounting and Taxation***

- A. Important Accounting Aspects related to Trading in Commodity Derivatives
- B. Guidance Note Issued by ICAI on Accounting Treatment of Derivative Transactions
- C. Accounting of Options Contracts
- D. Important Tax Aspects Related to Trading in Commodity Derivatives

## ***IX. Legal & Regulatory Environment of Commodity Derivatives***

- A. Regulatory Structure of Commodities Market
- B. Securities Contracts (Regulation) Act, 1956
- C. Securities and Exchange Board of India Act, 1992
- D. Other Regulatory Norms to Encourage Commodity Derivatives
- E. SEBI's Code of Conduct for Brokers
- F. Risk Disclosure to Client and KYC
- G. Investors Grievance Redressal Mechanism
- H. Rights and Obligations of Members and Clients
- I. Additional Do's and Don'ts for Clients / Investors in Commodity Derivatives