



Class Room Lecture on "Commodity Awareness Programme"

TITLE	Class Room Lecture on "Commodity Awareness Programme"
Date	Sep 16, 2019 - Sep 16, 2019
Summary	<p>Academic Committee, RDIAS, organized classroom lecture on the topic "Commodity Awareness Programme" for the students of MBA & BBA. The resource person of the session was Mr. Vinit Kaler, Senior Manager, Multi Commodity Exchange of India Limited (MCX).</p> <p>In his session, he explained the different Interlinked Asses classes namely: Capital Market, Debt Market, Forex Market, Commodity Market, and Money Market. He also stated that financial markets are the mechanisms that allow people to participate in trade consisting of these 5 markets. He gave a practical exposure to students regarding the live stock exchange rates and how people bear risk or earn profit during the same. For example, a person bought gold at INR 38,000 and now wishes to sell it but current rate is at INR 36,000, the person has to bear a loss of INR 2,000. Stating an example he explained the rate fluctuations of Jewellery purchasing. The rate of 10 grams gold varies with purchasing requirements. The price of raw Gold varies with the gold going for processing to finished product. These risks are being measured by an instrument known as Commodity Derivative. Commodity derivatives are investment tools that allow investors to profit from certain commodities without possessing them.</p> <p>He also advised to always go for portfolio diversification so as to invest money in different sources of investments. Briefing about the Regulatory Overview of these markets, the chain of command is as follows:</p> <ol style="list-style-type: none"> SEBI Stock Exchange Members Clients <p>Adding to it, he explained the types of derivatives which are:</p> <ol style="list-style-type: none"> Forward Contract Future Contract Options <p>Summing up the session, he ended the session with explaining the Do's and Dont's while making investments. Few of the examples are:</p> <p>DO's: Trade only through registered members, Update your mobile number and email id with brokers</p> <p>DON'T's: Do not make payments in cash, Do not get carried away with advertisements, rumours or hot tips regarding markets.</p> <p>Students' queries were addressed after the session ended. Overall the session was full of new understandings and knowledge.</p>