

Annexure I – Syllabus Outline

NISM-Series-I: Currency Derivatives Certification Examination

Objective of the Examination

The examination seeks to create a common minimum knowledge benchmark for the approved users and sales personnel trading in the Exchange Traded Currency Derivatives contracts. The examination aims to enable a better understanding of various derivatives products available in exchange traded currency derivatives markets, risks associated with those products and the trading, clearing and settlement mechanisms of currency derivatives. The examination also covers knowledge competencies related to the understanding of regulations governing the currency derivatives markets in India.

On successful completion of the examination, the candidate should:

- Know the basics of currency markets and specifically exchange traded currency derivatives markets.
- Understand the analytical framework of currency futures and currency options that are traded in the Indian derivatives exchanges.
- Understand various hedging, trading and arbitrage strategies that can be built using currency derivatives.
- Understand trading, clearing, settlement and risk management of exchange traded currency futures and currency options.
- Know the regulatory environment in which the exchange traded currency derivatives markets operate in India.

Examination Specifications

This is a computer-based examination with multiple choice questions.

The examination consists of 100 questions of 1 mark each adding to 100 marks.

The examination should be completed in 2 hours.

There shall be negative marking of 25% of the marks assigned to the question for each wrong answer.

The passing score for the examination is 60 marks.

Syllabus Outline with Weights

Unit No.	Unit Name	Weightage
Unit 1	Introduction to Currency Markets	10
Unit 2	Foreign Exchange Derivatives	5
Unit 3	Exchange Traded Currency Futures	20
Unit 4	Exchange Traded Currency Options	20
Unit 5	Strategies using Exchange Traded Currency Derivatives	10
Unit 6	Trading Mechanism in Exchange Traded Currency Derivatives	10
Unit 7	Clearing, Settlement and Risk Management in ETCD	10
Unit 8	Regulatory Framework for Exchange Traded Currency Derivatives	5
Unit 9	Accounting and Taxation of ETCD	5
Unit 10	Codes of Conduct and Investor Protection Measures	5
