A Monk Who Trades

VOLUME THREE

A TOOL TO REACH OUT TO OUR STAKEHOLDERS, ABOUT THE DOS, DON'TS AND EVERYTHING IN BETWEEN ABOUT EXCHANGES !

MCX METAL & ENERGY
Trade with Trust

MCX INVESTOR PROTECTION FUND

PRESENTS A COLLECTION OF OUR COMIC STRIPS



WE TAKE OUR COMICS VERY SERIOUSLY

'A Monk Who Trades' started out as a tool to reach out to our stakeholders about the Dos, Don'ts and everything in between about exchanges and their functions. We wanted it to be educative without being academic. This is when we thought humour could be the right vehicle to get the message across, and thus a new comic strip was born. This, in a highly regulated category that has a reputation of all work and no play, has been received exceptionally well. Which is why we decided to commemorate the fact that we are now three years old, with a book that chronicles our journey in the years gone by.

Hope you have as much fun reading it as we had creating it.







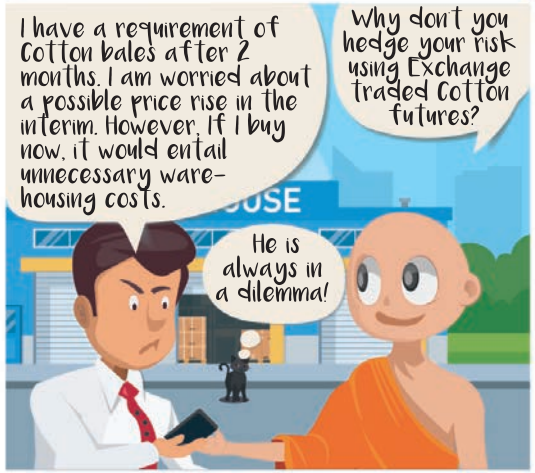
At MCX, we have always strived to educate and create awareness amongst all market stakeholders on the nuances of the commodity derivatives market. From time to time, we disseminate messages for investor awareness through various mediums and forums. In order to attract the attention of readers, it is imperative to innovate on new methods of knowledge sharing, which are easy to understand and which build links to real-life situations. 'A Monk Who Trades' comic series is one such attempt to spread awareness among our stakeholders.

The series attempts to help the reader decipher terms connected to the commodity derivatives market using easy-to-understand graphic stories, with a dash of humour. Two volumes of the comic series have been published so far, both of which have gained immense popularity among all sections of readers, and I am pleased to present Volume 3 of this series. I hope readers like the content of this Volume too, and, more importantly, assimilate the knowledge that we have attempted to spread through this publication.

Enjoy reading!

P. S. Reddy
MD & CEO

A Monk Who Trades







DID YOU KNOW? Only buyers who have their positions open during the tender period may get delivery marked by the seller.

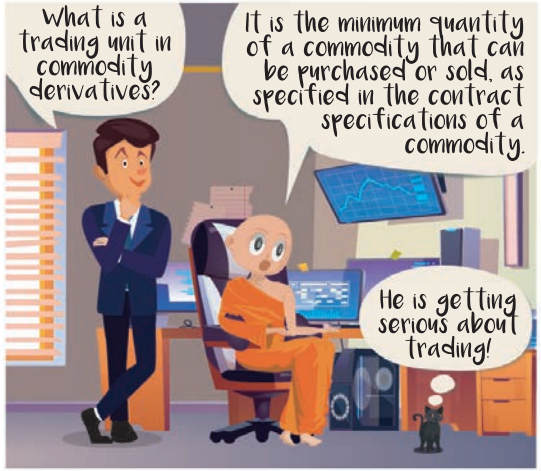
Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

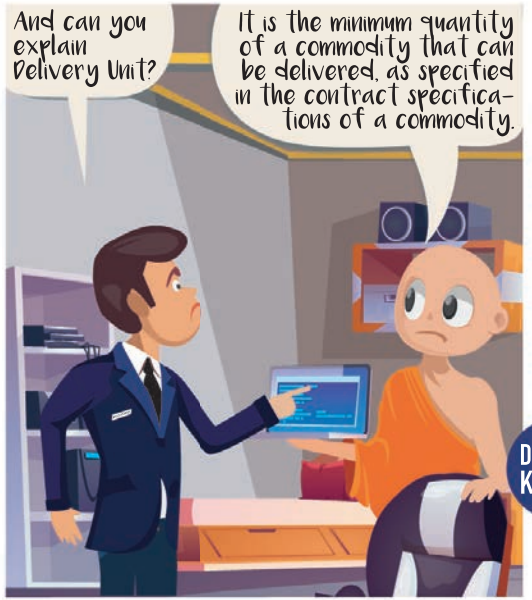
TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

A Monk Who Trades







DID YOU KNOW? In case of commodity derivatives, one can purchase/sell commodities only in multiples of the trading unit.

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

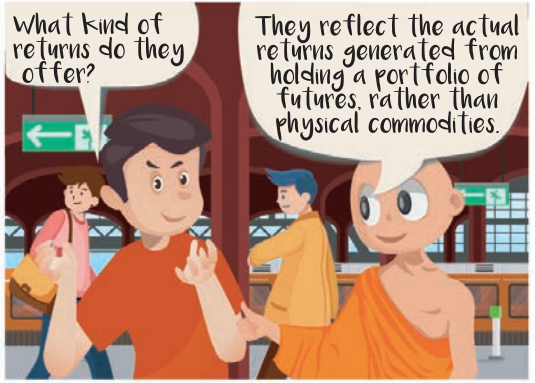
TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

A Monk Who Trades







DID YOU KNOW? Trading in sectoral commodity indices offers the benefit of investing in a basket of commodities within that sector.

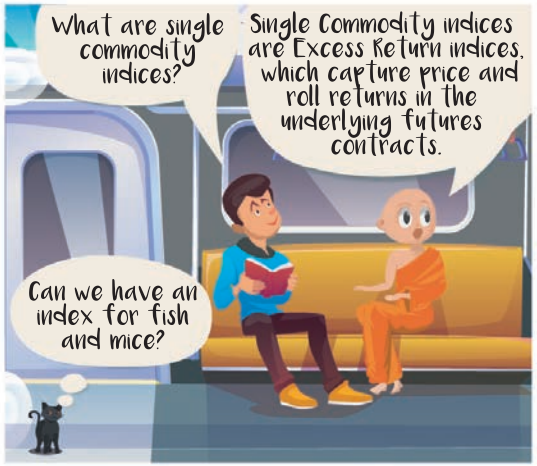
Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

A Monk Who Trades







DID YOU KNOW? While single commodity indices are available for tracking purposes, trading is done in sectoral index futures.

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

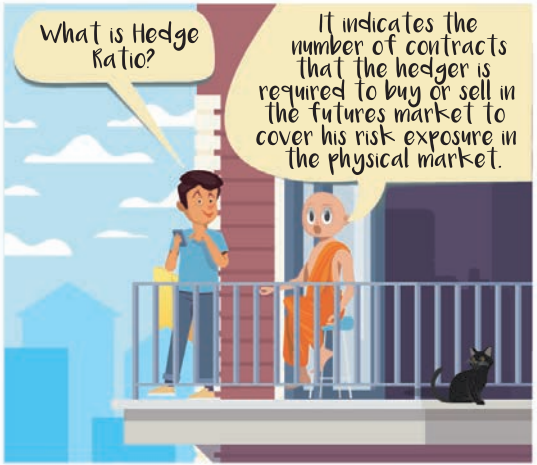
MCX METAL & ENERGY Trade with Trust

MCX INVESTOR PROTECTION FUND

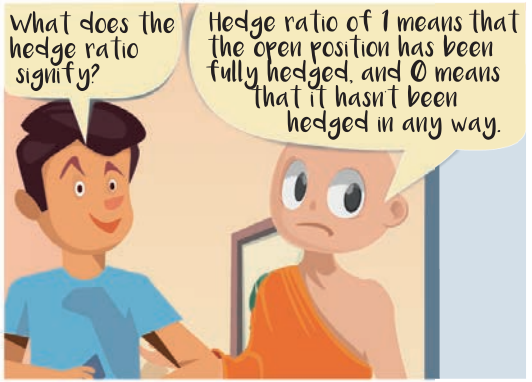
TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

A Monk Who Trades







DID YOU KNOW? Hedge ratio is an efficient parameter to understand hedging requirement.

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

A Monk Who Trades







DID YOU KNOW? Apart from stop loss order, there are various other types of orders that can be placed at the exchange while trading.

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

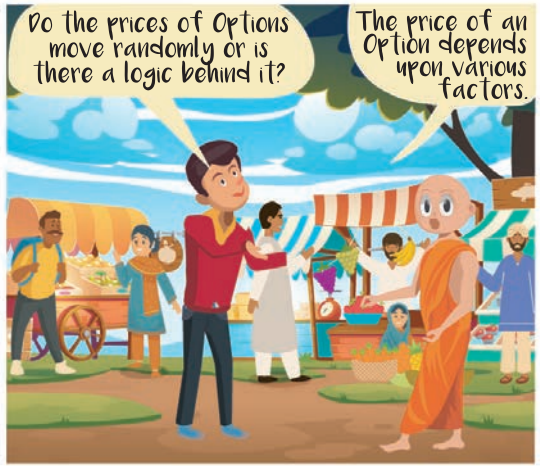
MCX METAL & ENERGY Trade with Trust

MCX INVESTOR PROTECTION FUND

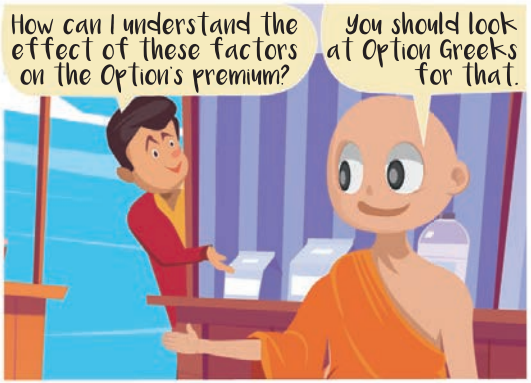
IF YOU NOTICE ANY ILLEGAL ACTIVITY, PLEASE REPORT WITH DETAILS ON ENFORCEMENT@MCXINDIA.COM OR CALL US ON 91-22-6649 4150

Scan to watch this week's video

A Monk Who Trades







DID YOU KNOW? Option Greeks are used to understand the effect of different factors on Option premium.

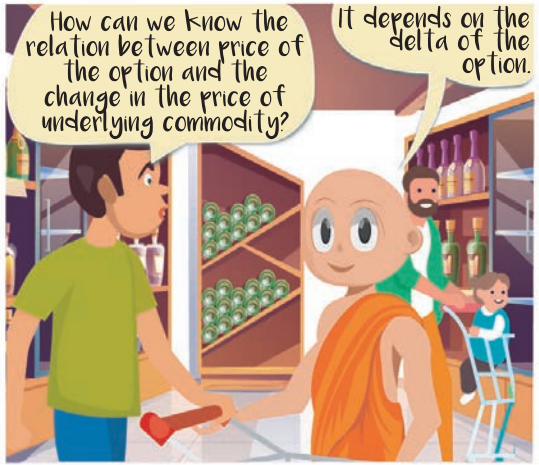
Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

A Monk Who Trades







DID YOU KNOW? Delta hedging is an options trading strategy that aims to reduce, or hedge, the directional risk associated with price movements in the underlying asset.

TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND

A Monk Who Trades







DID YOU KNOW?

Gamma is at its highest when an option is at the money, and is at its lowest when it is further away from the money.

Issued in public interest by
Multi Commodity Exchange Investor Protection Fund

TO KNOW MORE VISIT | WWW.MCXINDIA.COM/EDUCATION-TRAINING/AWARENESS-PROGRAMS

Scan to watch this week's video

MCX METAL & ENERGY Trade with Trust | MCX INVESTOR PROTECTION FUND