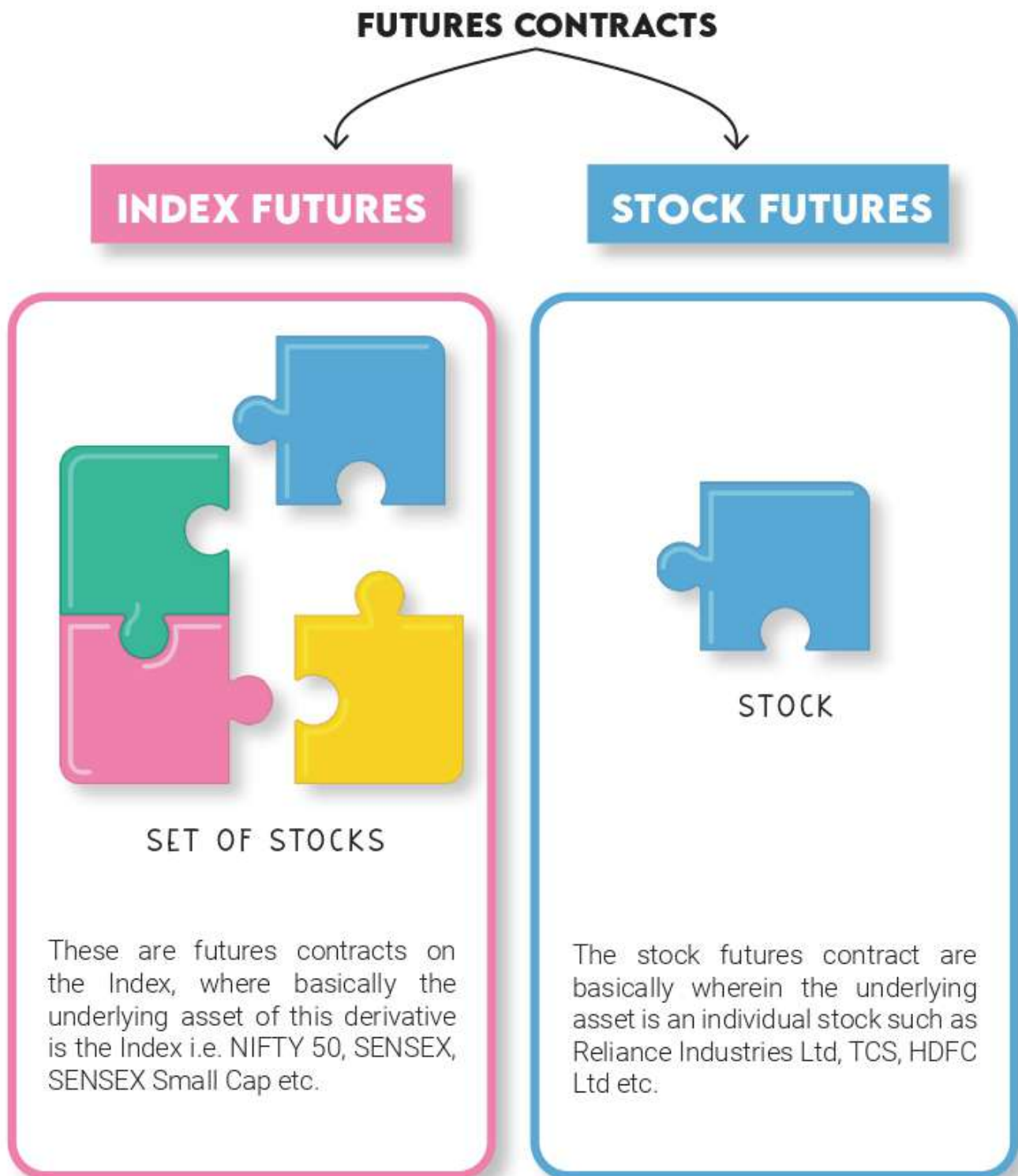
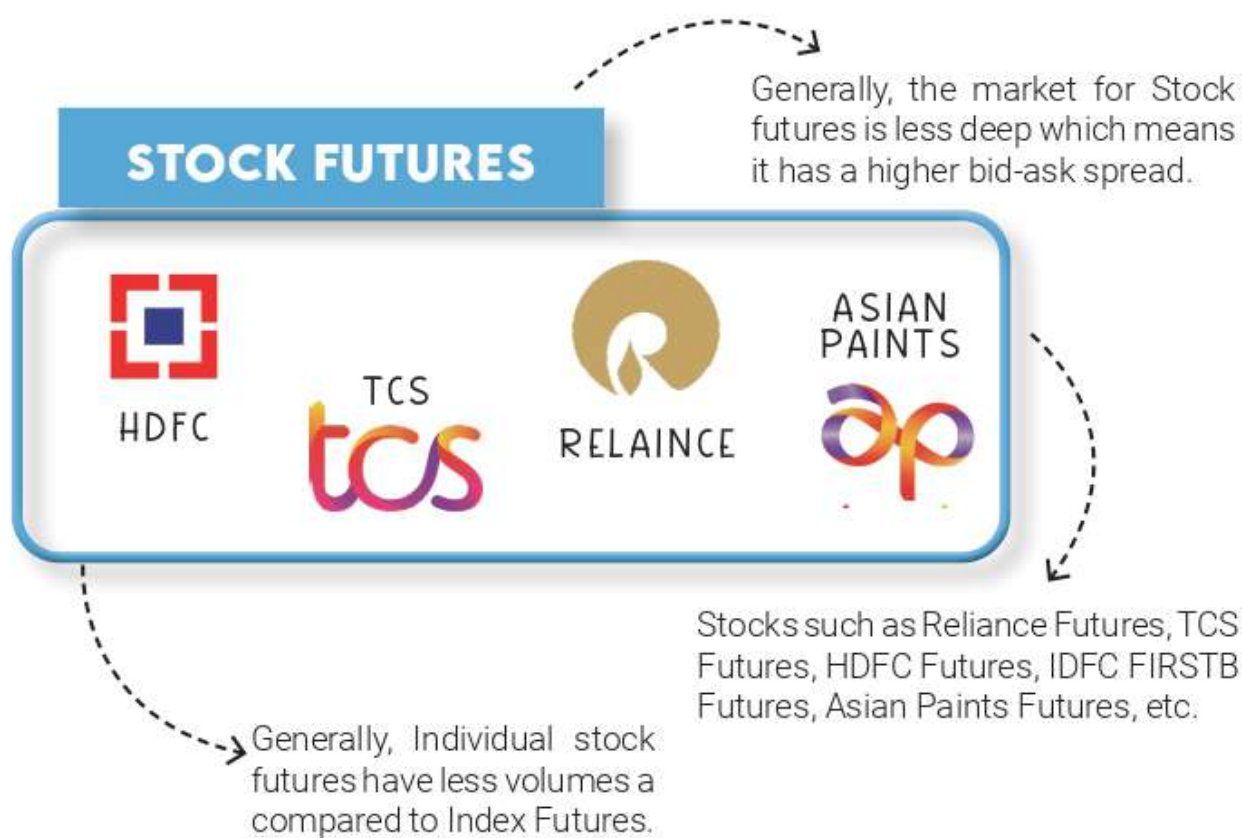
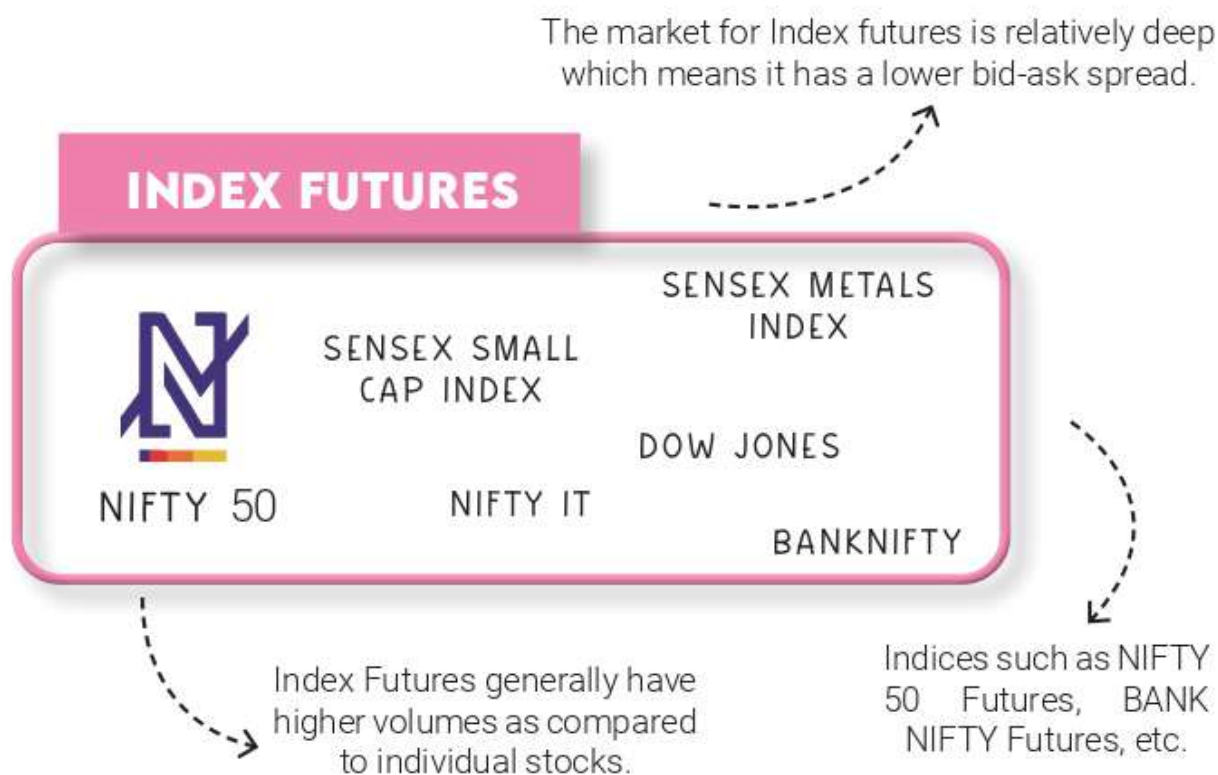


3.9 DIFFERENT FUTURES CONTRACTS

As we earlier saw that futures contracts can have different kind of underlying assets:






We have future contracts for currencies, commodities etc as the underlying assets too. We can build strategies to trade different asset classes. We will discuss strategies going further.

Index Futures - BANKNIFTY

Date	Nifty bank spot Market Price	Nifty bank Futures Market Price
11 Oct 2021	38223.80	38373.45
12 Oct 2021	38521.5	38588.35
13 Oct 2021	38635.75	38718.35
14 Oct 2021	39340.90	39402.35
18 Oct 2021	39684.80	39782.45
19 Oct 2021	39540.50	39633.35
20 Oct 2021	39518.20	39654.90
21 Oct 2021	40030.20	40105.05
22 Oct 2021	40323.65	40396.40

Stock Futures - TCS

Date	TCS Spot Market Price	TCS Future Market Price
11 Oct 2021	3687.95	3695.40
12 Oct 2021	3656.20	3662.75
13 Oct 2021	3658.05	3665.25
14 Oct 2021	3614.80	3627.25
18 Oct 2021	3649.00	3663.35
19 Oct 2021	3634.45	3649.95
20 Oct 2021	3607.95	3617.40
21 Oct 2021	3532.85	3548.40
22 Oct 2021	3501.85	3512.05



Some questions that you may have looking at the prices -

Why are the Spot Price and the Futures Price of an asset not the same?

If the underlying asset through which the derivative derives its value is the same, why is there a price difference?

What does this difference tell us about the market? What causes it?