

PC-2786/MJ

F-28/2051

INTERNATIONAL FINANCE - 406(ii)

(Semester-IV)

Time : Three Hours]

[Maximum Marks : 70

Note : Attempt any *two* questions from Section A and B carrying 10 marks each. Attempt any 10 questions from Section-C carrying 3 marks each.

SECTION – A

- I. Explain the globalization of financial markets. Discuss the recent trends in globalization.
- II. Compare and Contrast, comparative advantage theory with Absolute Trade theory of International Trade.
- III. What is the significance and importance of balance of payment surplus? Explain with the help of example.
- IV. What do you mean by regional trading block? Explain the advantages and disadvantages of regional trading blocks citing some real example.

SECTION – B

- V. What do you mean by foreign exchange market?
Who are the major participants in the foreign exchange market?
- VI. What do you mean by external commercial borrowings?
Explain the impact of external commercial borrowings on the Indian capital market.
- VII. What is transaction exposure? How it is calculated?
- VIII. How is inventory management of a multinational different from that of domestic company?

SECTION – C

- IX. Write short notes on :
- (a) SAARC.
 - (b) SDR.
 - (c) European Union.
 - (d) Difference between Capital and Current Account.
 - (e) Unilateral Transactions.
 - (f) Euro Bonds vs Foreign Bonds.

- (g) ADR.
 - (h) Put options and Call options.
 - (i) Features of Future Market.
 - (j) Economic and Operating Exposure.
 - (k) Interest Rate Parity.
 - (l) Centralized vs. De-Centralized Management.
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