

# END SEMESTER EXAMINATION

## International Finance: MTIN0111

**Total Marks: 100**

**Duration: 3 hrs**

1. Answer the following questions: [1X10=10]
  - i. GBP is the currency code of .....(CO1)
  - ii. If USD/JPY is quoted at 100, and USD/CAD is quoted at 1.2700, what is the quotation of CAD/JPY from Canadian perspective? (CO3)
  - iii. Write down the mathematical expression of direct quote in terms of indirect quote.(CO 3) (M2)
  - iv. MIGA was established in the year \_\_\_\_ (CO1)
  - v. World Bank started its operation in the year \_\_\_\_ (CO1)
  - vi. IFC is known as the \_\_\_\_ of the World Bank. (CO1)
  - vii. Bretton Woods Conference was held in.....(CO3)
  - viii. Foreign exchange is required by a country only to make payments for imports. (State “true” or “false”) (CO1)
  - ix. A rate of ₹62 per USD is an example of .....(direct/indirect quote)(CO1)
  - x. Geographical arbitrage involves.....(two/three) companies.(Co3)
  
2. Answer briefly any five of the following questions: [3X5=15]
  - i. Write a short note on foreign exchange risk exposure.(Co3)
  - ii. What do you mean by netting? (CO4)
  - iii. Write a brief note on mercantilism theory.(CO2)
  - iv. Represent the international product life cycle in a diagram and write down its stages.(CO2)
  - v. Write a short note on swaps.(CO3)
  - vi. Who was David Ricardo? What was his contribution in the field of international trade?(CO1)
  
3. Answer any five of the following questions: [7X5=35]
  - i. What is Multilateral Investment Guarantee Agency? Explain in elaborate manner its objectives. (CO1)
  - ii. Who are the various participants in the foreign exchange market?(M1)(CO1)
  - iii. Write a note on Fisher Effect theory.(CO3)
  - iv. Explain purchasing power parity(PPP).(CO2)
  - v. What are the differences between spot and forward exchange rates?(CO3)
  - vi. What are the major determinants of exchange rates?(CO1)

4. Answer ***any four*** of the following questions: [10X4=40]
- i. Write a note on Gold Standard. (CO3)
  - ii. What do you mean by direct investment? Explain in detail the different strategies used for Direct Investment. (CO4)
  - iii. Write an explanatory note on economic and translation exposure.(CO3)
  - iv. Write a note on any two organizations for international trade promotion.(CO1)
  - v. What is Leontief Paradox? Which theory of international trade is related to it?(CO2)
  - vi. Explain the concept "factoring".(CO3)