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Reg. No.....

Name.....

M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2020

Fourth Semester

Faculty of Commerce

Branch—Finance

IF04 E01—INTERNATIONAL FINANCE

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

Section A

*Answer any **five** questions.
Each question carries 1 weight.*

1. Define Hedging.
2. What is Currency Forecasting ?
3. What does a Current Account deficit mean ?
4. Define FEMA.
5. What do you mean by Fronting Loan ?
6. What is Statutory Drawing Right ?
7. Explain Wide Band.
8. What do you mean by Futures ?

(5 × 1 = 5)

Section B

*Answer any **five** questions.
Each question carries 2 weights.*

9. Explain the causes and consequences of Balance of Payments.
10. State the causes of Breakdown of Brettonwoods System.
11. Explain PPP theory of determining Exchange Rate.

Turn over





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12. List the components of European Monetary Union.
13. What are the modes of payment in International Trade ?
14. State the parity conditions in International Currency Forecasting.
15. What does the World Bank do ? What are its purposes ?
16. What are SDR ? Why were they created ?

(5 × 2 = 10)

Section C

*Answer any **three** questions.
Each question carries 5 weights.*

17. What is meant by Balance of Payment ? What are the implication and uses of Balance of Payment Statement ?
18. Enumerate the objectives of Asian Development Bank.
19. What is International Monetary System ? Explain various systems emerged in International Monetary System.
20. What is Exchange Rate Risk ? State the means to minimise such risk.
21. Bring out the factors that influence the overall balance of payments position.
22. State the role of Multinational Financial Institutions and Commercial Banks in International Finance Settlement.

(3 × 5 = 15)

