

P09/FM2108/EE/20160528

Time : 3 Hours

Marks : 80

Instructions :

1. All Questions are Compulsory.
 2. Each Sub-question carry 5 marks.
 3. Each Sub-question should be answered between 75 to 100 words. Write every questions answer on separate page.
 4. Question paper of 80 Marks, it will be converted in to your programme structure marks.
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1. Solve any **four** sub-questions.

- a) Describe the reasons for increase in importance of International Finance. 5
- b) Explain the principles of Global Finance. 5
- c) Explain the responsibilities of I.M.F. 5
- d) Describe Activity Areas of an Investment Bank. 5
- e) Describe the participants within the Foreign Exchange Market. 5

2. Solve any **four** sub-questions.

- a) Explain Economic conditions which affect the performance of a currency. 5
- b) Describe the types of Transactions in the Foreign Exchange Market. 5
- c) Explain the functions of Bank of England. 5
- d) Explain the Functions of the Reserve Bank of India. (RBI). 5
- e) Explain the factors affecting currency Trading. 5

3. Solve any **four** sub-questions.
- a) Explain the determinants of Exchange Rate. 5
 - b) Explain the components of the European Monetary System (EMS). 5
 - c) Describe the techniques used for Interest Rate Risks Management. 5
 - d) Explain the methods for Forecasting Exchange Rates. 5
 - e) Explain the limitations for Fundamental Forecasting. 5
4. Solve any **four** sub-questions.
- a) Explain the methods for Hedging Transaction Exposure. 5
 - b) Describe the challenges of a Multinational Firm. 5
 - c) Explain the types of Trade Financing Instruments. 5
 - d) Explain the sources of Equity Financing. 5
 - e) Explain the advantages of Project Finance. 5

