

Reg. No. _____ Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIFTH TRIMESTER MBA DEGREE EXAMINATION OCT 2018

FIN-T5-10 INTERNATIONAL FINANCE

Max. Marks: 60

Duration: 3 Hours

Part A

Answer all questions. Each question carries 2 marks

1. Off-shore and On-Shore Markets.
2. Challenges of International Finance.
3. Direct and Indirect quotations in forex market.
4. Nominal and Real Effective Exchange Rate.
5. Gold standard

(5x2 marks = 10 marks)

Part B

Answer any 3 questions. Each question carries 10 marks

6. Evaluate the Role of BIS and IMF in the international financial system.
7. Explain briefly structure of forex market in India
8. Critically evaluate the Bretton Woods System and causes for the failure of the Bretton Woods System.
9. a. Explain briefly about exchange rate forecasting and the techniques used for forecasting
b. Trace out the development of forex market in India.
10. "GDR is a source of international equity capital" Discuss.

(3x10 marks = 30 marks)

Part C

Compulsory question, the question carries 20 marks

11. a. X Ltd. is an Indian Multi-national company engaged in manufacturing and marketing Cars in India and Abroad. They are also importing some materials and components from other countries. Export revenue is about 40 per cent of their total sales revenue and import cost amounts to 25 per cent of their total cost. Examine how they are exposed to forex risk. Also evaluate the role of currency derivatives in forex risk management.

(10)

- b. Give a brief account of the International Bond Market and the different types of International Bonds available in the market.

(10)
