

Marks: 60

Roll No:

IF 03Total No. of
Questions: 4
No. of Pages: 4Note: Attempt all Questions.

- Q.1. (A) Bring out the features of Britton woods and Smithsonian agreement. 8
 (B) Explain the environment of Forex Market in India. 7

OR

- Q.1 (C) Find the mid rate, % spread and indirect rates of the following: 7
- (A) INR/ USD & 3.4300/43.4800
 - (B) USD/ Euro 1.9893/03
 - (C) USD/GBP 1.6291/01
 - (D) CHF/ USD 1.0095/05
 - (E) SGD/USD 1.9696/ 06
 - (F) FRF/USD 3.9750/ 0450
 - (G) JPY/ USD 91.98/ 92.18

Q.1 (D) Find Arbitrage, if any

(2 x 4 = 8)

- i) INR/ USD (A) 44.9750/9950
 (B) 44.9850/0150
 (C) 44.9950/9975
 (D) 44.9975/0025
- ii) INR/ USD (A) 1.4092/02
 (B) 1.4098/08
 (C) 1.4091/1.4095
 (D) 1.4090/92

Q.2 (A) Bring out the details of world Bank group.

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(B) What are Direct & indirect rates? Write in detail about them with examples.

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OR

(C) Indian Interest Rate 9.5% p.a.

US interest Rate 4.5% p.a.

1 USD = INR 44.4400

Find the forwards from 1 to 12 months.

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(D) Find the forwards (Rupee Based)

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	INR/USD	CROSS Rate
SPOT	46.4600/46.4800	CFF/USD 1.0020/40
1 M	100/200	50/45
2 M	250/450	40/35
3 M	500/700	30/25
4 M	750/950	20/15
5 M	1050/1250	10/05
6 M	1350/1450	05/15

Q.3. (A) Write about Call Money and Bond Market.

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(B) What are the uses of Time value calculations in Project Appraisals. Explain with an example.

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OR

(C) Find Interest accrued but not received

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Maturity Year	Amount	Int Rate	Int. Received last day of
2011	3.03 cr.	4.05 %	Jan/ July
2012	4.04 cr.	6.15%	Feb/Aug
2013	10.01 cr.	7.25%	March/Sept
2014	21.01 cr.	6.50%	April/Oct.
2015	26.61 cr.	6.75%	May/Nov.
2016	12.12 cr.	7.15%	June/Dec.
2017	15.51 cr.	7.15%	April/Oct.

(D) CITI Mumbai borrowed 1 Million USD from Own office New York (INR 45.4500) @ 4.5% p.a. and lends to the following Banks equally.

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- i) BOB Bby @ 4.75 % for 2 days.
- ii) BOI Bby @ 4.85 % for 2 days.
- iii) Canara Bby @ 4.65% for 2 days.

Brokerage per deal Rs.250/- Find the Arbitrage.

Q.4. Write short notes : (Any Five)

5 x 3 = 15

- (A) 1) FDI and FII
- 2) Gold Bullion Standard.
- 3) Devaluation, Revaluation.
- 4) ADR/ GDR.
- 5) Euro Dollar
- 6) Full Convertibility
- 7) Balance of Payments.

OR

(B) Workout interest Rate Arbitrage

CHF 1.4029 per USD (spot) and

CHF 1.4049 per USD (3 month forward)

At USA 4% p.a., at Switzerland 5% p.a.

(C) An exporter approaches the Bank with a Bill of 15 days Amount USD

2,00,000 Following, other details provided to you. INR interest at Market

10% p.a. spot / USD = INR. 44.4400/ 4800, 1 month forward is 1000/2000.

Profit margin 0.150 % Correspondent Charges USD 25/-.

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