

VPM's
DR VN BRIMS, Thane
Programme: PGDM (2014-16)
Fourth Trimester (Fin.) Examination September 2015

Subject	International Finance		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	01.10.2015

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

“Since the 1980s, the global financial system has undergone tremendous changes. Financial liberalization in both developed and developing countries is one of most important factors behind increased capital mobility on a global scale. Rise in the level of foreign investment and continued growth of global financial assets have collectively had an impact on capital markets and cross border trade.”

With reference to the above statements, Comment on the following

1. Financial Liberalization
2. Global Financial System
3. Increased Capital Mobility
4. Global Financial Assets
5. Cross Border Trade

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Define and explain the term ‘Globalization’
- b) What is meant by Floating Exchange Rates? Give your arguments in favour of the Floating Exchange Rate System
- c) Explain the term ‘International Liquidity’

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Enumerate the functions of the World Bank
- b) What is the most important contribution of the Bretton Woods Conference
- c) Write a short note on Project Appraisal in the international context.

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Write a short note on the International Monetary Fund
- b) What are the different facets of Globalization
- c) Explain how socio-political issues are connected to International Finance and Trade

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Write a short note on the International Monetary System
- b) What are SDRs?
- c) What is meant by a “Surplus” and “Deficit” in the Balance of Payments?

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Distinguish between Fixed Exchange Rate and Floating Exchange Rate
- b) Write a short note on Balance of Payments
- c) Write a short note on Gold Standard

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

- a) Explain the Financing Decision with special reference to International Markets
- b) Write a short note on Purchasing Power Parity
- c) Write a short note on Swaps and Forward Contracts