## **C.U.SHAH UNIVERSITY** Winter Examination-2018

## **Subject Name : International Finance**

Subject Code : 5MS	)3IFC1	Branch:MBA	
Semester : 3	Date : 01/12/2018	Time : 02.30 To 05.30	Marks : 70

## **Instructions:**

- (1) Use of Programmable calculator and any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

## **SECTION – I**

~ .			SECTION -1	
Q-1			Attempt the Following questions	(07)
		a.	Give full form of ECB.	1
		b.	What do you mean by deficit?	1
		c.	Name any one dimension of international finance.	1
		d.	Explain the term balance of payment.	1
		e.	Explain the term spot transaction.	1
		f.	What do you mean by balance of payment accounting?	1
		g.	Explain the term offer rate.	1
Q-2			Attempt all questions	(14)
· ·	1		Explain in brief international bond market	05
	2		Discuss the importance of Bretton wood system.	05
	3		Explain methods translation exposure.	04
	-		OR	
Q-2			Attempt all questions	(14)
•	1		Explain function and structure of foreign exchange market	07
	2		Explain various financial techniques of hedging transaction.	07
Q-3			Attempt all questions	(14)
·	1		Write note: exchange rate	07
	2		Explain in brief evolution of the international monetary system	07
			OR	

Q-3	1	Explain in brief forfeiting and counter trade	07
	2	Discuss accounting principles in balance of payment with valuation & timing.	07



			SECTION – II	
Q-4			Attempt the Following questions	(07)
		a.	Explain the meaning of foreign exchange.	1
		b.	Give full form of LOC.	1
		c.	State example of forward transaction.	1
		d.	What do you mean by ADR?	1
		e.	Derive the term MNCs	1
		f.	Give full form of EU.	1
		g.	Explain the term inverse quotes.	1
Q-5			Attempt all questions	(14)
	1		Explain the classification of exchange rate arrangement by IMF	04
	2		Explain purchasing power parity in brief	05
	3		Discuss the reason of International Bank.	05
			OR	
Q-5	1		Explain any three types of exposure.	07
	2		Discuss the importance of cross border mergers and acquisition.	07
Q-6			Attempt all questions	(14)
	1		Discuss the stages of evaluation of the international monetary system in detail.	07
	2		Explain different types of international bond.	07
			OR	
Q-6			Attempt all Questions	
	1		Discuss difference between FDI and FII.	07
	2		Why do firm Invest in Overseas? Explain	07

