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Class – M.Com (Sem.IV)

Subject – International Financial Management

Paper – MC-411

Time Allowed : 3 Hours

Maximum Marks : 100

SECTION-A

1. Attempt any 10 questions. Each question carries 2 marks.

- (i) Direct V/s Indirect quote
- (ii) Capital flight
- (iii) Forward market hedge
- (iv) Difference between BOT & BOP
- (v) Mint Parity Theory
- (vi) Law of one price
- (vii) Cross rate
- (viii) Call V/s put option
- (ix) Translation exposure
- (x) Currency swaps
- (xi) Firm specific risk
- (xii) Country Risk Analysis

Section-B

Attempt any 2 questions. Each question carries 20 marks.

2. What role is played by Central Bank in the exchange rate determination.

3. The exchange rate determination in forex market is the result of intersection of demand and supply forces. Comment.
4. What is currency forecasting? Explain the different methods of currency forecasting.
5. What do you mean by disequilibrium in BOP. Explain the ways of coping with deficit in BOP.

Section-C

Attempt any two questions. Each question carries 20 marks.

6. What do you mean by political risk? Explain the ways of managing political risk.
7. What is transaction exposure? Write down in detail the ways of managing transaction exposure.
8. What are different ways of hedging through options? Also explain the different types of strategies in options
9. Write in detail the methods of Country Risk Analysis.
