

Reg. No. :

Name :

Fourth Semester M.Com. Degree Examination, September 2019

Elective – Finance

Paper II : CO 242 INTERNATIONAL FINANCE

(2014 Admission onwards)

Time : 3 Hours

Max. Marks : 75

SECTION– A

Answer the following question. Each question carries 2 marks.

1. What is international Capital Asset Pricing Model?
2. What do you understand by transaction costs?
3. What do you mean by CHIPS?
4. What is LIBOR?
5. What do you mean by Purchasing Power Parity?
6. What is SWIFT?
7. Who is a foreign institutional investor?
8. What was the purpose for the Bretton Woods agreement?
9. What is GRS?
10. What are FX Swap transactions?

(10 × 2 = 20 Marks)

SECTION – B

Answer any **five** of the following. Each question carries 5 marks.

11. Distinguish between Spot Rate and Forward Rate.
12. Write a note on ETFs.
13. Discuss the methods of payment in international market.
14. Discuss the driving forces of Financial Globalization.
15. Explain the relevance of Real Exchange Rate.
16. Justify the arguments for Forex non-intervention.
17. Briefly discuss the goals of international finance.
18. How does centralised cash management system benefit MNCs?

(5 × 5 = 25 Marks)

SECTION – C

Answer any two of the following questions. Each question carries 15 marks.

19. “Working capital management in a multinational setting involves more complexity than purely domestic working capital management”. Discuss.
20. What is GDR? Discuss the difference between the ADR and the GDR.
21. Discuss the organization and the function of the World Bank?
22. Briefly discuss the emerging challenges in international finance process.

(2 × 15 = 30 Marks)