

V Semester B.Com. Examination, Nov./Dec. 2015
(2014-15 and Onwards) (Semester Scheme) (F + R)
COMMERCE

Paper – 5.6 : Elective – 2 (Paper – II) : International Finance

Time : 3 Hours

Max. Marks : 100

Instructions : Answer **all** questions either **completely** in **English** or in **Kannada**.

SECTION – A

- I. Answer **any ten** sub-questions. **Each** sub-question carries **two** marks. (10×2=20)
- What is speculation ?
 - What is letter of credit ?
 - What is international finance ?
 - Expand MMP and MAPS.
 - What is international portfolio ?
 - What is foreign exchange risk ?
 - What are swaps ?
 - Mention the types of ADRs.
 - What is fixed exchange rate ?
 - Write any four advantages of globalisation.
 - What is international liquidity ?
 - What are commercial papers ?

SECTION – B

Answer **any four** questions. **Each** question carries **eight** marks. (4×8=32)

- Write the structure of IMF.
- What are international financial markets ? What are the benefits of international financial markets ?



4. What are the characteristics of future contract ?
5. Distinguish between domestic finance and international finance.
6. What is FEMA ? What are the objectives of FEMA ?

SECTION – C

Answer **any three** questions. **Each** question carries **sixteen** marks. **(3×16=48)**

7. What is IBRD ? What are the objectives of IBRD ?
8. What is forward contract ? What are the features, advantages and disadvantages of forward contract ?
9. What are the forms of foreign exchange rate and what are the factors affecting foreign exchange rate ?
10. What is BOP ? What are the measures to correct disequilibrium in BOP ?