

MBA.III/11.16.0688 Reg.No.

--	--	--	--	--	--	--	--	--	--



B

**MBA (FT) / MBA (IB) / MBA (PT) DEGREE III SEMESTER EXAMINATION  
NOVEMBER 2016**

**SMS 2304/SMI 2301/SMP 2305 INTERNATIONAL FINANCE  
(Regular and Supplementary)**

Time : 3 Hours

Maximum Marks : 50

**PART A**  
(Answer *ALL* questions)

(5 × 2 = 10)

1. What is floating exchange rate?
2. Define Devaluation.
3. What is Hedging?
4. What is Option Pricing?
5. What is Portfolio Investment?

**PART B**  
(Answer *ANY FIVE* questions)

(5 × 4 = 20)

6. What are the functions of foreign exchange market?
7. Give a brief explanation about the important types of transactions conducted in the foreign exchange market.
8. Explain the limitations of capital account convertibility.
9. Explain the limitations of FDI.
10. Explain the functions of European monetary Union.
11. Explain the relation between balance of payments and the economy.
12. What is optimal portfolio?

**PART C**  
(Answer *ANY TWO* questions)

(2 × 10 = 20)

13. Discuss the role of IMF in providing international liquidity.
14. Discuss how risk is managed in foreign exchange management.
15. Explain the important international financial market instruments which used in raising capital.

\*\*\*