



PG – 542

**II Semester M.Com. (I.B)/MIB Examination, June 2016
(CBCS)
Paper – 2.2 : INTERNATIONAL FINANCIAL INSTITUTIONS AND
MARKETS**

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any seven** questions out of **ten** questions. **Each** question carries **two** marks. **(7×2=14)**

1. a) What are cross rates (quotes) ?
- b) Explain systematic risk.
- c) Explain LIBOR and LIBID.
- d) What are caps and floors ?
- e) What are the components of forex reserve ?
- f) Mention any four world's popular stock markets.
- g) What is confirmation of a letter of credit ? What is the obligation of the confirming bank ?
- h) Distinguish between OTC and exchange traded options.
- i) Why consortium approach of lending is encouraged ?
- j) What is correspondent relationship in International Business ?

SECTION – B

Answer **any four** questions. **Each** question carries **five** marks. **(4×5=20)**

2. Explain the role of Forex market.
3. Highlight the features of commercial paper.
4. What is the role of RBI in promoting FDI ?
5. Explain the functions of Foreign currency brokers.

P.T.O.



6. Explain the major market segments in the Global markets.
7. Explain the differences between translation exposure and transaction exposure.

SECTION – C

Answer **any three** questions. **Each** question carries **twelve** marks. (3x12 = 36)

8. Write an analytical note on International Equity market.
9. What are credit derivatives ? Explain credit default swaps.
10. Explain the different types of risks in International Business.
11. Explain the nature and scope of International Financial Functions.
12. Describe the characteristics and significance of Euro Currency market.



PG – 716

**II Semester M.I.B. Examination, June 2015
(Semester Scheme) (CBCS)
INTERNATIONAL BUSINESS
Paper – 2.2 : International Financial Institutions and Markets**

Time : 3 Hours

Max. Marks : 70

Instruction : Attempt all the Sections.

SECTION – A

1. Answer **any seven** questions out of ten. Each question carries **two** marks. **(7×2=14)**

- a) Define Eurobonds.
- b) Describe Forward Rate Agreement.
- c) Explain the concept of Hedging.
- d) What is IMF ?
- e) What are Interest rate Caps ?
- f) What are Junk bonds ?
- g) What is LIBOR ?
- h) Explain the Liquidity risk.
- i) What is open position ?
- j) Explain VaR.

P.T.O.



SECTION – B

Answer **any four** out of six. **Each** question carries **five** marks.

(4×5=20)

2. Explain in detail the structure of Forex market.
3. What do you understand by the concept of forex market infrastructure ?
4. What is value dating of forex transaction ?
5. What are syndicated loans ? Explain in detail.
6. Explain the international bond market, features, functions and role.
7. Explain the OTC market in India.

SECTION – C

Answer **any three** questions out of five. **Each** question carries **twelve** marks. (3×12=36)

8. Explain in detail the OFFSHORE MARKET concept inter alia discuss the role and functions.
 9. Describe the factors determining exchange rate of currencies.
 10. What risks you face while dealing in forex market ?
 11. What are the LIBOR futures contracts ? Do you consider it as a Hedging tool ? Illustrate.
 12. What are the alternative payment and guaranteeing procedure and systems ?
-