



PG – 540

IV Semester M.Com. Degree Examination, June 2017

(CBCS)

COMMERCE

FB – 4.3 : International Financial Institutions and Markets

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any seven** questions out of ten. **Each** question carries **two** marks. (7×2=14)
- Define Derivatives.
  - How the yield on International Bond is computed ?
  - What is Masala Bond ?
  - What are Caps and Floors ?
  - Differentiate between American and European Options.
  - Define equilibrium in the context of Forex Market.
  - What is Direct Quote in Foreign Exchange ?
  - What is a Parallel Loan ?
  - What is Banker's Acceptance ?
  - What is Loan Syndication Technique ?

SECTION – B

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

2. Explain the Mechanics of Currency Trading.
3. Write a note on Rule 144A.
4. What are Euro Currency Markets ? Explain the concept of Deposit Dealing.
5. Briefly explain the features of International Bond Market.

How do Interest Rate Swaps Optimizes the risk ? Explain in detail.

\*e a note on Alternative Payment and Guaranteeing Procedure.

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SECTION - C

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

8. Examine the importance of maintaining the stable foreign exchange rate for a nation.
9. Describe the SWOC of emerging National and International Stock Markets.
10. What do you mean by International Capital Market? State the role and functions of International Capital Markets.
11. What are Multinational Banks? Briefly explain the problems faced by them.
12. Explain the mechanism of foreign exchange transfers highlighting Euro Currency Markets and Euro Bond Markets.

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