

**St. Philomena's College ( Autonomous), Mysore**  
**PG Department of Studies and Research in Economics**  
**Question Bank( Revised Curriculum 2018 onwards)**  
**Second Year-Forth Semester (2018-20 Batch)**  
**International Finance and Business QP Code:51301**

<b>Unit</b>	<b>Sl.No</b>	<b>Questions</b>	<b>Marks</b>
1	1	Define international finance.	2
1	2	Define Balance of payment.	2
1	3	What do you mean by International capital flow?	2
1	4	Define labour Migration.	2
1	5	What is international transaction?	2
2	6	Define foreign exchange risk.	2
2	7	What is international money market?	2
2	8	What do you mean by economic risk?	2
2	9	Define foreign exchange market.	2
2	10	Define arbitrage.	2
2	11	What is the forward currency market?	2
3	12	What is hedging?	2
3	13	What is the international capital market?	2
4	14	What do you mean by foreign exchange rate?	2
5	15	What is monetary policy?	2
4	16	Define the portfolio approach.	2
5	17	Define open economy.	2
5	18	What do you mean by fiscal policy?	2
3	19	What is fixed exchange rate?	2
3	20	What is Euro currency?	2
3	21	What is Eurodollar?	2
3	22	Define speculation.	2
2	23	What is Optimum currency area?	2
2	24	Define Purchasing power parity.	2
5	25	What do you mean by Global Economy?	2
2	26	Mention any two functions of foreign exchange market.	2
3	27	What is International Banking?	2
3	28	Mention any two problems of international liquidity.	2
3	29	Define FDI.	2
3	30	What is forward rate?	2
2	31	What do mean by foreign reserve?	2
1	32	Write briefly about the Multinational Corporation?	5
1	33	What is the motive and effects of international labour migration?	5

1	34	Define the capital inflow and outflow?	5
1	35	Difference between current account and capital account?	5
1	36	Explain the cause of disequilibrium in BOP?	5
2	37	Write a short note on foreign exchange management act (FEMA).	5
2	38	What are types of foreign exchange rate? Explain.	5
2	39	Write short note on gold standard and Bretton woods.	5
2	40	Difference between direct exchange rate and indirect exchange rate?	5
2	41	How inflation and deflation affect the exchange rate?	5
3	42	Explain briefly about forward currency market and risk?	5
3	43	Write briefly about international financial Arbitrage?	5
3	44	Difference between spot currency market and forward currency market?	5
4	45	Write briefly about international banking and payment system?	5
3	46	What do you mean by international money market?	5
4	47	What is the role of BOP in international foreign exchange rate?	5
2	48	Write a note on traditional approaches to exchange rate?	5
4	49	Explain the role of central bank in international finance and business?	5
4	50	Write a note on International Monetary Fund?	5
5	51	Write a short note on an open economy framework.	5
5	52	Explain about economic policy with floating exchange rate.	5
5	53	Write a note on monetary union.	5
5	54	Explain about the target zones in monetary.	5
5	55	Explain about the fiscal policy under fixed exchange rate.	5
5	56	Explain the concept of optimum currency area.	5
5	57	What are the functions if global financial centers.	5
4	58	What are the functions of IMF?	5
2	59	Write about the functions of foreign exchange market.	5
1	60	Write a note on International Capital Flow.	5
1	61	Describe the International Debt problem.	5
1	62	Critically examine International capital flow?	10
1	63	Discuss the advantage and disadvantage of Multinational corporation both home and away countries.	10
1	64	Discuss the pulling factor and pushing factor of international labour migration.	10
1	65	Explain the circular flow of income and product and its importance in international market and finance.	10
2	66	Critically explain purchasing power parity theory.	10
2	67	Explain the gold standard principle? And its advantage and	10

		disadvantage?	
2	68	Critically explain foreign exchange market characteristic?	<b>10</b>
2	69	Discuss the international money market?	<b>10</b>
3	70	Explain the monetary adjustment methods of correction monetary?	<b>10</b>
3	71	Discuss international banking and payment system.	<b>10</b>
3	72	Critically examine capital market integration?	<b>10</b>
3	73	Discuss about forward currency market and international financial arbitrage.	<b>10</b>
4	74	Briefly explain about interest yield, Interest rate risk, derivative securities risk.	<b>10</b>
4	75	Discuss the function of central bank?	<b>10</b>
4	76	Explain the different approaches to exchange rate and BOP Determination?	<b>10</b>
5	77	Discuss about the monetary policy with fixed exchange rates.	<b>10</b>
5	78	Discuss about the economic policy with floating exchange rates.	<b>10</b>
5	79	Write about monetary union and target zones.	<b>10</b>
5	80	Critically explain about the monetary and fiscal policy under fixed exchange rate.	<b>10</b>
5	81	Critically explain about the monetary and fiscal policy under floating exchange rate.	<b>10</b>
5	82	Describe the functions and structure of IMF.	<b>10</b>
5	83	Describe the impact of foreign direct investment on Indian Economy.	<b>10</b>
5	84	Write in detail about India's external debt and its performance in managing external debt.	<b>10</b>
4	85	Critically evaluate the role of World Bank in the development of III world Countries.	<b>10</b>
1	86	Discuss the international debt problem.	<b>10</b>

**Question Paper Pattern- Model Question Paper**

**St. Philomena's College (Autonomous) Mysore**

**IV Semester M.A. – Final Examination May - 2019**  
**Subject: ECONOMICS**

**Title: INTERNATIONAL FINANCE AND BUSINESS**

**Time: 3 Hours**

**Max Marks: 70**

**PART –A**

**Answer any FIVE of the following:**

**5x2=10**

- Define FDI
- Define portfolio investment
- What is forward rate?
- Define the concept of speculation.
- What is deficit balance of payments?
- What is Devaluation?
- What do you mean by foreign reserves?
- Define arbitrage.

**PART –B**

**Answer any SIX of the following:**

**6x5=30**

- Write a briefly about the international capital flows.
- Explain the concept of optimum currency areas.
- What are the income determinants in a small economy.
- Write a note on spot and forward exchange rates.
- What are the functions of global financial centres?
- Explain the managed floating rates.
- Why financial markets have been gaining importance in the recent years?
- Explain the problems of balance of payments.

**PART –C**

**Answer any THREE of the following:**

**3x10=30**

- Briefly explain about the advantages and disadvantages of multinational companies.
- Diagrammatically explain the purchasing power parity theory.
- Critically evaluate the role of World Bank in the development of III world centuries.
- Discuss the international debt problems.
- What are the functions of foreign exchange market? Give an account of the types of transactions conducted in the foreign exchange market.

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