Seat No.: ________ Enrolment No.___________

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA Integrated - SEMESTER– VII EXAMINATION – WINTER 2021

Subject Code: 2577142 **Date:02/12/2021**

Subject Name: International Finance

Time: 10:30 AM to 01:30 PM **Total Marks: 70**

Instructions:

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

Q.1	**(a)**	Define International Finance. Discuss the opportunities and challenges of International Finance.	**07**
	(b)	Write a short note on Balance of Payments.	**07**
Q.2	**(a)**	How Exchange rate determination in spot and forward markets	**07**
	(b)	Discuss Spot and Forward markets	**07**
		OR	
	(b)	A pound options put contract has strike rate of $ 1.910 and premium of $ 0.08. spot rate on maturity is $ 1.810. find gain and loss to options Buyer/options seller.	**07**
Q.3	**(a)**	Explain Forecasting Exchange Rates.	**07**
	(b)	Discuss the different Foreign Exchange Exposure.	**07**
		OR	
Q.3	**(a)**	Differentiate the Foreign exchange risk and economic exposure in detail.	**07**
	(b)	The value of rupee vis-à-vis US dollar for the first nine days of January 2005 is respectively as follows : Rs. 45.11, 45.10, 45.15, 45.15, 45.10, 45.30, 45.39, 45.50, and 45.41. find a forecast of the exchange rate for the 10th day.	**07**
Q.4	**(a)**	Explain the International and domestic capital markets.	**07**
	(b)	Write a short note on Eurocurrency market and Euro bonds.	**07**
		OR	
Q.4	**(a)**	Explain the hedging with currency futures.	**07**
	(b)	Write a short note on National Income.	**07**
Q.5	**(a)**	Write a short note on Strategies for Foreign Direct Investment in india.	**07**
	(b)	Define Currency Options. Also explain the features of Currency Options.	**07**
		OR	
Q.5	**(a)**	Write a short note on LIBOR.	**07**
	(b)	Explain the Gold Standard and Bretton Woods System.	**07**

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