

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA Integrated - SEMESTER– VII EXAMINATION – WINTER 2022

Subject Code: 2577142
Subject Name: International Finance

Date: 30/12/2022

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) Explain the concept of Interest Rate Parity Theory. **07**

(b) Write a note on Bretton Wood system. Describe the main objectives of this system. **07**

Q.2 (a) Explain the concept of Balance of Payments. **07**

(b) Explain the significant of LIBOR in international Financial Transactions. **07**

OR

(b) Define and differentiate between Nominal & Real exchange Rate. **07**

Q.3 (a) Write a short note on spot & forward market. Differentiate both with hypothetical example. **07**

(b) What do you understand from currency futures? Explain its features. **07**

OR

Q.3 (a) What do you understand from currency options? Explain its features. **07**

(b) Explain the foreign exchange market in detail. Which are the factors affecting foreign exchange market? **07**

Q.4 (a) What is Translation Exposure? Explain various methods of Translation. **07**

(b) Describe the term hedging in detail and explain the need of hedging in FOREX market. **07**

OR

Q.4 (a) Define economic exposure & its managing framework. **07**

(b) Explain Transaction Exposure and techniques to manage transaction exposure. **07**

Q.5 (a) Write a note on “Corporate sources & uses of funds”. **07**

(b) Explain international and domestic capital markets. **07**

OR

Q.5 (a) Describe various strategies for foreign direct investment. **07**

(b) Write a note on “Eurocurrency”. **07**
