

MBIB 4001

M.B.A. DEGREE EXAMINATION,
DECEMBER 2014/JANUARY 2015.

Fourth Semester

International Business

GLOBAL FINANCIAL MARKET AND INSTRUMENTS

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following.

1. Explain international financial system.
2. Define IMF. Explain the features of IMF.
3. Explain the Euro Dollar. Explain the functions of the Euro Dollar.
4. What is international market? What are the problems of international markets?
5. What are the classifications of money market in India?

6. Explain the different types of capital markets in India.

7. Explain IBRD.

8. Explain various types of speculation.

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of the following.

9. Explain international monetary system.

10. What is international monetary fund? What are the functions of IMF?

11. Explain the features of Euro currency market.

12. What is special drawing rights?

13. What is international arbitrage? Explain briefly its types.

14. Briefly explain the structure and working fund of the IMF.

15. What are the functions of World Bank?

16. What is Hedges? Explain the factors determining Hedges.

PART C — (1 × 20 = 20 marks)

Compulsory

17. Case Study :

Following is the data relating to spot rate, forward rate and money market rate. Compute the missing value if the covered interest parity holds good.

Spot rate	Forward rate	Interest rate	Interest rate
33.50	33.80	-2.36	6%
33.70	33.40	6%	2.4%
33.50	33.67	4%	6%
33.16	33.80	4%	6%