

Subject : Elective-VII : Foreign Exchange Markets (International Business)

Day : Monday

Date : 19/12/2016

S.D.E.



Time : 02.00 PM TO 05.00 PM

Max Marks : 70 Total Pages : 1

N. B. :

- 1) Attempt **ANY FIVE** questions.
 - 2) All questions carry **EQUAL** marks. .
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- Q. 1** Define 'Foreign Exchange Market'. State features of foreign market. **(14)**
- Q. 2** Why Foreign Exchange Market has become important in the cross border trade. **(14)**
- Q. 3** "If whole world has single currency, then Foreign Market would cease to exist". Do you agree? Justify. **(14)**
- Q. 4** Discuss the role of various participants in Foreign Market. **(14)**
- Q. 5** What are attributes of increasing volatility in Foreign Market? **(14)**
- Q. 6** Discuss the role played by 'Derivative Tools' in Foreign Market. **(14)**
- Q. 7** Explain the relation between 'Inflation' and 'Exchange-Rate'. **(14)**
- Q. 8** Write short notes on **ANY TWO** of the following: **(14)**
- a) Option contract
 - b) Arbitrage
 - c) Hedging
 - d) Devaluation and Upvaluation

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