PRN:		Course Code :	MBCFIN305R

Third Year **B.B.A.** End Semester Examination Winter 2023

International Finance

Day and Date: Friday, 1st 12 2023 Max Marks: **100**

Time : 10.30 am to 1.30 PM Duration: **03** hrs

Instructions: All questions are compulsory.

			Marks	Bloom's Level	CLO
Q.1		**Attempt the following**			
	a)	List the primary reasons for engaging in international trade.	08	1	1
	b)	Propose strategies for a company to incorporate ethical considerations into its international financial operations.	08	5	1
		OR			
	b)	Name the key responsibilities typically associated with international finance management.	08	1	1
Q.2		**Attempt the following**			
	a)	Describe the major components of the balance of payments.	08	2	2
	b)	Summarize the importance of the balance of payments in assessing a country's economic health.	08	2	2
		OR			
	b)	Imagine a fictional country called "Econoland." Econoland is a small, open economy that primarily depends on exports of agricultural products, such as wheat, rice, and cotton, as well as tourism for its revenue. Over the past few years, Econoland has been experiencing some economic challenges, and the government is concerned about its balance of payments. Que:- Assess Econoland's balance of payments situation and recommend possible policy measures to address its economic challenges.	08	5	2
Q.3		**Attempt any two from the following**			
	a)	Explain the purpose of FEMA in regulating foreign exchange transactions.	08	2	3
	b)	Write the challenges and limitations of FTP in adapting to changes in the global trade environment.	08	3	3
	c)	Describe the key features and incentives typically offered within SEZs.	08	2	3
Q.4		**Attempt any two from the following**			
	a)	Name the Trade and Non-Trade activities in Forex Market	08	1	4
	b)	Describe the difference between future and option forex market.	08	2	4
	c)	Assess the major participants in the foreign exchange market.	08	5	4
Q.5		**Attempt any Two of the following**			
	a)	Illustrate the different techniques of forecasting exchange rates.	09	3	5
	b)	Describe Purchase Power and Interest Rate Parity Theories.	09	2	5
	c)	Analyze the impact of the US Dollar on inflation rates.	09	4	5
Q.6		**Attempt any Two of the following**			
	a)	Compare and contrast the functions of the foreign exchange market with other financial markets.	09	4	6
	b)	Develop a scenario where bid-ask spreads might widen, and explain the reasons behind it.	09	5	6
	c)	State bid-ask spreads across different financial instruments.	09	1	6

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