



বিদ্যাসাগর বিশ্ববিদ্যালয়

VIDYASAGAR UNIVERSITY

M.Com. Examinations 2020

Semester IV

Subject: COMMERCE

Paper: COM – 402

International Financial Management

(Theory)

Full Marks: 40

Time: 2hrs.

Candidates are required to give their answers in their own words as far as practicable.

Answer any one of the following questions:

1. State the unique and distinctive features of foreign exchange market.
2. Explain the International Fisher effect theory.
3. Describe the fundamental factors affecting exchange rate fluctuations.
4. Explain the absolute and relative versions of the PPP theory.
5. Explain the following terms:
 - (i) Arbitrage;
 - (ii) Speculation; and
 - (iii) Hedging.
6. What do you mean by Fisher effect? Is it true that interest rate differential equals to inflation rate differential?
7. What are the different risks in international business transactions?
8. Explain the different forms of exposure in international finance.
9. Give an overview of the different hedging techniques.
10. Describe the concepts of leading and lagging in respect of hedging.
11. Write a note on American Depositary Receipts.
12. What do you understand by forwards and futures? Mention the point of differences between the two.