

**Template 1**

Name. _____		<b>Printed Pages:01</b>		
Student Admn. No.: _____				
<b>School of Finance &amp; Commerce</b> <b>Backlog Examination, June 2023</b> <b>[Programme: BBA(FIA)] [Semester: IV] [Batch: 2020-23 ]</b>				
Course Title: International Finance		<b>Max Marks: 100</b>		
Course Code: BBAF2016		<b>Time: 3 Hrs.</b>		
<b>Instructions:</b>	1. All questions are compulsory. 2. Assume missing data suitably, if any.			
		K Level	COs	Marks
<b>SECTION-A (15 Marks)</b>		<b>5 Marks each</b>		
<b>1.</b>	Interpret the fisher effect (FE) and the international fisher effect (IFE).	K2	CO1	5
<b>2.</b>	Interpret the following with the help of examples: 1. Transaction Risk 2. Translation Risk	K2	CO2	5
<b>3.</b>	Infer the country risk and the principles for its managed.	K2	CO3	5
<b>SECTION-B (40 Marks)</b>		<b>10 Marks each</b>		
<b>4.</b>	Infer the economic risk indicators with relevant examples.	K2	CO2	10
<b>5.</b>	Illustrate the meaning of FDI. Also, compare between FDI and FII.	K4	CO3	10
<b>6.</b>	Illustrate the multinational capital budgeting and its application.	K4	CO4	10
<b>7.</b>	Illustrate the concept of interest rate parity. <p style="text-align: center;">OR</p> Illustrate the concept of purchasing power parity.	K4	CO5	10
<b>SECTION-C (45 Marks)</b>		<b>15 Marks each</b>		
<b>8.</b>	Illustrate the following. a. Bid price b. Ask price c. Spread	K4	CO3	15
<b>9.</b>	Assume the buying rate of deutschemark spot in New York is \$0.40. a. What would you expect the price of the US Dollar to be in Germany? b. If the dollar were quoted in Germany at DM2.60, How is the market supposed to react?	K5	CO4	15
<b>10</b>	Discuss various Issues in functioning of Multinational Corporations. <p style="text-align: center;">OR</p> Distinguish the various components of Balance of Payment.	K5	CO5	15