

QP CODE
H2088

Enrollment Number:

Name:

M.A. DEGREE EXAMINATIONS, MARCH 2026
Third Semester
M.A. Economics
M23EC03DE – International Finance
(2024 July admissions)

Time: 3 Hours

Max Marks: 70

Section A

Answer any ten of the following questions in a word or sentence each. Each question carries 1 mark.

1. Define international finance.
2. State one benefit of studying international finance.
3. What is the exchange rate risk?
4. Write the meaning of transaction cost.
5. What is the foreign exchange market?
6. Give the meaning of Eurobond.
7. Expand the term ADR.
8. What is meant by international reserves?
9. What is the gold standard?
10. Expand IMF.
11. What is meant by the currency union?
12. What is the Triffin Dilemma?
13. Expand ADB.
14. What is India's external debt?
15. What does NIEO stand for?

(1X10=10)

Section B

Answer any five of the following questions in two or three sentences each. Each question carries 2 marks.

16. Explain any two differences between international trade and international finance.
17. What is the "country risk"?
18. Define portfolio investment.
19. Explain any two functions of the ADB?

20. What are GDRs?
21. What is an international money market?
22. Write a short note on the Bretton Woods system.
23. What is meant by “*Beggar-Thy-Neighbour Policy*”?
24. State two functions of UNCTAD.
25. Explain the meaning of North South Dialogue.

(2X5=10)

Section C

Answer any five of the following questions in a paragraph each. Each question carries 4 marks.

26. Briefly describe the need and importance of international finance.
27. Explain the role of exchange rates in international trade and capital flows.
28. Briefly explain nature of India’s external debt.
29. Describe the objectives and functions of the IMF.
30. Describe the major segments of the international financial market.
31. Discuss the features of Eurocurrency markets.
32. Explain the concept of the optimum currency area.
33. Describe the major causes of financial crises in emerging global markets.

(4X5=20)

Section D

Answer any three of the following questions in two pages each. Each question carries 10 marks.

34. Discuss the role and functions of international financial institutions.
35. Evaluate the effectiveness of risk management strategies used by multinational firms in managing international financial risk.
36. Discuss how investment and borrowing decisions change when transaction costs and exchange-rate risks are introduced.
37. Assess the role of international financial market instruments in facilitating global capital flows.
38. Examine how international monetary systems evolved and how these changes affected global economic stability.
39. Examine the India’s engagement with international financial institutions and its impact on India’s economic development.

(10X3=30)