

SVKM's NMIMS
NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION

Programme: PGDBFM

Examination: June 2016

Subject: International Banking & Foreign Exchange

Date: 16.06.2016

Semester: IV

Course : New

Marks : 70

Time: 3.00 p.m. to 6.00 p.m.

Instructions:

1. Answer to each new question to be started on a fresh page.
2. Figures in bracket indicate full marks.

Q.1) Attempt any 2 out of 4 (Marks: 2X5=10)

- a) Forward and Futures
- b) Balance of Payment and Balance of Trade
- c) Role ECGC Ltd
- d) Role of FEDAI

Q.2) Write short notes on (2 out of 5) (Marks: 2X5=10)

- a) FII and FDI
- b) Revaluation & Devaluation
- c) Buyer's Credit
- d) Eurobond Market
- e) Nostro & Vostro Account

Q.3) Attempt any 3 out of 5 (Marks: 3X10=30)

- a) What are Masala Bonds?
- b) Why US Dollar is used as the most acceptable currency for International trade?
- c) What are pre-shipment and post-shipment scheme of Banks for financing an exporter in India?
- d) The impact of FII and FDI investment on Capital Market & INR.
- e) How Buyer's Credit is used by importers in India to get funds at LIBOR related rates of Interest?

Q.4) Attempt both the questions (Marks: 2X10=20)

a) What are the hedging products offered by Banks and used by Corporates to hedge their foreign exchange Risk. Explain each product with example.

b) In view of the global slowdown, most of the advance countries are using Negative or Zero per cent interest rates and Monetary Stimulus by printing their Currency for buying dated bonds/securities. This is creating liquidity and inflation in emerging markets. Give your understanding on the subject and our views from the point of view of Advance countries and Emerging markets.
