

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION DECEMBER 2018
(Sixth Semester)

Branch- **COMMERCE (BANKING & INSURANCE)**

BANKING AND INTERNATIONAL FINANCE

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10x2 = 20)

- 1 What is Cross Border Finance?
- 2 What is International Finance?
- 3 What do you mean by International Finance Institution?
- 4 What is EEFC account?
- 5 What is Foreign exchange?
- 6 What do you understand by Foreign exchange revaluation?
- 7 What is Foreign Currency?
- 8 What is SDR in Foreign Exchange?
- 9 What is Cross Rate?
- 10 What is Arbitrage?

SECTION - B (25 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a Discuss the investment techniques of International Finance.
OR
b Discuss the nature of International Banks.
- 12 a Enumerate the functions of BIS.
OR
b Discuss about the RFC account.
- 13 a Describe the functions of Foreign Exchange Market.
OR
b Discuss about the Foreign Exchange Services.
- 14 a Explain the composition of Foreign Exchange Reserves.
OR
b Discuss about the Foreign Currency Risk.
- 15 a Write short note on cross rates and exchange rates.
OR
b Discuss about the exchange quotation.

SECTION - C (30 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Explain the developments of International Banking.
- 17 Explain the functions of IMF.
- 18 Explain the Foreign Exchange Management Act.
- 19 Explain the compositions of Foreign Exchange Reserves,
- 90 Explain the determinants of Exchange rates.