



60551

560

I Semester M.Com. Degree Examination, February 2019
(CBCS Scheme)
COMMERCE
Paper – 1.1 : Monetary System

Time : 3 Hours

Max. Marks : 70

SECTION – A

1. Answer **any seven** sub questions. **Each** sub question carries **2** marks. **(7×2=14)**
- Define value of money.
 - What do you understand by Gresham's Law ?
 - What do you mean by Devaluation ?
 - Differentiate between Soft Money and Near Money.
 - What do you mean by Monometallism ?
 - What is Gold Parity Standard ?
 - What is Capital Flight ?
 - What do you mean by Euro Bonds ?
 - What is Pegged Exchange Rate ?
 - What is Secular Disequilibrium in Balance of Payments ?

SECTION – B

- Answer **any four** questions, **each** question carries **5** marks. **(4×5=20)**
- Critically evaluate the Irving Fisher's Quantity theory of money.
 - State the causes for the failure of Bretton Woods System.
 - State the essence of Gresham's law.
 - Explain in detail the causes of disequilibrium in the Balance of Payment.
 - Describe the evolution of International Monetary System.
 - Explain the factors contributed to the growth of Euro Currency Market.

P.T.O.

60551



SECTION – C

Answer **any three** questions, **each** question carries **12** marks.

(3×12=36)

8. Critically examine the recent developments in Forex markets.
 9. What do you mean by the circular flow of money ? Explain the circular flow of money in an economy. Use diagram to illustrate your answer.
 10. "Balance of payment always balances". Comment.
 11. Write a review of the recent developments in Foreign Capital Flows.
 12. What is SDR ? How do SDRs solve the problem of International Liquidity ?
-