



IV Semester M.Com. (Finance) Degree Examination, June 2016
(CBCS)

FB-4.3 : International Financial Institutions and Markets

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all the Sections.

SECTION – A

1. Answer **any seven** sub-questions. **Each** sub-question carries **two** marks. (7×2=14)
- What is derivative market ?
 - What are floating rate notes ?
 - What is syndication technique ?
 - What are caps and floors ?
 - State two world's major stock markets.
 - What is a consortium bank ?
 - What is interest rate swap ?
 - Define financial intermediation.
 - What is rule 144A ?
 - What is currency risk ?

SECTION – B

Answer **any four** questions. **Each** question carries **five** marks.

(4×5=20)

- How are Euro bonds classified ? Explain.
- Distinguish between domestic and international capital market.
- How are swap rates determined ? Explain.

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5. Explain the diversification benefits of international investment.
6. What are euro currency time deposits ? What are their benefits ?
7. Write a note on alternative payment and guaranteeing procedure.

SECTION - C

Answer **any three** questions. **Each** question carries **twelve** marks. **(3x12=36)**

8. Explain the mechanism of foreign exchange transfers highlighting euro currency markets.
 9. Elucidate the role and structure of international bond market.
 10. Explain the operations of foreign banks as an affiliated and correspondent bank.
 11. Describe the pros and cons of emerging international stock markets.
 12. Explain the functions and instruments of international money market.
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