

**MASTER OF BUSINESS ADMINISTRATION
MANAGEMENT ACCOUNTING AND FINANCE)
(MBAMAFCI)**

Term-End Examination

December, 2015

**MCNE-070 : INTERNATIONAL FINANCIAL
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

Note : *Attempt any five questions. All questions carry equal marks.*

1. Discuss the nature and scope of International Financial Management. What are the major benefits arising out of internationalisation of financial system ?
2. Briefly discuss the various types of short-term capital flows. As a finance manager, how would you manage such flows ?
3. Describe the short-term and long-term international financial market instruments. Which one of these should be preferred by a firm ?

4. What do you mean by 'country-risk' ? State the methods used to measure it.
 5. Differentiate between 'transaction' and 'translation' exposure. How would you manage translation exposure ?
 6. Explain the concept and importance of hedging, speculation and arbitrage in the context of foreign exchange markets.
 7. Is it possible to forecast exchange rate ? Explain the major methods of making such forecast.
 8. Describe 'currency swaps' and 'interest rate swaps'. State their utility in international financial management.
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