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**POST GRADUATE DIPLOMA IN GLOBAL  
BUSINESS LEADERSHIP (PGDGBL)**

**Term-End Examination**

**December, 2011**

**MGBE-016 : INTERNATIONAL FINANCIAL  
MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

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*Note : Attempt any five questions.*

*All questions carry equal marks.*

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1. Discuss the concept of financial integration. 20  
What are the key drivers of integration ?
2. Critically examine the methods of centralizing exposure management. Why is operating exposure to currency risk more difficult to manage than transaction exposure. ? 20
3. Compare and contrast interest rate parity (IRP), purchasing power parity (PPP), and the International Fisher Effect (IFE). 20
4. Discuss the steps taken by the RBI to extend export finance to achieve the objective of the foreign trade policy. 20

5. What is a swaption ? Critically examine the implications of foreign exchange swaps for financial and economic stability. 20
  6. How are Sovereign Wealth Funds from Private Equity Funds ? Critically examine the concerns about Sovereign Wealth Funds which need urgent consideration. 20
  7. Critically examine the initiatives taken to widen and deepen the forex market in India. 20
  8. Discuss the use of fundamental and technical techniques for forecasting exchange rates. What are the limitations of these techniques in predicting foreign exchange rates ? 20
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