

MANAGEMENT PROGRAMME

Term-End Examination

June, 2011

**MS-45 : INTERNATIONAL FINANCIAL
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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

1. (a) 'Regional trade blocs are a challenge to free trade and the World Trade Organization. Discuss
- (b) Elucidate the sources and the causes of the International Financial flows.
2. What are the special features of the Eurobond Market? How do Bond Markets, in general, differ from Equity Markets?
3. (a) The goal of the firm is to maximize the market value of its shares. Do you agree? Explain giving reasons.
- (b) Discuss the various possible strategies of Portfolio Investment.

4. Discuss the short-term/medium-term/long-term techniques of financing international trade.
 5. Explain why cost of capital for MNCs is different from that of domestic firms ? Discuss how cut of rate for foreign projects is determined while appraising the project.
 6. What does deficit in the Balance of Payment signify ? Is Balance of Trade more important than Balance of payments ? Discuss the components of Balance of Payments.
 7. Write short note on *any four* of the following :
 - (a) Shipment on Consignment Basis
 - (b) With Resource Letter of Credit
 - (c) Economic Exposure
 - (d) Current Account Convertibility
 - (e) Gross Domestic Income
 - (f) Interest Rate Arbitrage
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