

Roll No.

Total Pages : 2

701324

December 2022
MBA 3rd Semester
Foreign Exchange Management (MS-FM-212)

Time : 3 Hours]

[Max. Marks : 75

Instructions :

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

PART-A

1. (a) Differentiate between direct and indirect rate. (1.5)
- (b) Explain concept of sticky price. (1.5)
- (c) What is overshooting of exchange rate? (1.5)
- (d) Differentiate between spot rate and future rate. (1.5)
- (e) Explain EURO currency system. (1.5)
- (f) Explain foreign exchange exposure. (1.5)
- (g) Explain concept of derivatives. (1.5)

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- (h) Differentiate between put option and call option. (1.5)
- (i) Explain current and non-current method of translation. (1.5)
- (h) Explain the concept of J curve. (1.5)

PART-B

2. Explain the structure of foreign exchange market. Who are various participants in foreign exchange market? (15)
3. Explain four way equivalence model in detail. (15)
4. Explain the various types of foreign exchange exposure along with their measurement. (15)
5. Do you think we should manage foreign exchange exposure? Explain various techniques to manage foreign exchange exposure. (15)
6. Explain various types of derivatives. Differentiate between forward and future contracts. (15)
7. Explain various exchange rate regimes worldwide. Explain Real, Nominal and Effective Exchange Rate. (15)