



SB-4097
M.B.A. (FT) (Sem.-IV) (ATKT) & (EVE.) (Sem.-VI)
(Regular & ATKT) Examination
March/April – 2011
OF & A - 404 OF & A - 602
International Financial Markets
(Old Course)

Time : 3 Hours]

[Total Marks : 100

Instructions :

(1)

<p>नीचे दर्शाविएल निशानीवाणी विगतो उत्तरवडी पर अवश्य लपनी. Fillup strictly the details of signs on your answer book.</p> <p>Name of the Examination : M.B.A. (FT) (Sem.-4) (ATKT) & (EVE.) (Sem.-6) (Regular And ATKT)</p> <p>Name of the Subject : OF & A - 404 OF & A - 602 : International Financial Markets (Old)</p> <p>Subject Code No. : 4 0 9 7 Section No. (1, 2,.....) : 1&2</p>	<p>Seat No. : □ □ □ □ □ □</p> <p style="text-align: center; border: 1px solid black; border-radius: 15px; padding: 10px;">Student's Signature</p>
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- (2) Write both sections in separate answer books.
- (3) Both sections carry equal marks.
- (4) Q.1 in Section I and Q.6 in Section II are compulsory.
- (5) Attempt any two questions from Q.2, Q.3, Q.4 and Q.5 in Section I and Q.7, Q.8, Q.9 and Q.10 from Section II.

SECTION - I

- 1 Discuss the reasons and causes that gave rise to the development of international financial markets. Also discuss the benefits of integration in financial markets. 18

- 2 (a) As an investor, what factors would you consider before investing in the emerging stock market of a developing country? 8
(b) "Funds move freely across national borders". Explain the statement in relation to the business of euro-banking transactions with a help of an example. 8

- 3 “The term structure of interest rate is a graph of the interest rate (i) seen as function of the term to maturity (T) of an asset or liability. Explain. 16
- 4 Discuss the process of bringing a new international bond issue in the market. 16
- 5 Write short note on : (any two) 16
- (i) Globalization and growth of Derivative Market
 - (ii) Rise and Fall of Bretton Woods
 - (iii) Floating Rate Notes
 - (iv) Euro Currency Centres
 - (v) Foreign bonds.

SECTION - II

- 6 Discuss the reasons for international banking and also discuss the modes of international banking. 18
- 7 “Since debits must equal credits, balance of payments inflows must equal outflows.” Justify Central Bank intervention to maintain balance of payment in equilibrium. 16
- 8 What do you mean by syndicate euro credit ? Explain in detail the parties and cost involved in syndicate euro credit. 16
- 9 Identify political and economic factors that are to be considered while assessing the country risk. Discuss briefly each of them. 16

10 Write short note on : (any two)

16

- (i) International Portfolio Diversification
 - (ii) Mexican Crisis
 - (iii) Euro Commercial Paper
 - (iv) European Monetary System
 - (v) Brazilian Crisis
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