

PH 351.4

Reg. No:

--	--	--	--	--	--	--

St Aloysius College (Autonomous)

Mangaluru

Semester IV– P.G Examination - M.Com. (Finance and Analytics)

ST. ALOYSIUS COLLEGE

P.G. DEPARTMENT

MANGALURU-575 001

April 2025

INTERNATIONAL FINANCIAL MANAGEMENT

Time: 3 Hours

Max. Marks: 70

SECTION - A

I Answer any FIVE of the following: (5x4=20)

1. Highlight the contrasts between International Financial Management and Domestic Financial Management, discussing how they address issues related to taxation, legal environment, and cultural differences in global business operations.
2. Discuss the implications of the Balance of Payments for policymakers, businesses, and investors in making informed decisions about international trade and investment.
3. Define the meaning of the foreign exchange market and the players in the forex market, highlighting their roles and interactions in the global currency trading ecosystem.
4. Determine the cross rate between AUD and CAD using the provided bid and ask prices: AUD:USD Bid = 0.7200, Ask = 0.7220; CAD:USD Bid = 1.2500, Ask = 1.2520
5. Examine the implications of Interest Rate Parity Theory.
6. How does changes in interest rates by central banks influence foreign exchange rates?
7. Discuss transaction exposure and its implications.

SECTION - B

II Answer any FOUR of the following: (4x10=40)

8. Analyze in detail carbon credit and its types, considering their impact on corporate sustainability strategies, carbon footprint reduction goals, and corporate social responsibility initiatives.
9. Analyze the challenges and opportunities for India in coping up with the current account deficit, and propose actionable steps to achieve a more balanced external position.
10. Examine the mechanics of currency trading, considering factors that impact currency prices, such as economic data releases, geopolitical events, and market sentiment.
11. A foreign exchange dealer has assumed the following information for a particular currency. The quoted price CAD:EUR 0.7400, CAD:USD 0.8000, and USD:Euro 0.9200. On the basis of the above information, is triangular arbitrage possible. If yes, calculate profit by considering USD 100000.

Contd...2