PART - C

(Short Answers)

Usewer any hour questions. Each question carries 5 marks. Not an exceed two and a half pages.

So what are we important forms of international capital flows?

What is meant by the toreign exchange market equilibrium?

What is meant by international factor movements?

Analyse the offects of castoms union through general equilibrium.

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Using quant are union that and lieutole exchange rate systems.

Chargequan retween lixed and lieutole exchange rate systems.

Chargequan internations of WTC.

(Long Enerva)

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4. Trace the engin, functions and objectives of the

5. Mate a comparative study of the absorption appropriate and more

Critically evaluate for parchaging power painty meany of excrunge rates.

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ECO4C14 : INTERNATION	
Time: 3 Hours (mayer A hort3	Max. Marks: 60
Muche rewens of Johann S seemed PART -	Answer any eight questions. Euch exceed one page.
Answer all questions. Each question carries	a ½ mark.
1. The theory of customs union is associate	d with
a) WW Leontief	b) Jacob Viner
c) Alfred Marshall	d) Paul Kruger
2. The topmost decision-making body of the	WTO is
a) Ministerial Conference	b) Secretarial Conference
c) WTO Summit	d) Director of WTO
3. Which among the following is not a mem	ber of SAARC ?
a) Maldives b) Pakistan	c) Sri Lanka d) China
4. Foreign Institutional Investment (FII) is a	
a) Short term investment	b) Long term investment 34 8
c) Medium-term	d) Both a and b
 Which among the following is an agreed exchange financial instruments or cashflo 	ment between two counterparties to ows or payments for a certain time.
a) Options b) Swaps	c) Hedging d) Arbitrage
6. Trade creation and trade diversion is ass	ociated with
a) Foreign exchange market	b) IBRD mellang-and textograph ES
c) Mundell-Fleming model	d) Customs union

- 7. The Foreign Exchange Management (FEMA) Act was passed in the year
 - a) 1990
- b) 2000
- c) 1999
- d) 2004
- 8. Which among the following is not an example of regional economic cooperation
 - a) SAARC
- b) ASEAN
- c) ADB d) APEC
- $(\frac{1}{2} \times 8 = 4)$

PART - B

(Very Short Answers)

Answer any eight questions. Each question carries 2 marks. No answer should exceed one page.

- 9. Capital account.
- 10. Economic union.
- 11. Forward market.
- 12. UNCTAD.
- Foreign exchange convertibility.
- 14. Economic integration.
- 15. MNCs
- 16. Flexible exchange rate system.
- 17. Current account convertibility.
- 18. IFC.
- 19. Trade diversion.
- 20. Hedging
- 21. External balance.
- 22. Shake in the tunnel approach.
- 23. Regional integration.
- 24. FEMA.

 $(8 \times 2 = 16)$

PART - C

(Short Answers)

Answer any four questions. Each question carries 5 marks. No answer should exceed two and a half pages.

- 25. What are the important forms of international capital flows?
- 26. What is meant by the foreign exchange market equilibrium?
- 27. What is meant by international factor movements?
- 28. Analyse the effects of customs union through general equilibrium analysis.
- 29. Distinguish between fixed and flexible exchange rate systems.
- 30. What is meant by J-curve effect ?

- 31. Elucidate the objectives of WTO.
- 32. What are the different forms of economic integration ?

$(4 \times 5 = 20)$

PART - D

(Long Essays)

Answer any two questions. Each question carries 10 marks. No answer should exceed six pages.

- Analyse the effects of customs union using the partial equilibrium analysis.
- 34. Trace the origin, functions and objectives of IMF.
- Make a comparative study of the absorption approach and monetary approach to the balance of payment.
- 36. Critically evaluate the purchasing power parity theory of exchange rates.
- What is meant by regional economic integration? Discuss the objectives of SAARC.
- 38. Examine the merits and demerits of FDI and FII.

(2×10=20)