Reg. No. :	
Name ·	

III Semester M.A. Degree (C.B.C.S.S. - OBE-Regular) Examination, October 2024 (2023 Admission) **ECONOMICS**

MAECO 03C12: Global Trade and Finance

Time: 3 Hours

Max. Marks: 60

PART - A

Short answer questions. Answer any 5 questions.

- 1. Explain Rybczynsky theorem.
- 2. Differentiate between fixed and flexible exchange rate. Point out advantages of both.
- 3. What do you mean by absorption approach to devaluation?
- 4. Write notes on forwards, futures and options.
- Differentiate between FERA and FEMA.
- 6. What is meant by International Monetary Market (IMM) Index and Date ?

 $(5 \times 3 = 15)$

PART - B

Short essay questions. Answer any 3 questions.

- 7. Explain Stolper Samuelson theorem.
- 8. Examine foreign exchange risk management techniques.
- 9. What are the different forms of International capital movements? Distinguish between FDI and FII.
- 10. Describe the internal and external disequilibria using Swan diagram.
- 11. What do you mean by currency convertibility? Differentiate between current account convertibility and capital account convertibility. $(3 \times 6 = 18)$

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PART - C

Essay questions. Answer any 3 questions.

- 12. Critically examine Heckscher-Ohlin theorem of International trade.
- 13. What are the peculiarities of International Financial Market ? Explain New International Economic Order.
- Discuss Mundell-Fleming model.
- 15. Describe Purchasing Power Parity theory of exchange rate. Point out the merits and demerits of Purchasing Power Parity theory.
- 16. Bring out the significance of new trade theory. Examine Product Life Cycle Theory. $(3 \times 9 = 27)$