

**M.B.A. (GEN.) / M.B.A. (HR) / M.B.A. (IT) / Semester - IV (2012
COURSE)(CHOICE BASED CREDIT SYSTEM)/ M.B.A. (FM)
Semester - IV (2013 (CHOICE BASED CREDIT SYSTEM) :
SUMMER - 2019**

**SUBJECT : ELECTIVE – VI: CURRENCY DERIVATIVES & RISK MANAGEMENT
(IBM)**

Day : Tuesday
Date : 07/05/2019

Time : 02.00 PM TO 05.00 PM
Max. Marks : 100

S-2019-2293

N.B.

- 1) Attempt any **FOUR** questions from Section – I and any **TWO** questions from Section – II.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in **SAME** answer book.

SECTION – I

- Q.1** Explain the characteristics of risk and types of risk in detail. (15)
- Q.2** Enunciate the theory of Purchasing Power Parity (PPP) and enumerate the criticisms against it. (15)
- Q.3** What is Transaction Exposure? Enlist and explain types of transactions resulting in Transaction Exposure with suitable examples. (15)
- Q.4** Define the term 'Euro Currency'. What are the factors responsible for the growth of Euro Currency Markets? (15)
- Q.5** Write short notes on any **TWO** of the following: (15)
- a) Option strategies
 - b) Currency swaps
 - c) Derivative market
 - d) Offshore Currency Market

SECTION – II

- Q.6** Convert the following rates into outright rates and indicate their spreads: (20)

	Spot	1-Month	3-Months	6-Month
₹/\$	35.6300/25	20/25	25/35	30/40
₹/£	55.2200/35	40/30	50/35	55/42
₹/ DM	23.9000/30	30/25	40/60	45/65

- Q.7** Explain in detail Currency Crisis, Bank Crisis and Debt Crisis. (20)
- Q.8** What is Hedging? Explain the internal and external hedging techniques. (20)

* * *