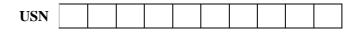
CMR INSTITUTE OF TECHNOLOGY





## **Internal Assesment Test - I**

Sub:	Global Financial	Management				Code:	2	2MBAF	FM403
Date:	06-08-2024	Duration: 90	Max Marks:	50	Sem: IV	Branc	h: N	IBA	
			SET- II						
								С	BE
						N	Marks	СО	RBT
	Part A - Answer	Any Two Full Que	$\frac{1}{\text{stions } (2*20 = 6)}$	40 mai	rks)				
1 (a)		, t			/		[02]	CO2	1.2
	Bid = 83.3456 Ask = 83.6782						[03]	CO2	L3
	1 isik = 03.0702								
(b)	Components of BC						[07]	CO1	L1
	1. Current Acc								
	2. Capital Acc								
(c)	3. Financial A Criticize MNC	ccount					[10]	CO1	L2
(0)		omestic Industries					[10]	COI	LZ
	2. Natural Res								
		age for the Poor							
	4. Inadequate	•							
	5. Laws								
	6. Loss of sov	ereignty							
	7. Misapplicat	tion of Mighty Status	S						
		of Foreign Culture So	elfishly						
		f the environment							
	10. Uncertainty								
	11. Abuse of hu	•							
	12. Micro-Mult	tinationals							
2 ( )									
	Classic period of ex		1 1 1001				[03]	CO1	L1
		tion in the United Kin that ties a currency		with ac	dd.				
	• •	ely convertible at ho	•	_		blog			
	per unit of currency		ine of defode inc	o <b>u</b> 1111		gold			
ľ	Three rules	,							
		used for international							
	•	pility between gold a	nd currency at a	fixed ra	ate.				
	Free EX-IM of Gol		260 1 222	of col.	dandaha D	مادة عام			
		gged to gold at USE gold at BP 6 = 1 out		or gore	a, and the B	riusn			
		be $60USD = 6BPr$	-	1BP					
	•	of the floating exchar					[07]	CO1	L1
(c)	INR/SGD = 62.50	12/62.8123					[10]	CO2	L3
	SGD/CAD = 0.971						[10]		
		Ask Rate = $60.7137$	/62.7055						
	Determine CAD/IN	NR Bid and Ask Rate	e = 0.0159/0.0174	4					

	GBP required Answer: 18.60	[03]	CO2	L3					
		Swap and Option		[07]	CO3	L2			
	Aspect	Options	Swaps						
	Liquidity	Generally higher due to standardised contracts and exchange trading.	Varies based on type; liquidity can fluctuate.						
	Obligations	The seller is obligated to sell the underlying asset if the option is exercised.	Both parties have obligations to exchange cash flows.						
	Underlying	Involves trading assets based on their true worth.	Involves exchanging cash flows alongside the underlying asset's value.						
	Trading Method	Can be traded either over-the-counter (OTC) or on exchanges.	Typically over-the-counter (OTC) derivatives, are customized and privately traded.						
	Payment	Requires a premium payment to acquire the option.	· · · · · · · · · · · · · · · · · · ·						
	Exchange Involvement	Tradable on exchanges and privately.	Primarily traded privately and not on exchanges.						
(c)	Explain foreign exchange risk with examples.  1. 1. Transaction risk,  2. Translation risk &  3. Economic risk					L2			
	Part B - Comp	oulsory (01*10=10 marks) – C	SASE STUDY						
	USD/INR = 0.02342/0.04824 USD/EUR = 1.2546/1.5245 AED/EUR = 3.6715/3.4730 1. INR/AED Bid and Ask Rate = 7.4876/14.5923					L3			
	3. Spread Po 4. Mid-Rate	<ol> <li>Spread = 7.1047</li> <li>Spread Percentage = 94.88%</li> <li>Mid-Rate = 11.03995</li> <li>AED/INR Bid and Ask Rate = 0.0564/0.1335</li> </ol>							

Course Outcomes (COs)		P01	PO2	P03	P04	P05	PS01	PSO2	PSO3	PSO4	
CO1:	The student will have an understanding of the	1b,	2b			2a,	1c,	1b		2b	

	International Financial Environment.					2b		
CO2:	The student will learn about the foreign exchange	1a,	3a,	3b	21-		1a,	3b,
CO2.	market, participants, and transactions.	, participants, and transactions.		30		3a	1c	4
CO3:	The student will be able to use derivatives in foreign							
CO3.	exchange risk management							
	The student will be able to evaluate the Firm's							
<b>CO4:</b>	Exposure to risk in the international environment and							
	various theories associated with it.							

<b>Cognitive level</b>	KEYWORDS
L1 -	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
Remember	ist, define, ten, deserbe, recan, lacintry, show, laber, tabulate, quote, name, where, etc.
L2 -	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
Understand	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3 - Apply	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4 - Analyze	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5 - Evaluate	asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6 - Create	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1-Theoretical Knowledge; PO2-Foster Analytical and Critical Thinking Abilities for data based decision making;

PO3-Develop Value Based Leadership; PO4-Ability to Understand and communicate various business aspects to global;

PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;

PSO1- Comprehend Contemporary features of Business Management Science and its administration

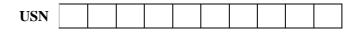
PSO2- Analyze and interpret the dynamic situations for making Business Management strategies

PSO3- Handle responsibility with the ethical values for all actions undertaken by them

PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.

CI CCI HOD

CMR INSTITUTE OF TECHNOLOGY





## **Internal Assesment Test - I**

Sub:	Global Financial Management Code						le:	22	2MBAF	FM403		
Date:	06-08-2024	Duration:	90	Max Marks:	50	Sem:	IV	Bra	nch:	M	BA	
				SET- II								
											С	BE
									Mai	rks	СО	RBT
	Part A - Answei	r Any Two F	ull Que	stions ( 2* 20 =	40 m	arks)						
1 (a)	INR/USD = 83.34	56/83.6782							[0]	3]	CO2	L3
	Identify Bid Ask.											
(b)	Discuss the compo	onents of BOF	)						[0	)7]	CO1	L1
(c)	Criticize MNC								[1	.0]	CO1	L2
2 (a)	Describe the classi	ic period of ex	change	·					[0:	31	CO1	
	Give an overview	•							[0]		CO1	L1
			- CACHAI									
	INR/SGD = 62.50 SGD/CAD = 0.973 Determine INR/CA Determine CAD/II	14/0.9983 AD Bid and A							[10	<u> </u>	CO2	L3
3 (a)	Compute the GBP	required to b	uy INR	2000 if INR/GE	$\mathbf{P} = 1$	07.48/1			[0:	3]	CO2	L3
(b)	Differentiate Swap	and Option							[0]	7]	CO3	L2
(c)	Explain foreign ex	change risk w	ith exa	mples.					[10	0]	CO3	L2
	Part B - Compulso	ory (01*10=10	) marks)	) – CASE STUD	Y							
	USD/INR = 0.023 USD/EUR = 1.254 AED/EUR = 3.671 Determine 1. INR/AED Bio 2. Spread 3. Spread Percer 4. Mid-Rate 5. AED/INR Bio	46/1.5245 15/3.4730 d and Ask Rat ntage							[10	0]	CO2	L3

Course Outcomes (COs)			P02	P03	P04	P05	PSO1	PSO2	PSO3	PSO4
CO1:	The student will have an understanding of the International Financial Environment.	1b, 1c	2b			2a,	1c, 2b	1b		2b
CO2:	The student will learn about the foreign exchange market, participants, and transactions.	1a, 1c	3a, 4		3b		3a		1a, 1c	3b, 4
CO3:	The student will be able to use derivatives in foreign exchange risk management									
CO4:	The student will be able to evaluate the Firm's Exposure to risk in the international environment and various theories associated with it.									

<b>Cognitive level</b>	KEYWORDS
L1 -	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
Remember	inst, define, ten, deserbe, recta, rectar, lacinary, snow, laber, tabulate, quote, name, where, etc.
L2 -	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
Understand	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3 - Apply	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4 - Analyze	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5 - Evaluate	asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6 - Create	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

PO1-Theoretical Knowledge; PO2-Foster Analytical and Critical Thinking Abilities for data based decision making; PO3-Develop Value Based Leadership; PO4-Ability to Understand and communicate various business aspects to global;

PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;

PSO1- Comprehend Contemporary features of Business Management Science and its administration

PSO2- Analyze and interpret the dynamic situations for making Business Management strategies

PSO3- Handle responsibility with the ethical values for all actions undertaken by them

PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.

CI CCI HOD