

B.Com. (Semester – V) Examination, April/May 2019
INTERNATIONAL ECONOMICS (New Course)

Duration : 2 Hours

Total Marks : 80

- Instructions :**
- i) **All questions are compulsory, however internal choice is available.**
 - ii) **Answer sub-questions in Question 1 and Question 2 in not more than 100 words each.**
 - iii) **Answer to Question 3 to Question 6 must be of approximately 400 words each.**
 - iv) **Figures to the right indicate maximum marks assigned to the question.**
 - v) **Start each question on a fresh page.**

1. Answer **any four** of the following in approximately **100 words each.** **16**
 - i) Explain any two gains from international trade.
 - ii) Define Anti-dumping duties with a suitable example.
 - iii) Explain the concept of Protectionism.
 - iv) Briefly explain two determinants of Foreign Direct Investment (FDI).
 - v) Explain the concept of Foreign Investment.
 - vi) What is the impact of Foreign Portfolio Investment on capital market ?
2. Answer **any four** of the following in approximately **100 words each.** **16**
 - i) Briefly explain two types of foreign exchange transactions.
 - ii) Explain two factors influencing exchange rates.
 - iii) Define the current account of the Balance of Payments.
 - iv) Explain two types of disequilibrium in the Balance of Payments.
 - v) Write four functions of World Trade Organisation (WTO).
 - vi) Explain the meaning of Regional economic co-operation.
3. A) Explain four factors giving rise to international trade. **12**

OR

- B) What is free trade policy ? Explain five advantages of free trade policy. **12**



4. A) Define Multinational Corporations and explain any two entry modes with the help of its advantages. 12

OR

B) Explain in brief four determinants of Foreign Portfolio Investment. 12

5. A) Briefly explain the following methods used to correct disequilibrium in the Balance of Payments :

i) Exchange Rate Depreciation

ii) Exchange Control. 12

OR

B) Define Foreign Exchange Market and explain five features of the Foreign Exchange Market. 12

6. A) Explain three agreements of the World Trade Organisation. 12

OR

B) Briefly explain three forms of regional integration found in international trade. 12