



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**

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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 : 12
- i) Exchange Rate Depreciation
 - ii) Exchange Control.

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