



SID – 02

B.Com. (Semester – V) (New Course) Examination, April 2016
INTERNATIONAL ECONOMICS

Duration : 2 Hours

Total Marks : 80

Instructions: i) **All questions are compulsory, however internal choice is available.**
ii) **Figures to the right indicate marks.**
iii) **Start each new question on a fresh page.**
iv) **Answer to questions 3 to 6 must be of approximately 400 words each.**

1. Answer **any four** of the following in approximately **100 words each**. **16**
 - i) Outline any four features of international trade.
 - ii) What is income terms of trade ?
 - iii) Any four advantages free trade.
 - iv) Meaning of Foreign Direct Investment (FDI).
 - v) What is franchising ?
 - vi) What are Joint Ventures ?
2. Answer **any four** of the following in approximately **100 words each**. **16**
 - a) What is Balance of Trade ?
 - b) Meaning of secular disequilibrium in BoP.
 - c) Define PPP dollar.
 - d) What is managed floating ?
 - e) What is Most Favoured Nation (MFN) principle ?
 - f) What is Regional Economic Cooperation ?
3. a) State and explain any three factors giving rise to international trade. **12**

OR

 - b) What is protection ? Give five reasons for countries adopting protectionist trade policies. **12**

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4. a) Explain the determinants of Foreign Direct Investment in the host country. 12
- OR
- b). State and explain any four factors determining the flows of Foreign Portfolio Investment in to a country. 12
5. a) Define Balance of Payments. Explain the components of Current and Capital Account in Balance of Payments. 12
- OR
- b) Explain any four factors affecting short term exchange rates in a country. 12
6. a) Briefly explain the following trade agreements of WTO. 12
- i) Agreement on Agriculture
- ii) TRIPs
- OR
- b) Briefly explain various forms of Regional Integration found across the world. 12