



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



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