Q.P. Code :00427

[Time: $2\frac{1}{2}$ Hours] **[Total Marks:75]**

Please check whether you have got the right question paper.

N.B:
1. **All Questions are compulsory.**
2. **Figures to right indicate full marks.**

Q.1 a) Explain the following terms. (08)
- i) Euro Currency
- ii) Fedwire
- iii) Indirect rate
- iv) Vostro account

Q.1 b) Explain in detail Vehicle currency. (07)

OR

Q.1 a) Explain the following terms. (08)
- i) Bulls
- ii) CHIPS
- iii) Bid rate
- iv) Hot money

Q.1 b) Explain various participants in Foreign Exchange Market. (07)

Q.2 a) Explain flexible Exchange rate system. (08)

Q.2 b) Explain in detail Gold Standard system. (07)

OR

Q.2 a) What are different exposure in forex market? (08)

Q.2 b) Differentiate between option contract & futures contract. (07)

Q.3 a) USD/SGD Mid-Rate 1.3685 (08)
USD/SGD spread = 0.0030
Calculate % spread of USD/SGD, USD/SGD quotation, SGD/USD quotation.

Q.3 b) 1 GBP = JPY 2.4336 – 46 (07)
1 GBP = JPY 2.4355 – 65
Identify and calculate Arbitrage gain for 1 Million GBP and gain in GBP

OR

Q.3 a) EUR/GBP 1.3892 – 1.3898 (08)
EUR/USD 1.1391 – 1.1397
USD/GBP 1.1920 – 1.1985
Identify & calculate Arbitrage gain for 1 Million EUR & gain GBP

B) SPOT GBP / INR 3.6723 (07)
3 month AFM = Discount 1.5%
Calculate 3 month forward GBP / INR rate.

Q.4 a) Explain role of RBI in forex market. (08)

Q.4 b) Explain in detail FEMA. (07)

OR

Q.4 a) Explain the role of Indian MNC in foreign exchange market. (08)

Q.4 b) Explain in detail forward contract. (07)

Q.5 Write short notes on: (any three) (15)

a) Tax havens
b) Snake in the tunnel
c) FEDAI
d) Trading
e) Authorized dealers