

**GOVERNMENT COLLEGE OF COMMERCE AND ECONOMICS**

**BORDA MARGAO, GOA**

**T.Y.B.Com (CBCS) Semester VI – OC-66 Examination of August 2020**

**INTERNATIONAL ECONOMICS –CC 18**

Maximum Marks: 30

Date: 05/08/2020

**Instructions:** Answer sub-questions in Question 1 in 50-60 words.  
Answer Sub-questions in Question 2 in 150-200 words.  
Figures to the right indicate full marks.

**Q.1. Answer any FIVE of the following questions.**

**2X5=10**

- 1) Write out any two features of International Trade.
- 2) Write out any two advantages of Free Trade.
- 3) Explain the concept of Managed Floating Exchange Rate.
- 4) What is Arbitrage?
- 5) Write out any two points of difference between Foreign Direct Investment and Foreign Portfolio Investment.
- 6) Briefly explain Franchising as mode of MNC entry.
- 7) What is the difference between Multilateralism and economic regionalism?
- 8) What is a Free Trade Area?

**Q.2. Answer any FOUR of the following questions.**

**5x4=20**

- a) Explain the concepts of Net Barter and Gross Barter Terms of Trade.
- b) Explain Product Life Cycle as a determinant of International Trade.
- c) Write out any five causes of disequilibrium in Balance of Payment.
- d) Explain any five factors determining foreign exchange rates.
- e) Explain the factors influencing Foreign Direct Investment.
- f) Write a note on TRIMS.