Test questions for the course  
INTERNATIONAL FINANCE

1. Foreign Exchange Market definition. Spot Exchange Rates.
2. Currency Arbitrage.
3. Short-term Foreign Exchange Rate Movements.
4. Long-term Foreign Exchange Movements.
5. Trade-weighted Exchange Rate Indexes.
6. Russian foreign exchange market.
7. The Gold Standard: 1880 to 1939.
8. The Bretton Woods Agreement: 1944 to 1973.
9. Floating Exchange Rates: 1973 to the Present. Currency Boards and “Dollarization”.
10. The Choice of an Exchange Rate System. The European Monetary System and the Euro.
11. Exchange rate systems classification.
12. The balance of payments, the current account, the capital account.
13. Balance of payments transactions classification.
14. Current Account Proficit and Deficit.
15. Balance of Payments Equilibrium and Adjustment.
16. Russian foreign debt. The foreign Debt of the other counties.
17. Currency forward rates.
18. Foreign exchange swap. The currency swaps.
19. Foreign exchange futures.
20. Foreign exchange options.
21. Binary foreign exchange options.
22. Reasons for Offshore Banking. Offshore Banking Practices.
23. Libor Interest Rate Spreads and Risk.
24. Exchange Rates, Interest Rates, and Inflation.
25. Expected Exchange Rates and the Term Structure of Interest Rates.
26. Absolute Purchasing Power Parity. The Big Mac Index. Relative Purchasing Power Parity.
27. Time, Inflation, and Purchasing Power Parity.
28. Deviations from Purchasing Power Parity. Overvalued and Undervalued Currencies.
29. Types of Foreign Exchange Risk. Foreign Exchange Risk Premium. Market Efficiency.
30. Foreign Exchange Forecasting.
31. Financial Control and Cash Management of the Multinational Firm
32. Letters of Credit.
33. Intrafirm Transfers and Capital Budgeting of the Multinational Firm.
34. Portfolio Diversification. The Globalization of Equity Markets.
35. Direct Foreign Investment.
36. Capital Flight. Capital Inflow Issues.
37. International Lending. IMF Conditionality.
38. Country Risk Analysis.
39. Elasticities Approach to the Balance of Trade. The J-Curve.
40. The Balance of Trade: the Marshall-Lerner condition.
41. Absorption Approach to the Balance of Trade.
42. The IS-LM-BP approach: the IS (Investment Saving) curve.
43. The IS-LM-BP approach: the LM (Liquidity Preference Money Supply) curve.
44. The IS-LM-BP approach: the BP (balance of payment) curve.
45. The IS-LM-BP approach: Monetary Policy under Fixed Exchange Rates.
46. The IS-LM-BP approach: Fiscal Policy under Fixed Exchange Rates.
47. The IS-LM-BP approach: Monetary Policy under Floating Exchange Rates.
48. The IS-LM-BP approach: Fiscal Policy under Floating Exchange Rates.
49. International Financial organizations: International Monetary Fund.
50. International Financial organizations: World Bank Group.