Objective: - To provide the student an understanding of international trade and finance. To grasp the basic concepts, principles and practices of exchange rates, regulations and control and fund movements in India and international market. To teach basic calculations in foreign currency.

Unit –I Foreign Exchange Market (25 marks - 18 Lectures)
Definition –international financial system and forex market. Forex exchange market components- exchange rate mechanism. Types of rates - forward rate, spot rate, arbitrage, speculation, swap. Forward rate agreements, Indian foreign exchange market. Exchange dealers– exchange rate system in India- floating v/s fixed exchange rates in India.

Unit –II International Transfer of Funds (25marks - 18 lectures)

Unit –III Financing of International Trade (30 marks - 25 lectures)
Import finance-Documentary credit, letters of credit-types (brief) shipping documents. Export/import guarantees export promotion incentives ( brief). Role of ECGC (various policies and guarantees -brief) & EXIM bank - lending policy and guarantees.

Unit-IV Exchange Rate Arithmetic (20 marks - 14 lectures)
Introduction- factors influencing banks rate of exchange
Role of interest rates. Calculations of forward rate-quotations and dealings of Indian banks. Exchange arithmetic cross rate, forward rate, arbitrage operations. Methods of quotation- direct and indirect.

Books for Study and Reference:

C. Jeevanandam, Foreign Exchange practice, concepts and control, sultan chand and sons.
C . Jeevaandam, A brief course on foreign exchange arithmetic, sultan chand and sons, educational publishers New-Delhi.