Assignment #1 – International Finance Question

Each questions must be 5 to 15 sentences in length. As per the professor request.

Describe the ideal currency (the impossible trinity)

What are the functions of the ER markets?

Who are the major participants in the ER markets?

What is the value of trading and what are the major currencies traded?

Compare and contrast spot and forward ER markets.

Talk on foreign exchange options.

Describe bid and ask , direct and indirect quotes for euro and dollar.

Compare intermarket and triangular arbitrage.

How could a country adjust a disequilibrium in its Balance of Payments (BOP) in the context of the Bretton Woods System.