IMPACT OF EXCHANGE RATE VOLATILITY ON FOREIGN DIRECT INVESTMENT: A CASE OF BRICS

MR. NISCHITH. S

RESEARCH SCHOLAR, DEPARTMENT OF STUDIES IN MANAGEMENT
B.N. BHADUR INSTITUTE OF MANAGEMENT SCIENCES
UNIVERSITY OF MYSORE, MYSORE

ABSTRACT

In the context of global world where all the countries has opened for the business and trade, the trade relation has been kept as a high priority, the scenario has been changed from the internal development to global development, hence the doors have been opened by all the countries giving much priority for the global business. But the thing of self-development and sustain is also most important. Hence for the development finance and demand for business output is most important but the country is facing with little finance stability and lack of technology and knowledge for the development often suffer from the scarcity of development and those countries would go for the financial resources from the financial bodies like world banks and even borrow funds from other countries. Hence Foreign Direct Investment is one of the ways for attaining the finance from the other countries. Since every country is having its own currency value the stability of the currency and repayment of the finance with interest is different and difficult hence this paper emphasis on the Exchange Rate Volatility and its impacts on FDI from the case of BRICS nation and highlighted its strengths and flaws.

KEYWORDS: BRICS, Exchange Rate Volatility, FDI, financial stability etc.