



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **FIN2183 Multinational Finance**
Trimester & Year : January – April 2018
Lecturer/Examiner : Mohd Khairil bin Bahari
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of:
PART A (100 marks) : Answer FOUR (4) out of SEVEN (7) short essay questions.
Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 3 (Including the cover page)

PART A
INSTRUCTION(S)

: SEVEN (7) SHORT ESSAY QUESTIONS (100 MARKS).
: Answer only **FOUR (4)** questions. Write your answer in the Answer Booklet(s) provided.

Question 1

- (a) Discuss **FOUR (4)** roles of international financial system. (12 marks)
- (b) Protectionism is the economy policy of restraining trade between countries through various methods. Discuss all **FOUR (4)** types of method available. (13 marks)

[Total: 25 marks]

Question 2

Explain **SIX (6)** benefits of international trade.

[Total: 25 marks]

Question 3

- (a) Explain **FOUR (4)** transactions involved in Counter Trade. (10 marks)
- (b) In what way can an exporter secure payment for the transaction of exporting goods? Discuss **THREE (3)** advantages of such payments on the exporter, importer and the banking system. (15 marks)

[Total: 25 marks]

Question 4

- (a) Explain **FOUR (4)** characteristics of a Documentary Credit. (10 marks)
- (b) Explain in detail the steps involved in the documentary credit. Use an appropriate diagram in your explanation. (15 marks)

[Total: 25 marks]

Question 5

- (a) Explain **THREE (3)** functions of EXIM Bank. (3 marks)
- (b) Explain the reason(s) why export credit insurance is necessary. (7 marks)
- (c) Discuss the **FIVE (5)** special types of letter of credit which are applicable in international trade. Explain the purpose of each. (15 marks)

[Total: 25 marks]

Question 6

Explain the purpose of Incoterms and describe **ONE (1)** Incoterms from each different group by highlighting the roles of the exporter and the importer.

- "C"
- "D"
- "E"
- "F"

[Total: 25 marks]

Question 7

- a) Explain the **FIVE (5)** ways can an exporter provides finance to an importer. (15 marks)
- b) Discuss how do importers, using the trust receipt technique in securing financing. (10 marks)

[Total: 25 marks]

END OF EXAM PAPER