

Diploma in Islamic Banking Examination, October-2021

PART-II

202: International Trade and Finance

Time: 3 hours

Full Marks: 100

Pass Marks: 45

(N.B.: Answer **any 5 (five)** of the questions given below.

The figures in the right margin indicate full marks.)

1. a) Define Balance of Trade and Balance of Payment. 4
b) What are the components of Balance of Trade and Balance of Payment? 4
c) What is the difference between Balance of Trade and Balance of Payment. 8
d) 'Balance of Payment is always balanced' - explain. 4
2. a) What do you mean by International Financial Market? 5
b) What are the instruments of international financial market? 5
c) Does Islamic Economics support international financial market? 6
d) What are Financial Derivatives? Explain. 4
3. Explain any **five (05)** of the following terms in the light of UCP-600: 5x4=20
 - i) Credit VS. Contract
 - ii) Transferable Letter of Credit
 - iii) Complying Presentation
 - iv) Clean Transport Documents
 - v) Assignment of Proceeds
 - vi) Banking Day
 - vii) Confirmation
 - viii) Commercial Invoice
4. a) Define Incoterms. State all Incoterms under Incoterms -2020. 5
b) Why the Inco-terms so important in the international trade? 5
c) Describe responsibilities of both buyer and seller under any 04(Four) Incoterms. 10
5. a) Discuss about Pre-Shipment and Post-Shipment Finance practices in Islamic Banking. 10
b) Describe Factoring and Forfeiting with its operational procedures. 10
6. a) What do you mean by UPAS L/C? Narrate the rules and procedures of opening UPAS L/C and settlement thereof. 8
b) Define EDF and MFCI. What are the procedures for disbursement and realization/settlement of EDF and MFCI? 12
7. a) What is SWAP? 2
b) Describe different types of spot buying and selling rates as practiced by the banker of Bangladesh. 6
c) A customer wants to sell an export bill for EURO 15000 at sight basis. Calculate applicable exchange rate for purchasing the above bill under Bai-as-Sarf and total value to be paid to the customer under following data: 12

i) EURO/USD Rate	1.1870-1.1875
USD/BDT Rate	84.8050-84.8070
ii) Transit Period	21 days (1 Year-360 days)
iii) Collection Charge	0.25%
iv) Bank's Profit	7% P.A
v) Postage Charge	Tk. 0.15 per EURO
vi) Foreign Correspondence Charge	Tk. 0.10 per EURO
8. Write short notes on **any 5 (Five)** of the following: 5x4=20
 - a) Bill of Entry
 - b) Dealing Room
 - c) Duty Draw Back
 - d) Short Position
 - e) Trade Based Money Laundering (TBML)
 - f) Intervention Currency
 - g) ACU
 - h) Suppliers Credit.

The End

