

**Diploma in Islamic Banking Examination, May-2022**

**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) What is International Trade? 2  
b) State the differences between Modern Theory and Classical Theory of international trade. 6  
c) Discuss the following trade payment methods, its advantages and disadvantages considering importers and exporters: 12  
i) Payment in Advance ii) Documentary Credit iii) Documentary Collection iv) Open Account
2. a) What is Import? 2  
b) Describe the general procedures of importing goods in Bangladesh. 7  
c) What is Export? 2  
d) What problems are faced by the exporters for collecting raw materials at the post Covid situation. 5  
e) What are the local and foreign regulations of Foreign Exchange business? 4
3. Discuss following Transport Documents. State who can issue and what are the information the documents must contain as per UCP-600: 5x4=20  
i) Bill of Lading ii) Airway Bill  
iii) Truck Receipt iv) Multimodal Transport Document
4. a) What is Dealing Room? Describe the functions of the Dealing Room. 10  
b) What are the roles of Dealing Room to boost foreign exchange business of a bank? 5  
c) Describe the activities and responsibilities of Treasury Back office as per Bangladesh Bank Foreign Exchange Risk Management Guidelines. 5
5. Explain following terms in the light of UCP-600: 2.5x8=20  
i) Complying Presentation ii) Transferring Bank iii) Commercial Invoice  
iv) Negotiation v) Nominated Bank vi) Banking Day  
vii) Counter Party Bill of Lading viii) Clean Transport Document
6. a) What is Off-Shore Banking? 2  
b) Define Letter of Credit. 2  
c) What are the parties involved in a letter of credit? 4  
d) What are the preparatory steps required for opening a letter of credit? 6  
e) What are mandatory fields in the SWIFT message for opening a letter of credit? 6
7. a) What are the differences between Spot Rate and Forward Rate? 4  
b) What is Cross Rate? How do you calculate it? 4  
c) A client wants to remit GBP15000 through FTT for his son studying abroad. Calculate the rate for GBP against BDT and how much amount you will charge the client considering the following information. 12  

i) GBP/USD Rate	1.3590-1.3595
USD/BDT Rate	87.00-87.05
ii) FTT Charge	0.10%
iii) Fixed Overhead Cost	Tk. 0.20 (Per GBP)
iv) Profit Margin	0.15%
v) Rebate to be allowed to the client	0.25% for a period of 15 days (360 days in a year)
8. Write short notes on any 5 (Five) of the following: 5x4=20  
a) SWAP b) Currency Intervention c) Inco-terms 2020 d) Trade Based Money Laundering  
e) Factoring f) Short Position g) Supplier's Credit h) Financial Engineering

**The End**