POLITEI NIK Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION DEPARTMENT OF POLYTECHNIC EDUCATION (MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
JUNE 2012 SESSION

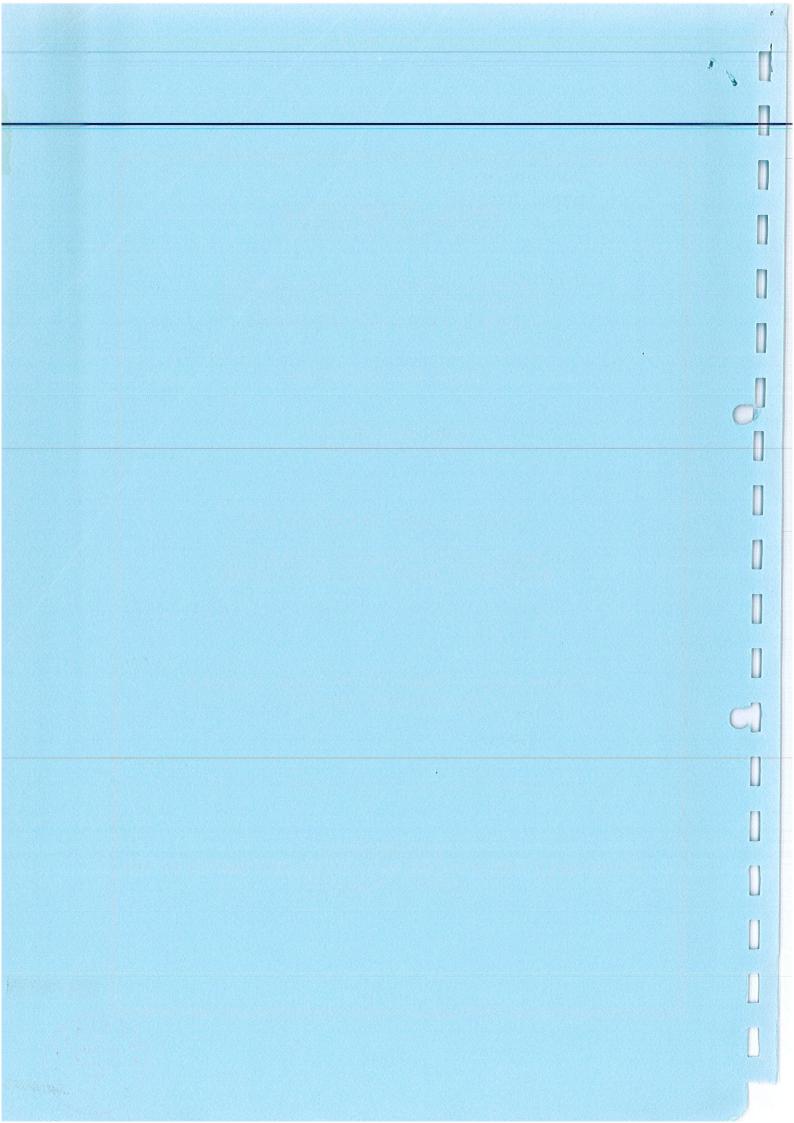
P5419 - ISLAMIC TRADE FINANCE

DATE: 17 NOVEMBER 2012 (SATURDAY) DURATION: 2 HOURS (8.30 A.M. – 10.30 A.M.)

This paper consists of **THREE (3)** pages including the front page. Essay (4 questions – answer all)

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CHIEF INVIGILATOR





ESSAY (100 marks)

INSTRUCTION:

This section consists of FOUR (4) essay questions. Answer ALL.

QUESTION 1

a) Trade and commerce in Islam must comply with the requirements of the Shari'ah. Describe the prohibition in Islamic contract.

(10 marks)

b) Explain FIVE (5) types of contracts used in Islamic trading.

(15 marks)

QUESTION 2

a) There are FIVE (5) types of "invoices" involved in trade. Describe each of them.

(10 marks)

b) Describe **THREE** (3) types of the Incoterms that include in requirement of "arrange carrier" by the importer.

(15 marks)

QUESTION 3

a) The Bank provides specific Islamic import facilities and financing mostly on short-term basis for the purpose of facilitating trade for its customers. Describe the types of Letter of Credit that provided by Banks.

(9 marks)

b) Explain **FOUR (4)** factors affecting foreign exchange (FOREX) rates. (16 marks)

QUESTION 4

a) State SEVEN (7) types of foreign exchange instrument that used in international trade.

(7 marks)

- b) Explain the differences between Islamic and Conventional Trade Finance product based on items below:
 - i. Letter of Credit and Documentary Credit

(6 marks)

ii. Murabahah Trust Receipt and Trust Receipt

(6 marks)

iii. Islamic Accepted Bill and Bankers Accepted

(6 marks)