

POLITEKNIK
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



THE UNIVERSITY OF CHICAGO

THE UNIVERSITY OF CHICAGO
DIVISION OF THE PHYSICAL SCIENCES
DEPARTMENT OF CHEMISTRY

RESEARCH REPORT

REPORT NO. 1000

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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)