

SULIT



**BAHAGIAN PEPERIKSAAN DAN PENILAIAN
JABATAN PENGAJIAN POLITEKNIK DAN KOLEJ KOMUNITI
KEMENTERIAN PENDIDIKAN MALAYSIA**

JABATAN PERDAGANGAN

PEPERIKSAAN AKHIR

SESI JUN 2019

DPP6013: INTERNATIONAL FINANCE

TARIKH : 04 NOVEMBER 2019

MASA : 8.30 PAGI - 10.30 PAGI (2 JAM)

Kertas ini mengandungi **EMPAT (4)** halaman bercetak.

Esei (4 soalan)

Dokumen sokongan yang disertakan : Tiada

JANGAN BUKA KERTAS SOALAN INI SEHINGGA DIARAHKAN

(CLO yang tertera hanya sebagai rujukan)

SULIT

INSTRUCTION:

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

ARAHAN:

*Bahagian ini mengandungi **EMPAT (4)** soalan esei. Jawab **SEMUA** soalan.*

QUESTION 1

CLO1
C1

- (a) (i) Describe two major differences between bondholders and stockholders.

[5 marks]

- (ii) State **FIVE (5)** major participants in the Forex Market.

[5 marks]

CLO1
C3

- (b) (i) Assume that the Mexican peso has recently changed in value from USD/MXN10.00 to 11.00. Calculate the percentage change in spot rates in the value of the Mexican peso in
- a) foreign currency terms
 - b) home currency terms.

[10 marks]

- (ii) Suppose the following exchange rates are quoted:

	Currency per USD
Japanese yen USD/JPY	118.79
Mexican peso USD/MXN	14.8638

Implement the cross rate calculation, if a Mexican importer needs Japanese yen to pay for purchases in Tokyo.

[5 marks]

QUESTION 2CLO1
C1

(a) Describe the differences between Ask price and Bid price

[5marks]

CLO1
C2

(b) Interpret the four major participants in the forward market as follows:

- (i) Arbitrageurs
- (ii) Traders
- (iii) Hedgers
- (iv) Speculators

[10 marks]

CLO1
C4

(c) The following exchange rates are quoted.

Michigan Bank quotes U.S dollars per Euro $\text{USD } 1.3297 = 1 \text{ EUR}$ Royal Bank Of Scotland quotes U.S dollar per pound sterling $\text{USD } 1.5585 = 1 \text{ GBP}$ Dresdner Bank quotes euros per pound sterling $\text{EUR } 1.1722 = 1 \text{ GBP}$

Illustrate a Triangular Arbitrage by a market trader at Michigan Bank with
USD 1,000,000.

[10 marks]

QUESTION 3CLO2
C2

(a) Exposure refers to the degree to which a company is affected by exchange rate changes.
Identify **TWO (2)** risks in foreign exchange market.

[10 marks]

CLO2
C3

(b) Distinguish the parties involved regularly in the method of payment in the international trade below:

- (i) Bankers Drafts/ Bill of Exchange
- (ii) Letter of Credit
- (iii) Documentary Collection

[15 marks]

QUESTION4

CLO3
C2

- (a) (i) Countertrade is a trade between two countries by which goods are exchanged for other goods rather than in currency. Discuss **TWO (2)** types of countertrade.

[5marks]

CLO3
C4

- (b) (ii) Explain **TWO (2)** types of financing scheme below.
- (a) Overdraft
 - (b) Hirepurchase

[5 marks]

- (c) Interpret the process of **TWO (2)** financing scheme in trade financing.
- (i) Leasing
 - (ii) Forfeiting

[15 marks]

SOALAN TAMAT