



The Institute of
Bankers Pakistan

Time Allowed: 3 Hours

Maximum Marks:100

Finance of International Trade and Related Treasury Operations

Date: December 10, 2019

JAIBP (Stage-III)

Roll No:

Instructions:

- i. Attempt ALL questions;
- ii. Answers must be neat, relevant and brief;
- iii. In marking the question paper, the examiners take into account clarity of exposition, logic of arguments, presentation and language;
- iv. Read the instructions printed inside the top cover of answer script CAREFULLY before attempting the paper;
- v. DO NOT write your Name, Access No. or Roll no. etc. anywhere inside the answer script(s);
- vi. Candidates are advised not to mark any of the objective answer on the question paper, otherwise their paper will be cancelled;
- vii. Question Paper must be returned to invigilator before leaving the examination hall.

SECTION B: SUBJECTIVE

All the questions from Section B are compulsory.

(55 Marks)

Q2.

A. What is International Trade?

(02 Marks)

B. List any eight intermediaries to accomplished an international trade transaction.

(08 Marks)

Q3. Describe the role of treasury in the payment inflow/ outflow process.

(10 Marks)

Q4. Briefly discuss the followings:

(10 Marks)

A. Financial Derivatives

B. Performance Guarantee

C. Revolving letter of credit

D. Swap Transaction

E. Exchange Rate Risk

Q5. Differentiate between balance of trade and balance of payment.

(05 Marks)

Q6. An exporter is looking for “Forward purchase of foreign exchange against export of goods” and you are assigned to attend his query. What response would you state to constitute a satisfactory answer?

(05 Marks)

Q7. What basic mandatory factors are to be considered while opening a Nostro account?

(05 Marks)

Q8. Discuss the risk associated with the issuance of Shipping Guarantee.

(05 Marks)

Q9. Outline various parties involved and their functions/ obligations in a confirmed Documentary Letter of Credit.

(05 Marks)

X ——— END OF PAPER ——— X