PENINSULA COLLEGE GEORGETOWN

FINAL EXAMINATION

Programme Name	:	**BSC. (HONS) MARITIME BUSINESS AND LOGISTICS** **BA (HONS) BUSINESS** **BA (HONOURS) ACCOUNTING & FINANCE**
Course Code & Name	:	**MPU3313 MALAYSIAN BANKING & FINANCE**
Duration	:	**3 HOURS**

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY.**
2. The question paper consists of **FOUR (4)** questions.
3. Answer **ALL** questions in the question paper.
4. Answers to the questions are to be written into the examination booklet.
5. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:

The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(*This booklet contains 3 printed pages including this page*)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer **ALL** questions on the separate sheet provided. **[100 marks]**

1. a) Discuss **FOUR (4)** primary roles of Bank Negara Malaysia as the country's Central Bank. (8 marks)

   b) Discuss **TWO (2)** initiatives undertaken by Bank Negara Malaysia to promote financial inclusion and literacy among the population. (4 marks)

   c) Discuss **FOUR (4)** regulatory functions of the Securities Commission in Malaysia. (8 marks)

   d)

> PETALING JAYA: The second half of 2022 (H2 2022) may usher in an upswing for Bursa Malaysia, with analysts forecasting the benchmark index to even touch the 1,670-point level by year-end.
>
> Tradeview CEO Ng Zhu Hann told FMT Business that as long as the catalysts include signs of a recovery in the global market and there is political stability, the FTSE Bursa Malaysia KLCI (FBM KLCI) is likely to revisit the 1,550 point mark.
>
> Rakuten vice-president Thong Pak Leng is even more optimistic, betting on the possibility that the KLCI may even rise as high as 1,670 points.
>
> ....
>
> Source: Wong, J. (2022, June 28). Signs of a recovering global market and political stability expected to shore up KLCI's performance. Free Malaysia Today.

   Based on the news report above, experts argued that Malaysia will experience bullish market in the second half of 2022. Analyse the accuracy of the statement with relevant justifications. (5 marks)

   Total: [25 marks]

2. a) Discuss **THREE (3)** services provided by investment banks. (9 marks)

   b) Compare **FOUR (4)** key differences between conventional banking and Islamic banking. (8 marks)

   c) Explain the following terms in Islamic banking: (8 marks)
      i) *Musyarakah*
      ii) *Mudharabah*
      iii) *Salam*
      iv) *Istisna'*

   Total: [25 marks]

3. a) Explain **FOUR (4)** types of Development Financial Institutions (DFIs) in Malaysia. (12 marks)

   b) Define Employee's Provident Fund (EPF) and indicate EPF's primary goal. (3 marks)

   c) Discuss **TWO (2)** advantages of investing in REITs. (4 marks)

   d) State the sources and the uses of funds by non-banking institutions as follow:

	Sources of funds	Uses of funds
i) Insurance companies		
ii) Mutual funds		
iii) Provident and pension funds		

(6 mark)

Total: [25 marks]

4. a) Explain **THREE (3)** factors that attract Foreign Direct Investment (FDI) inflows in a country. (6 marks)

   b) Explain **THREE (3)** types of Foreign Direct Investment (FDI) with examples. (9 marks)

   c) Discuss **TWO (2)** advantages and **TWO (2)** disadvantages of country taking external debt. (10 marks)

Total: [25 marks]

- END OF QUESTIONS -