



# ICM

MARCH 2016

INTERNATIONAL TRADE & PAYMENTS I

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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1. Evaluate the continuing contribution of export houses and buying houses to the system of international trade. [20]
  2. Analyse the potential advantages and disadvantages to a company of investing in an overseas market. [20]
  3. Explain the different roles and responsibilities of the various parties to a documentary credit. [20]
  4. Critically evaluate the significance of spot and forward exchange rates in the international trading system. [20]
  5. Review the main types of credit insurance typically used in the international trading community. [20]
  6. Explain the various methods available to an exporter to make payments to, and receive funds from, an overseas company. [20]
  7. Review the main types of risk in international trading. [20]
  8. Evaluate the ways in which commodity markets support international trade. [20]