



STAMFORD COLLEGE
SCHOOL OF BUSINESS, MARKETING AND ACCOUNTING
DIPLOMA IN BUSINESS ADMINISTRATION
(SEMESTER 7)

DBA 304: INTERNATIONAL BUSINESS FINANCE

Date : 31 July 2007

Time : 9.30am–12.30pm

Duration: 3 hours

Instructions to Candidates

Answer FOUR out of FIVE questions only.

Please ensure that this examination paper contains FIVE questions on TWO printed pages before you start the examination.

Books, papers and other written materials are not allowed to be brought into the examination hall. A candidate who violates the examination rules of Stamford College or commits a malpractice will be disqualified from the examination.

Write your Examination Index Number on each page of your answer booklet.

Answer any FOUR questions.

Question 1

Briefly describe the functions of the organisations below:

- a) World Bank (5 marks)
- b) OPEC (5 marks)
- c) GATT (5 marks)
- d) UN (5 marks)
- e) APEC (5 marks)

(Total = 25 marks)

Question 2

- a) Define the term globalisation. (4 marks)
- b) Explain in detail FOUR forms of globalisation of finance? (12 marks)
- c) Discuss the forces that encourage international firms to globalise? (9 marks)

(Total = 25 marks)

Question 3

- a) Briefly explain the term capital market. (6 marks)
- b) Explain the forms of efficiency in the capital market. (9 marks)
- c) What are the factors that potential investors need to consider in equity financing? (10 marks)

(Total = 25 marks)

Question 4

The causes of the Asian financial crisis of 1997 have been well analysed and documented. Among the major causes cited were extraordinary economic growth without proper control and economic safeguards. Since the Asian financial crisis, Malaysia and other countries have employed various programmes to overcome their economic problems. Each country has had its own way of coping.

Identify and explain in detail the programmes taken by the Asian countries to overcome the financial crisis.

(Total = 25 marks)

Question 5

- a) Identify the various forms of foreign direct investment. (5 marks)
- b) How beneficial is foreign direct investment for developing countries? (10 marks)
- c) Explain the factors that may affect acquisition activity within an industry. (10marks)

(Total = 25 marks)

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