TECHNICAL UNIVERSITY OF MOMBASA

School of Business

DEPARTMENT OF ACCOUNTING AND FINANCE

UNIVERSITY EXAMINATIONS FOR DEGREE IN

BACHELOR OF **MATHEMATICS AND FINANCE**

BFI 4352: INTERNATIONAL TRADE & MARKETS

MAIN EXAMINATIONS

SERIES: DECEMBER 2024

TIME: 2 HOURS

INSTRUCTIONS:

Answer Question **ONE (Compulsory)** and any other **TWO** questions

Don't Write on this Question Paper

This paper consists of Four printed pages

QUESTION ONE

1(a) Discuss the special role of science and technology in international business (10marks)

(b) Discuss any five documents used in international trade (10marks)

(c) A certain stock trades on the Nairobi securities exchange and the current yield on a Kenya's 10-year treasury is 2.5%. The average excess historical annual return for Kenya's stocks is 7.5%. The beta of the stock is 1.25. Calculate the expected return on a stock, using the Capital Asset Pricing Model (CAPM) formula (10 marks).

QUESTION TWO

(a) Discuss the main export promotion tools (10marks)

(b) Explain how monetary or fiscal policy affects interest rates in another country (10marks)

QUESTION THREE

(a) Describe the measures a country can undertake to improve the balance of payment

[10marks]
(b) Discuss the main money market instruments offered by international financial institutions [10marks].

QUESTION FOUR
(a) Discuss the main forms of entry to foreign markets [10marks]

(b) Discuss any five international commercial terms [10marks]

QUESTION FIVE

Discuss the stages of economic integration (20 marks]