ASSESSMENT # 7

Total Marks: 30

1. Give short answers for the following questions: (18)

i. What are the alternatives for foreign loans in Islamic banking?
ii. What are the various types of Islamic financial market instruments in terms of their nature and flow of return?
iii. How are commercial banks different from investment banks?
iv. What are the various types of deposits managed by Islamic banks?
v. What are the various modes of financing in trade, agriculture, and industry? And how do they work?
vi. What are the principles of Islamic finance relating to stocks?

2. What is liquidity management? How an Islamic bank uses the following instruments for liquidity management? (6)

a. Mudarabah
b. Suksuk

3. Discuss the various financial instruments used on the asset side of Islamic banks. (6)