

SECTION A

ESSAY (100 marks)

INSTRUCTION:

This section consists of **FIVE (5)** essay questions.

Answer **FOUR (4)** questions only.

QUESTION 1

- a) Foreign trade is an extension of domestic trade. Define foreign trade.
(4 marks)
- b) State **THREE (3)** reasons SMEs export their product abroad.
(6 marks)
- c) Discuss **FIVE (5)** advantages SMEs may gain in export activities.
(15 marks)

QUESTION 2

- a) State **TWO (2)** main purpose of credit management.
(4 marks)
- b) Define the term of credit limit.
(3 marks)
- c) Traders need information on each customer to establish credit line. Explain **THREE (3)** types of information for each category:
- i. Direct Information
(9 marks)
- ii. Indirect Information
(9 Marks)

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMCERCE DEPARTMENT

FINAL EXAMINATION
JUNE 2012 SESSION

P5507 : EXPORT MANAGEMENT FOR SME

DATE : 19 NOVEMBER 2012 (MONDAY)
DURATION : 2 HOURS (2.30 PM – 4.30 PM)

This paper consists of **FOUR (4)** pages including the front page.
Section A: Essay (5 questions – answer 4)

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BY THE CHIEF INVIGILATOR

QUESTION 5

Capable traders usually settle claims without serious problems or before it becomes serious.

- a) Arbitration is a form of alternative dispute resolution (ADR). Briefly explain Arbitration. (5 marks)
- b) Explain **TWO (2)** types of claims in trade activity. (10 marks)
- c) Product liability is one of important factors and traders should pay careful attention depending on each market. State any **FIVE (5)** check points. (10 marks)

QUESTION 3

- a) Define the term Profit. (3 marks)
- b) Discuss **FOUR (4)** areas of profit and loss calculation. (16 marks)
- c) State **SIX (6)** steps in profit planning. (6 marks)

QUESTION 4

- a) Discuss **TWO (2)** types of payment risk related to international business. (8 marks)
- b) Describe Foreign Exchange Risk (5 marks)
- c) Discuss **THREE (3)** measures to hedge Foreign Exchange Risk. (12 marks)