



**FINAL EXAMINATION
SEMESTER I, ACADEMIC SESSION 2019/2020**

DATE : JANUARY 2020

DURATION : 3 HOURS

**MFA3053
ISLAMIC CAPITAL MARKET
(PASARAN MODAL ISLAM)**

INSTRUCTIONS TO CANDIDATES:

1. This paper contains **FOUR (4)** questions.
2. Answer **ALL** questions in the **Answer Booklet** provided.
3. Candidates are **not allowed** to bring any materials except stationeries and non-programmable calculator into the examination hall without prior permission.
4. Candidates are **not allowed** to take question paper out of the examination hall.
5. Please complete your particulars in **Borang H** and the **Answer Booklet**.

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE INSTRUCTED TO DO SO

This question paper has **THREE (3)** printed pages excluding this cover page



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Answer **ALL** questions.

[100 Marks]

Question 1

- a) Compare **TWO (2)** types of risks and provide their examples in the following industries:
- i) Islamic capital market. (5 marks)
 - ii) Islamic banking industry. (5 marks)
- b) Analyze differences between conventional and Islamic capital markets in the following markets:
- i) Equity market. (5 marks)
 - ii) Debt market. (5 marks)
- c) Discuss **TWO (2)** types of tax treatments in Islamic financial industry. (5 marks)

[Total: 25 marks]

Question 2

- a) Bank Amanah Berhad is a public listed company that was listed in the Bursa Malaysia since 1990. Explain the laws and by laws that are related to their governance. (12 marks)
- b) Suggest the roles of Shariah Advisory Council (SAC) in the context of 'referring to SAC by the Court or arbitrators'. (4 marks)
- c) Describe how the takaful providers involve with the Islamic capital market. (4 marks)
- d) Demonstrate how Financial Technology (FinTech) can increase the efficiency of the Islamic capital market. (5 marks)

[Total: 25 marks]

Question 3

- a) Explain **THREE (3)** types of investment funds by investment portfolios. (6 marks)
- b) Answer the questions based on the given case:

KUALA LUMPUR (Nov 16): Hong Leong IB Research has maintained its “Hold” rating on DiGi.Com Bhd at RM4.72 with an unchanged target price of RM4.50 and said that in the upcoming Shariah-compliant review by Securities Commission (SC), there is a possibility that DiGi will be excluded from the list for failing the debt over asset ratio.

In a note today, the research house said that based on latest (FY16) audited account, DiGi’s conventional debt surged to RM2.3 billion for spectrum fees payment.

“Recall that resulting from 900MHz and 1800MHz spectrum reallocation exercise, DiGi opted for one lump sum payment of the one-time fee component amounting to RM598.5 million to MCMC on Nov 1, 2016.

“As a result, its conventional debt over asset ratio increased to 41%, surpassing the threshold of 33% by end of FY16,” it said.

The research house said that DiGi’s RM5 billion Islamic bond facilities (sukuk) were established in 2Q17.

It said since then, the financial ratio has reverted to below the threshold at 30%.

“Without any exemption or special treatment, DiGi is likely to be excluded in the upcoming review for failing the ratio mentioned above.

“While this does not have any impact on the fundamentals of the company, the exclusion may exert some selling pressure on the stock.

“Sharp share price correction may provide an opportunity for accumulation as DiGi is still the highest dividend yielding stock in the telco sector, with a decent above 4%.

“Maintain Hold with unchanged DCF-derived TP of RM4.50. Our fair value is derived based on DCF with WACC of 6.0% and TG of 0.5%,” it said.

Required:

- i) Explain the process of Shariah screening. (12 marks)
- ii) Analyze the DiGi’s issues in relation to screening of Shariah compliant stocks. (4 marks)
- iii) Discuss impacts of the issues to shareholders. (3 marks)

[Total: 25 marks]

Question 4

- a) Illustrate *sukuk* securitization process using an example. (10 marks)
- b) Explain briefly the *tanazul* concept in sukuk issuance. (3 marks)
- c) Explain components of structured products. (6 marks)
- d) Discuss **THREE (3)** related Islamic contracts in derivative instruments. (6 marks)

[Total: 25 marks]

END OF QUESTIONS

Dicetak oleh:

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