

FINAL

ALTERNATIVE ASSESSMENT

(COVER PAGE)

Session : April 2020

Programme : Diploma in Finance (DFIN)

Course : **FIN2153: Fundamentals of Banking**

Date of Examination : 4th August 2020 (Tuesday)

Time : 10:00am – 6:00pm Reading Time : Nil

Duration : 8 Hours

Special Instructions :

This paper consists of **FOUR (4)** questions. Answer **ALL** questions. All questions carry equal marks.

Material permitted : Non-Programmable Calculator

Materials provided : NIL

Examiner(s) : **Ms. Ainul Zariney binti Aziz**

Moderator : Mr. Kelvin Tang Lim Tek

This paper consists of 3 printed pages, including the cover page

DIPLOMA IN FINANCE (DFIN)
 FIN2153: FUNDAMENTALS OF BANKING
 FINAL ALTERNATIVE ASSESSMENT: APRIL 2020 SESSION
 DURATION: 8 HOURS

Alternative Assignment Format:

Approach	Individual-Assignment-Based
Submission	Safeassign Blackboard Assessment (25%)
Word allocation	1500 words

Assignment Brief:

Malaysia's banking sector is in much better shape than it was prior to the 1998/1999 and 2009 recessions, industry observers said. Towards this end, the Bank plays a crucial role in the development of a progressive and inclusive financial sector, which entails preserving the core foundations of financial stability at all times. Without them, financial markets would not be able to move funds from people who save to people who have productive investment opportunities.

Banks in Malaysia, some of which are the largest in Southeast Asia, offer a comprehensive range of banking and financial services. Rapid technological advances in all facets of banking from basic services to money markets are impressive from the 1980s to the present day. In the 21st century, a paradigm shift in banking practices has taken root; internet and mobile banking.

These days, traditional banks and financial services companies have a lot of competition. Innovative companies in the financial technology industry has transformed many categories of the financial services market. On the other hand, banks continue to innovate from within while putting in place multiple initiatives to digitize their core banking services.

Assignment Instruction:

By referring (should not limited) to the assignment brief, answer **ALL** of the assignment questions in below section.

Assignment Questions:**Question 1 (CLO1, CLO2)**

Diagram and fully label the Malaysian financial system and the flows of capital and securities through the system. Explain the diagram by highlighting the differences between direct and indirect finance and apply appropriate examples of banking products and services in supporting the flows of funds.

(30 marks)

(Word count suggestion: maximum of 400 words)

Question 2 (CLO2)

Referring to the first line of the assignment brief, Malaysia is largely seen as a global leader and has a strong agenda for its banking and finance related activities, especially in Islamic Banking and Finance. This outcome did not happen overnight. It has taken many factors and players in achieving the global recognition. Justify the rationalities of dual banking systems advanced by Malaysia banking sector and differentiate the Islamic banking and conventional banking respectively.

(40 marks)

(Word count suggestion: maximum of 600 words)

Question 3 (CLO2, CLO3)

Supporting the last statement of the assignment brief, discuss any **TWO (2)** categories of FinTech emerged in Malaysia banking and finance market, and apply **ONE (1)** real example providing the name of the product or services, who are the providers, how it works, and its functions, for each of the category chosen. Conclude by stating your opinion on the ethics or regulation framework that are circulating and governing the FinTech services in Malaysia.

(30 marks)

(Word count suggestion: maximum of 500 words)

~ The End ~