

# **Trade Finance and Foreign Exchange (TFFE)**

**Full Marks: 100**

## **Module A: International Trade and Foreign Exchange-Overview**

- Concepts of International Trade and Foreign Exchange, Domestic and International Trade, Recording of International Trade and Foreign Exchange Transactions-components, BOT and BOP, Currency Convertibility, Foreign Exchange Reserves, International Banking, Foreign Exchange and Trade Services.

## **Module B: International Trade Payment Methods**

- Sales / Purchase Contract; Different Forms of Trade Payment Methods- Cash in Advance; Open Account; Documentary Collection- Operational Procedures, Documents Against Acceptance and Documents Against Payment; Documentary Credit-Procedures and Parties involved, Settlement Procedures, Different Types of Documentary Credits, Presentation and Examination of Documents and Negotiation, Lodgment and Retirement of Documents under Documentary Credit; Open Account Payment Secured by International Factoring, Bank Guarantee or Standby Letter of Credit.

## **Module C: Documents in Trade Services**

- Different Types of Documents used in Trade services- Commercial Invoice; Transport Document; Insurance Document; bill of exchange; Commercial Documents and Financial Documents; and Other Documents.

## **Module D: Regulatory Framework**

- Domestic Regulatory Framework for International Trade and Foreign Exchanges-Foreign Exchange Regulation Act 1947; Export and Import Policies of Bangladesh; Bangladesh Bank Guidelines on Foreign Exchange Transactions.
- International Regulations for Trade Services-Uniform Customs and Practice for Documentary Credits (UCPDC); Uniform Rules for Bank to Bank Reimbursement (URR) under Documentary Credit; International Standard Banking Practices (ISBP); Uniform Rules for Collection (URC); International Commercial Terms (Inco terms); International Standby Practices (ISP); Uniform Rules for Demand Guarantee (URDG); The General Rules for International Factoring (GRIF).

## **Module E: International Trade Finance**

- Export Finance- Back to Back L/C, Packing Credit, Export Development Fund (EDF)-Purchasing Documents, Supply Chain Finance-International Factoring, Loan against Imported Merchandise (LIM), Loan against Trust Receipt (LTR), International Bank Guarantees, Trade Financing and Offshore Banking-UPAS.

## **Module F: Foreign Remittance, Foreign Currency Accounts, and Exchange Rate**

- Foreign Remittance-Commercial Remittance, Private Remittance-Foreign Currency Accounts- Opening and Operational Procedures of Private Foreign Currency Accounts, Non-Resident Foreign Currency Deposit Accounts (NFCD), Resident Foreign Currency Deposit Accounts (RFCD); Exchange Rate relevant for trade services.

## **Module G: Malpractices in Trade Services**

- Irregularities and fraudulent activities associated with trade payment, trade finance, Sanctions, Trade-Based Money Laundering, Illicit Financial Flows, and Illegal Remittance Flows.

## References:

1. Ali, Syed Ashraf: Foreign Exchange and Financing and Risk Management, 2<sup>nd</sup> Edition, Mowla Brothers (Dhaka, Bangladesh).
2. Andly, K. K. : Foreign Exchange.
3. Awasthi, G. D. Trade Payments (Academy of Business Studies, Delhi, India).
4. Keskamat. V. V. : Foreign Exchange An Introduction.
5. Lall, G. S. Finance of Foreign Trade and Foreign Exchange (HPJ Kappor, New Delhi.).
6. Verghese, S. K. : Foreign Exchange and Financing of Foreign Trade.
7. Watson, A. J. W. : Finance of International Trade (Institute of Bankers, London).
8. Whiting, D. P. : Finance of International Trade (McDonald & Evans).
9. Wheble B. S. : Uniform Rules for Collection (Chartered Institute of Bankers, London).
10. D P Whiting, Finance of Foreign Trade and Foreign Exchange.
11. O.P. Agarwal, B.K. Chaudhuri, Foreign Trade and Foreign Exchange.
12. Hardback ,Wiley Finance,David F. Derosa, Foreign Exchange Operations.
13. Kwai Wing Luk, International Trade Finance.
14. Agarwal, Foreign Trade and Foreign Exchange.