

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF BANKING AND FINANCE

DEVELOPMENT FINANCE (BS 245)

DURATION: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Answer any **four** questions altogether.
 2. All questions carry 25 marks each.
 3. Start answering each question on a new page.
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NOV 2024

QUESTION ONE

- a) Evaluate the role of the Depositor Protection Corporation of Zimbabwe in safeguarding financial stability in Zimbabwe (15)
- b) Using appropriate examples, describe the major financial technology developments since 2008? (10)

[25 marks]

QUESTION TWO

The Zimbabwe National Development Strategy (NDS1) has infrastructure as a stand out pillar. Discuss the models that can be adopted to develop infrastructure in Zimbabwe.

[25 marks]

QUESTION THREE

Relative to developed economies, developing and emerging capital markets are generally viewed as risky. With the aid of relevant examples explain the following risk categories:

- I. Credit risk
- II. Environmental risk
- III. Inflation risk
- IV. Liquidity risk
- V. Interest rate risk

[25 marks]

QUESTION FOUR

- a) Examine the reasons for expanding BRICS membership. Can Zimbabwe benefit from applying for BRICS membership (15)
- b) Compare and contrast the concepts of economic growth and development as used in Development Finance. (10)

[25 marks]

QUESTION FIVE

- a) Contract farming has been used in Zimbabwe to finance agriculture production. Evaluate the model outlining the strength and weaknesses (15).
- b) Crowd-funding is an effective instrument to finance small business in Africa. Discuss (10)

[25 marks]

QUESTION SIX

Discuss the major sources of finance that emerging countries of the world would consider in their desire to grow their economies towards sustainable development.

[25 marks]

END OF EXAMINATION