



**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2021_1 EXAMINATION**

COURSE TITLE: INTERNATIONAL TRADE AND FINANCE

COURSE CODE: ECO 445

UNITS: 2

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER QUESTION ONE AND ANY OTHER TWO (2) QUESTIONS

1. (a) Use the offer curve to explain how a country determines the relative commodity price at which trade takes place **(20 marks)**

(b) Taking 2001 as the base year and expressing Nigeria's both quantities of imports and exports as 100, if we find that the index of quantity imports had risen to 160 and that of quantity exports to 120 in 2011, what is the change in the gross barter of trade? **(10 marks)**
2. List and explain the characteristics of International Trade **(20 marks)**
3. (a) What are the differences between tariff and non-tariff barriers? **(10 marks)**

(b) Explain any five non-tariff trade barriers **(10 marks)**
4. Explain the differences between internal and international trade **(20 marks)**