



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2021_2 EXAMINATION⁴⁵⁶⁷

COURSE TITLE: NIGERIA FINANCIAL SYSTEM

COURSE CODE: ECO724

UNITS: 2 UNITS

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS. AWARD ONE MARK FOR GENERAL CLARITY

QUESTION ONE

- (a). Present and explain five (5) money market instruments **(10marks)**
- (b). Differentiate between Primary and Secondary Markets. **(5marks)**
- (c). List five (5) aims for the Establishment of the Nigerian Capital Market. **(8marks)**

QUESTION TWO

- (a). List and explain five (5) roles of the Capital Market. **(8marks)**
- (b). List and explain four (4) Participants in the Capital Market. **(5marks)**
- (c). Explain the term “Securities and Exchange Commission” **(10marks)**

QUESTION THREE

- (a). Briefly discuss the term “National Economic Reconstruction Fund” **(10marks)**
- (b). Discuss the Rationale for the Establishment of National Economic Reconstruction Fund. **(8marks)**
- (c). List and explain five (5) functions of Infrastructure Bank. **(5marks)**

QUESTION FOUR

- (a). Discuss five (5) functions of Development Banks. **(10marks)**
- (b). Microfinance bank is any financial institution licensed by the Central Bank of Nigeria to carry out the business of providing microfinance services such as savings, loans, domestic funds transfer, and other financial services. Do you agree with the statement? Discuss. **(5marks)**
- (c). Discuss the Rationale for the Formulation of the National Microfinance Policy in Nigeria. **(8marks)**