

NATIONAL OPEN UNIVERSITY OF NIGERIA
14/16, AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
FACULTY OF MANAGEMENT SCIENCES
JANUARY , 2018 EXAMINATION

Course Code: MBF 843

Credit Unit: 3.

Course Title: INTERNATIONAL BANKING

Time Allowed: 2 AND HALF HOURS

Instructions:

- 1. Attempt Question 1 and any other three (3) Questions.**
 - 2. Question 1 is compulsory and carries 25 marks while the other 3 Questions carry 15 marks each.**
 - 3. Present all your points in a coherent and orderly manner.**
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1a. What do you understand by the concept of International liquidity?

1b. Discuss succinctly five roles of international banking in Nigeria.

1c. The various instruments of credit control used by the Apex bank can be broadly classified into two. List and explain them briefly.

2a Discuss three instruments of foreign exchange payments.

2b What do you understand by Firm-commitment syndication as a style of loan marketing?

3a. Compare and contrast the concepts of Devaluation and Depreciation of currency.

3b. What do you understand by the concept of cyclical disequilibrium of balance of payment?

4a. Explain what you understand by the mint party theory of exchange rate determination.

4b. Flexible Exchange Rate system relies on the forces of demand and supply. Discuss briefly.

5a. IBRD's founding strategy has some fundamental objectives. Discuss four of these objectives.

5b. What is exchange rate control?

6a. What do you understand by Correspondent banking system?

6b. African Development Bank (ADB) is blessed with different sources of funding. Enumerate five of these sources.