COURSE TITLE: QUANTITATIVE TECHNIQUES FOR BANKING AND FINANCE
TIME ALLOWED: 2$^{1/2}$ HOURS
INSTRUCTIONS: 1. Attempt question Number one (1) and any other three
2. Question number 1 is compulsory and carries 25 marks, while the other questions carry 15 marks each.
3. Present all your points in coherent and orderly manner

QUESTIONS

1(a) Explain the following terms
 i. Matrix
 ii. Sensitivity Analysis
 iii. Quantitative techniques **(10 marks)**

1(b) Musa bought a computer set costing N140,000 and makes a down payment of 40% while the balance will be amertised in 6 equal monthly instalments over a 2year period at 9% per year compounded monthly, what will be the amount of each monthly instalment. **(15 marks)**

2 Dauda requires N2.1 million to be invested in a car business that have the following cash inflow of N300,000 annually for four years. The Capital cost of capital is 12% annually, determine whether the project shared be taken or not? **(15 marks)**

3. State and explain the three major top concepts under which a business decisions are made? **(15 marks)**

4(a) Explain and illustrate the use of the following as tools of quantitative analysis.
 i. Payback period
 ii. Net present value NPN **(7 marks)**

4(b) Suppose the future value of a N600,000 loan payable in 4 years is N744,000 = determine the naira amount of interest due on the loan. **(8 marks)**

5. Explain the following term
 i. Decision tree analysis
 ii. Sample design
 iii. Motivation in research **(5 marks each)**