



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
Faculty of Management Sciences, Department of Financial Studies
2023_2 EXAMINATIONS_

Course Code: MBF 845

Credit Unit: 3.

Course Title: INTERNATIONAL BANKING

Time Allowed: TWO 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.**

1a. Distinguish between the operations of Correspondent Banking and that of Representative office in International banking parlance (10marks)

1b. In Nigeria today, Banks with international license engage in International banking activities. Discuss five (5) of these reasons why they embark on such venture. (10marks)

1c. Explain the concept of Arbitrage in foreign exchange management (5marks)

2. There are different types of deposits in commercial banks. Discuss any three of them (3) of them. (15marks)

3a. The issue of balance of payments is of major concern to economist and financial experts in developing economies. Identify five methods of correcting disequilibrium in the balance of payments in Nigeria. (5marks)

3b Differentiate between Balance of Payment and Balance of Trade (10marks)

4a. The issue of credit control is of concern in many economies all over the world however, it has some major defects. Identify eight (8) of these defects(8marks)

4b. Write short note on irrevocable Letter of Credit in international trade operations (7marks)

5. The International Bank for Reconstruction and Development (IBRD) is a corporate institution whose capital is subscribed by its members. The Bank guarantees, participates in or makes loans to its members on fulfillment of certain conditions. Discuss five (5) of these conditions.(15marks)