



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
Faculty of Management Sciences, Department of Financial Studies
2024 1 EXAMINATION

Course Code: MBF 833.

Credit Unit: 3.

Course Title: MONEY AND 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.**

- 1a. Explain the concept of International Liquidity (10marks)**
- 1b. State five (5) problems encountered in International Banking practice as opposed to domestic banking (15marks)**
- (Total= 25 marks)**
- 2a. Explain the term "Letter of Credit" (5marks)**
- 2b. Differentiate between Revocable and Irrevocable Letter of Credit (10marks)**
- (Total= 15 marks)**
- 3. Write short notes on the following theories of exchange rate**
- a. Mint Party Theory (5marks)**
 - b. Purchasing Power Parity Theory (5marks)**
 - c. Balance of Payments or Modern Theory (5marks)**
- (Total= 15 marks)**
- 4a. List five categories of the SWISS banking system (5marks)**
- 4b. Economists have suggested a number of measures in order to avoid the excessive fluctuations and large disequilibria in exchange rates for reforming the present world monetary system. Discuss five of these suggestions. (10marks)**
- (Total= 15 marks)**
- 5a. List six key elements of good corporate governance principles (6marks)**
- 5b Discuss three systemic Problems of Corporate Governance (9marks)(Total= 15 marks)**