



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi, Abuja**  
**FACULTY OF MANAGEMENT SCIENCES**  
**DEPARTMENT OF FINANCIAL STUDIES**  
**2024\_2 EXAMINATION**

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**COURSE CODE: BFN 306** **CREDIT UNIT: 3**

**COURSE TITLE: COMPARATIVE BANKING**

**TIME ALLOWED: 2 ½ HOURS**

**Instructions: 1. Attempt question number one (1) and any other three (3).**

**2. Question number 1 is compulsory and carries 25 marks while the other 3 questions carry 15 marks each. Present all your points in coherent and orderly manner.**

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**Q1.**

- a. Advance five of the reasons for capital market in Nigeria *(7½marks)*
- b. Highlight five of the problems of Nigerian capital market *(7½marks)*
- c. State forms of transactions/dealings in the NSE/NEG *(4marks)*
- d. Explain three major instruments of capital market in Nigeria *(6marks)*

**Q2.**

- a. What is a money market? What are the five reasons for its establishment? *(9marks)*
- b. Identify the condition for efficient operation of money market *(6marks)*

**Q3.**

- a. List and explain six different classes of credits *(9marks)*
- b. List and explain factors three affecting the volume of credit in an economy *(6marks)*

**Q4.**

- a. State seven of the benefits of opening a bank account? *(7marks)*
- b. Enumerate four of the features of savings account? *(8marks)*

**Q5.**

- a. What is a merchant bank? State and discuss six of the functions *(11marks)*
- b. State four of the several key ways in which financial systems contribute to economic growth *(4marks)*