

NATIONAL OPEN UNIVERSITY OF NIGERIA
UNIVERSITY VILLAGE, JABI-ABUJA
FACULTY OF MANAGEMENT SCIENCES
2018 JANUARY EXAMINATION

COURSE CODE: BFN 748

CREDIT UNIT: 2

COURSE TITLE: FINANCIAL INSTITUTIONS & MARKETS

TIME ALLOWED: 2 HOURS

Instructions: 1. Attempt question number One (1) and any other Two (3) questions.
2. Question number 1 carries 25 marks, while the other questions carry 15 marks each.
3. Present your work in coherent and orderly manner.

QUESTION ONE (COMPULSORY)

- (a) Explain the Nigerian Financial System as espoused by the Central bank of Nigeria (1993).
- (b) A sound financial system is made up of four major interdependent pillars. Explain this statement on the basis of the four interdependent components.
- (c) The functions of the Nigeria Capital Market are consistent with its objectives and missions. **Elucidate.**

QUESTION TWO

The financial system, according to Crockett (2011), incorporates a number of separate, though interdependent components, which are essential to its effective working. **Expatiate.**

QUESTION THREE

There are some government regulatory institutions that supervise the operations of the Nigerian Financial system. Discuss the statement on the basis of such regulatory organizations.

QUESTION FOUR

Money market instruments are fixed income assets of high liquidity associated with very low risk and short maturity. Identify and discuss such money market instruments.

QUESTION FIVE

Banks in any economy are categorized according to their roles, functions and operations. Discuss this statement with particular reference to the development banks in Nigerian economy.