



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14/16 AHMADU BELOW WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES**

**MAY/JUNE 2012 EXAMINATION**

**MBF 839: QUANTITATIVE TECHNIQUES FOR BANKING AND  
FINANCE**

- 1     (a). what are inventories?  
  
      (b) Identify the classification of various inventories that exist in manufacturing companies and explain their importance?  
  
      (c ) Differentiate the four costs associated with inventory ?  
  
      (d) Identify and explain inventory control systems and periodic review system?
  
2. (a). What do you understand by Economic Order Quantity (EOQ)?  
  
      What are the advantages and disadvantages of reorder system  
  
      (b) List five (5) reasons why a firm may be holding stocks?
  
3. State five (5) costs that are involved in holding stock?
  
4. Define periodic review system?  
  
      (b) What are the five (5) characteristics of periodic review system?  
  
      (c.) List 5 advantages of periodic Review system?  
  
      (d) List 4 disadvantages of periodic Review Systems?

5. Discuss the role of time series analysis in short-term forecasting?
  - (b) Identify the underlying pattern of time series?