



**NATIONAL OPEN UNIVERSITY OF NIGERIA
14-16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
JANUARY/FEBRUARY 2013 EXAMINATION**

COURSE CODE: MBF 831 CREDIT UNITS: 2

COURSE TITLE: MONETARY ECONOMICS AND POLICY

TIME ALLOWED: 2 HOURS

- Instructions:** 1. Attempt question number one (1) and any other two (2).
2. Question number 1 is compulsory and carries 30 marks while the other 2 questions carry 20 marks each.
3. Present all your points in coherent and orderly manner

QUESTIONS:

1. What are the goals of monetary policy? (30 marks)
2. (a). Three distinct regimes of exchange rates have been observed in Nigeria between the periods 1960 and 1985. List these regimes with dates.

(b). List the critical issues to be addressed under brand implication.

(20 marks)
3. What are the advantages in the use of mergers and acquisition for corporate external growth and diversification? (20 marks)
4. Write short notes with examples on the following:
 - a. Horizontal merger
 - b. Vertical merger
 - c. Conglomerate merger(20 marks)
5. Reserve Management Strategies is an important function of most Central Banks. This is because sound reserve management strategies support a broad range of policy objectives. List 4 other functions that Reserve Management Strategies perform. (20 marks)