



### QUESTION 1 (COMPULSORY)

- ## QUESTION TWO

- (a) Differentiate inflation from deflation **(5 Marks)**  
(b) Discuss five (5) causes and five (5) consequences of inflation **(10 Marks)**

### **QUESTION THREE**

- (a) Define Public Debt **(3 Marks)**
- (b) Why will Nigeria as a country borrow in spite of her abundant natural resources? Give at least three (3) reasons. **(6 Marks)**
- (c) Explain three (3) negative effects of increasing debt profile on a Country. **(6 Marks)**

### **QUESTION FOUR**

- (a) Define Financial Institution and give two (2) examples each of Bank and Non-Bank financial Institutions. **(5 Marks)**
- (b) State five (5) functions of the Central Bank of Nigeria as an apex monetary authority **(10 Marks)**

### **QUESTION FIVE**

- (a) Explain the three(3) motives behind demand for money **(6 Marks)**
- (b) Show three (3) ways through which the functions of money have addressed the problems of Barter Trade. **(6 Marks)**
- (c) Briefly differentiate liquidity preference theory from the quantity theory of money **(3 Marks)**

### **QUESTION SIX**

- (a) What is development planning? **(5 Marks)**
- (b) Show the five (5) differences between a budget and a development plan **(5 Marks)**
- (c) What are the benefits of development planning? Give at least five(5) **(5 Marks )**