



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

Course Code: BFN304

Credit Unit: 3.

Course Title: FINANCIAL SYSTEMS

Time Allowed: Two and half HOURS

Instructions:

- 1. Attempt Question 1 and any other three (3) Questions.**
- 2. Question 1 is compulsory and carries 25 marks while the other 3 Questions carry 15 marks each.**
- 3. Present all your points in a coherent and orderly manner.**

1a. Explain the concept of International Financial System. **(10marks)**

1b. The world today is a global village and global financial institutions play very significant roles. Identify and discuss three international financial institutions. **(15marks)**

2). The Securities and Exchange Commission (SEC) is the apex regulatory organ of the capital market. Discuss five of its functions. **(15marks)**

3a. Enumerate six debt instruments used for financial transactions in capital market. **(6marks)**

3b. There are peculiar characteristics that are inherent in financial assets. Discuss three of these characteristics. **(9marks)**

(4) The liabilities of a commercial banks are claims on it which form the sources of its funds, Explain five of these items in a typical statement of financial position (Balance Sheet) of a commercial bank. **(15marks)**

5a. Adduce three (3) strong justifications for the introduction of Rural Banking Scheme in Nigeria. **(9marks)**

5b. State four (4) reasons responsible for failure of Rural Banking in Nigeria. **(6marks)**