



NATIONAL OPEN UNIVERSITY OF NIGERIA
UNIVERSITY VILLAGE, JABI-ABUJA
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2021_2 EXAMINATION

COURSE CODE: BFN 306

CREDIT UNIT: 3

COURSE TITLE: Comparative Banking

TIME ALLOWED: 2Hrs 30Minutes

Instructions:

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

QUESTION 1 (COMPULSORY)

- (a) Briefly differentiate Money Market from Capital Market (5 Marks)
- (b) State four (4) instruments each that are traded in the Money Market and Capital Market respectively (8 Marks)
- (c) Tabulate five (6) economic development roles each of the Nigerian Capital market and money market respectively. (12 Marks- 1 point for each role)

QUESTION TWO

- (a) What do you understand by Development Banks or Development Financial Institutions (DFI) (4 Marks)
- (b) Give two examples of DFI (2 Marks)
- (c) Give three justifications for having DFI in a financial system (9 Marks)

QUESTION THREE

- (a) Explain the concept of Universal Banking 3 Marks
- (b) State three (3) advantages and three (3) disadvantages each of Universal banking 12 Marks

QUESTION FOUR

The branch banking system is the major structure in the Nigerian Banking System.

- (a) Explain branch banking. (3 Marks)
- (b) Raise three (3) advantages and three disadvantages of this banking model. (12 Marks)

QUESTION FIVE

Discuss ix (6) common characteristics of banks in different banking systems.
(2.5 x 6 = 15 Marks)