



**NATIONAL OPEN UNIVERSITY OF NIGERIA
DEPARTMENT OF ECONOMICS
FACULTY OF SOCIAL SCIENCES
2022_2 EXAMINATION**

COURSE TITLE: FINANCIAL INSTITUTIONS

COURSE CODE: ECO 346

UNITS: 2

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS.

1a). Explain the reasons for the establishment of the Nigerian Capital Market **(10 marks)**

1b). Enumerate and explain the key roles of a functional capital market **(13.3 marks)**

2a). Define the concept of microfinance **(3.3 marks)**

2b). Briefly explain the main objectives of the microfinance policy **(20 marks)**

3). Explain briefly the functions expected of a development bank in a developing economy like Nigeria **(23.3 marks)**

4). Enumerate the ancillary functions of a commercial bank **(23.3 marks)**