



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91 Cadastral Zone Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2020_1 EXAMINATION

Course Code: BFN401

Credit Unit: 3

Course Title: INTERNATIONAL FINANCE

Time Allowed: 2^{1/2} 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.**
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1. (a) Define international finance. *7marks*
(b) State three (3) advantages of international finance. *3marks*
(c) List and explain three (3) mechanisms to restore international equilibrium. *15marks*
2. (a) Explain the two (2) bodies that run the International Monetary fund (IMF). *8marks*
(b) State seven (7) shortcomings of the IMF. *7marks*
3. (a) Discuss the major problems confronting Organisation of Petroleum Exporting Countries (OPEC) today. *8marks*
(b) Explain the new international ECONOMIC order. *7marks*
4. A global economy is characterized by a unified market for all goods and services produced across the world. Explain five (5) characteristics of global economy. *15marks*
5. (a) List five (5) main components Five main components of the economic environment. *5marks*
(b) State three (3) functions of the foreign exchange market. *6marks*
(c) Explain flexible exchange system. *4marks*
6. Write short note on the following;
(a) Fixed rate programmes. *5marks*
(b) Monetary union. *5marks*
(c) The Foreign Exchange Market. *5marks*