



**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_1 EXAMINATION...**

COURSE TITLE: MONEY AND BANKING

COURSE CODE: ECO444

UNITS: 2 UNITS

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

1a. Money is of vital importance to an economy due to its static and dynamic roles. State and explain five of each of the two different roles (20 Marks).

1b. Explain Irving Fisher's quantity theory of money with an equation (10 Marks).

2a. Explain how Banks Create Money starting with the formula (10 Marks)

2b. List and explain Five credit facilities or instruments available in Nigerian Banks (10 Marks)

3a. Discuss the Evolution of Merchant Banks in Nigeria (5 Marks)

3b. List and explain five functions of Merchant Bank in Nigeria (15 Marks).

4a. Discuss the 1986 Financial Institution Reforms (10 Marks)

4b. Discuss the 2004 Financial Institution Reform (10 Marks)