

**BOWEN UNIVERSITY, IWO**

**FACULTY OF SOCIAL AND MANAGEMENT SCIENCES**

**DEPARTMENT OF BANKING AND FINANCE**

**B.SC DEGREE PROGRAM**

**SECOND SEMESTER EXAMINATION, 2013/ 2014 SESSION**

**COURSE TITLE: INTERNATIONAL BANKING AND FINANCE**

**COURSE CODE: BFN 421**

**TIME ALLOWED: 2 HOURS 30MINS**

**INSTRUCTION: ATTEMPT ANY FOUR QUESTIONS, TOTAL MARKS OBTAINABLE IS 70%.**

- 1.[a] International Monetary Fund usually imposes some conditionalities on the loans granted to borrowing countries [ especially developing countries].Discuss five [5] of such conditionalities **[10 marks]**
- [b] Enumerate and explain four [4] criticisms against both the World Bank and International Monetary Fund . **[7.5 marks]**
- 2 [a] How has the Basel Committee on Banking Supervision [of the Bank for International Settlement ] contributed to financial stability, safety and soundness of banking system globally,? **[7.5 marks]**
- [b] Explain banking regulation in the United States of America ,and five [5] of the different acts/ laws that banks in the USA must comply with, **[10 marks]**
- 3 Write brief note on ..
- [a] purchasing power parity theory and its criticisms **[8.5 marks]**  
[b] lead **[3marks]** [c] arbitrage **[3marks]**  
[d ] transaction exposure [in currency risk management] **3 marks**
- 4 [a] discuss five [5] advantages derivable to a company whose shares are listed on Global Depository System [GDS] under the international equity market . **[10] marks**
- [b] explain the Eurobond market, list four [ 3] of its advantages. **[7.5 marks]**
- 5 [a] ECOWAS countries intend to use a single common currency very soon. discuss 5 [five] benefits of this intention to the ECOWAS countries. **[10marks]**

- [b] How can external debt be resolved under medium to long term method. [ 7.5 marks],
- 6 Briefly explain.. [a] special drawing right [ 5.5 marks]
- [b] the three components of Nigeria's external reserves [12 marks]