

**BOWEN UNIVERSITY**  
**COLLEGE OF MANAGEMENT AND SOCIAL SCIENCES**  
**ECONOMICS PROGRAMME**

**FIRST SEMESTER 2021/2022 ACADEMIC SESSION**

**COURSE CODE: ECN 361 (3 Credits)**  
**DATE: MARCH, 2022**

**COURSE TITLE: Monetary Economics**  
**TIME ALLOWED: 2 hours 30 minutes**

**INSTRUCTION: ANSWER QUESTION 1 AND ANY OTHER THREE**

1. (a) What is Money Demand?

(b.) Mr X deposited N40,000 in ABC bank, if CRR is 15%, how much would ABC create with 40,000.

(c.) state and explain five monetary policy tools

**25 marks**

2. Explain the following concepts:

**15 marks**

(i.) Current Account (ii.) Money (iii.) Merchant Bank (iv.) Commercial Bank (v.) Savings Account

3 (a.) Discuss the importance of the Central Bank to the Nigerian economy

(b.) List and explain five traditional functions of the Central Bank.

**15marks**

4.(a) Define the concept of supply of money

(b.) List and explain the three motives for holding money as stated by Keynes. **15 marks**

5. (a) State and explain five functions of Deposit Money Bank in an Economy.

(b.) State and explain two functions of money

(c.) Explain three types of money

**15 marks**

6. (a) Explain the term barter system.

(b.) The problems of barter system gave birth to the evolution of money, mention and explain four of the problems.

**15 marks**