

ECONOMICS PROGRAMME
BSC DEGREE EXAMINATION
FIRST SEMESTER 2020/2021 ACADEMIC SESSION

COURSE CODE: ECN 361 (3 Credits)
DATE: MARCH, 2021

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

INSTRUCTION: ANSWER QUESTION 1 AND ANY OTHER THREE

1. What is Money Demand?

b. Mr A deposited N20,000 in XYZ bank, if CRR is 10%, how much would XYZ create with N20,000.

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

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

b. List and explain five features of the Central Bank.

15marks

4. Define the concept of supply of money

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

5. 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. 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