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GABA CAMPUS – ELDORET
MAIN EXAMINATION
SEPTEMBER – DECEMBER 2021 TRIMESTER
SCHOOL OF BUSINESS
BACHELOR OF COMMERCE
DEPARTMENT OF ACCOUNTING AND FINANCE
CFI 321: FINANCIAL INSTITUTIONS AND MARKET

Date: December 2021	Duration: 2 Hours
Instructions: Answer Question ONE and any other TWO Questions	

QUESTION ONE

- a) Discuss the methods adopted by central bank to control money in circulation .
(10 marks)
- b) Discuss the advantages of leasing an asset .
(10 marks)
- c) Discuss the role of secondary markets in the economy
(10 marks)

QUESTION TWO

- a) Discuss the role of capital market authority
(10 marks)
- b) Discuss the role of stock exchange in economic development
(10 marks)

QUESTION THREE

- a) Discuss the main causes of failures of the financial institutions
(10 marks)
- b) Discuss the advantages of investing in shares .
(10 marks)

QUESTION FOUR

- a) Discuss the factors affecting and influencing share prices
(10 marks)
- b) Discuss the powers and duties of insurance regulatory authority.
(10 marks)

END