**29 - MONEY AND BANKING**

***The topic entails:***

1. **Explanation of meaning of barter and highlight its major limitations in facilitating trade.**
2. **Explaining the meaning of money and its characteristics**
3. **Discussing function of money and how each of the characteristics of money facilitate these functions.**
4. **Discuss the factors that influence the demand and supply of money.**
5. **Meaning of banking and discuss the role of banking in an economy.**
6. **Discuss the development of banking**
7. **Discuss the various types of accounts offered by commercial banks**
8. **Discuss the functions of non-bank financial institutions bringing out the differences between commercial banks and non-bank financial institutions.**
9. **Discuss the role played by the central ban in an economy**
10. **Identify trends in banking.**

1. Give **four** circumstances under which a trader would operate a fixed deposit account

2. Giveany **four** functions of money

3. Highlight **four** reasons why loans advanced by commercial banks in Kenya may not appeal to many people

4. Give **four** disadvantages of barter trade

5. Identify the motive of holding money in each of the circumstances below:-

(a) Need to hold money to cater for future unforeseen eventualities

(b) Need to have money to cater for daily expenses

(c) Need to have money with hope that prices will fall in future in order to purchase more

6. Identify **four** roles of the Central Bank as a government banker

7. E-banking is a method of banking through electronic systems. Give **four** reasons to account

for the rising popularity of this banking system

8. Mention **four** ways in which individuals can hold money

9. State **three** motives of holding money

10. Outline **four** differences between commercial banks and non- bank financial institutions

11. Identify **four** roles played by the international monetary fund in international trade

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1. Explain **five** characteristic of a monopolistic market.

2. Highlight any **five** modern trends in the Banking industry in Kenya

3. Explain **five** ways in which commercial banks have enhanced the development of business

activities in the country

4. Explain **five** ways through which the central bank of Kenya can expand the supply of

money in an economy

5. Explain **five** methods of payments offered by commercial Banks in Kenya

6. Explain **five** factors that can lead to a cheque being dishonoured

7. Explain **four** emerging trends in the banking system

8. Banking has played a major role in Kenyan’s economic development. Explain **five**

current trends in banking sector