



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2025 SEMESTER**

COURSE CODE : EGB10203
COURSE NAME : MONEY, BANKING AND FINANCIAL INSTITUTIONS
PROGRAMME NAME : BACHELOR OF SCIENCE (HONOURS) IN
ANALYTICAL ECONOMICS
DATE : 2 JULY 2025
TIME : 9.00 AM – 12.00 PM
DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **TWO (2)** sections; Section A and Section B.
4. Answer **ALL** questions in **Section A** and **Section B**.
5. Please write your answers in the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. This question paper must not be removed from the examination hall.

THERE ARE TWO (2) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 40 marks)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 1**

What is the primary role of a central bank in managing different inflationary scenarios such as inflation, deflation, and hyperinflation?

(10 marks)

Question 2

In the context of modern finance, how do the concepts of money and currency differ, and what are the five core principles that underpin the functioning of money and banking systems?

(10 marks)

Question 3

Explain the concepts of money supply, money demand, and money market equilibrium, both theoretically and graphically.

(10 marks)

Question 4

Mention the main goals of the monetary policy in the private banking system?

(10 marks)

SECTION B: ESSAY QUESTIONS (Total: 60 marks)**INSTRUCTION: Answer ALL questions****Please use the answer booklet provided.****Question 5**

As physical cash becomes less common and digital payment methods like e-wallets and online banking become more widespread, do we still need central banks? Discuss the ongoing importance and changing roles of central banks in a digital economy.

(20 marks)

Question 6

To what extent can e-wallets replace the use of physical Malaysian Ringgit (MYR) in everyday transactions? Discuss the potential for e-wallets to fully substitute cash in Malaysia.

(20 marks)

Question 7

Discuss the benefits and drawbacks of using e-wallets for everyday payments.

(20 marks)

END OF EXAMINATION PAPER