



**МИНИСТЕРСТВО ОБРАЗОВАНИЯ И НАУКИ РОССИЙСКОЙ ФЕДЕРАЦИИ**

**УНИВЕРСИТЕТ ИТМО**

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## **FOCUS ON ECONOMICS**

**ПРАКТИКУМ ДЛЯ СТУДЕНТОВ ЭКОНОМИЧЕСКИХ СПЕЦИАЛЬНОСТЕЙ**

**РЕКОМЕНДОВАНО К ИСПОЛЬЗОВАНИЮ В УНИВЕРСИТЕТЕ ИТМО  
по направлению подготовки «Экономика» в качестве учебно-  
методического пособия для реализации основных  
профессиональных образовательных программ высшего  
образования бакалавриата и магистратуры**

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Данное учебно-методическое пособие предлагается к использованию в обучении профессионально-ориентированному английскому языку. Состоит из четырех разделов, объединенных по тематическому принципу. Каждый раздел включает оригинальные англоязычные тексты и широкий спектр лексических, грамматических и коммуникативных упражнений, которые направлены на формирование языковых навыков и совершенствование умений студентов в рецептивных и продуктивных видах речевой деятельности. Пособие содержит контрольные тесты по пройденным темам, а также краткий грамматический справочник. Упражнения и тесты снабжены ключами для последующего самоконтроля. Пособие может быть использовано как в процессе аудиторной, так и самостоятельной работы студентов.

Учебно-методическое пособие «Focus on economics» предназначено для занятий по дисциплине «Иностранный язык в профессиональной деятельности» со студентами, обучающимися в рамках направлений подготовки бакалавриата и магистратуры 38.03.01, 38.04.01 - «Экономика».

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## Unit 1 Prices and Commodities

### Get Started

**Read the quotes below and choose the one you like best. Write a short explanation of it. Compare your ideas with the partner.**

*The price of a commodity will never go to zero. When you invest in commodities futures, you're not buying a piece of paper that says you own an intangible piece of company that can go bankrupt.*

Jim Rogers

(American businessman, investor and author)

*When you look at a commodities market you need hedgers and speculators. If you don't have one, you don't have a market. That's how it works.*

T. Boone Pickens

(American business magnate and financier)

*The people recognize themselves in their commodities; they find their soul in their automobile, hi-fi set, split-level home, kitchen equipment.*

Herbert Marcuse

(German philosopher, sociologist, and political theorist)

### 1.1 Reading Section

**Look at the headline of the article and the pictures presented below and try to guess what it is about. Then read the article and check whether your predictions are correct.**

#### *The World of Commodities*

(1) A commodity is a product, which is of uniform quality and traded across various markets. Investors access about 50 major commodity markets worldwide with purely financial transactions increasingly outnumbering physical trades in which goods *are delivered*. Broadly speaking commodities *can be divided* in two categories: “soft” and “hard”.

(2) “Soft” commodities *are* typically *grown*. Corn, wheat, soybean, soybean oil, coffee, sugar and cocoa beans are all examples of “soft” commodities. Many “soft” commodities are subject to spoilage, which can create huge volatility in the short term. If you're sitting on 30,000 pounds of cocoa beans and the price drops,



you might have to dump them onto the market whether you want to or not. On the flip side, a well-timed, narrow investment in a “soft” commodity can yield phenomenal gains if you buy in at just the right time. Producers are often large players in the “softs” market. Farmers, for instance, regularly hedge their crops by selling futures contracts and locking in prices. This demand, combined with the natural growing cycle of many of these commodities, can create a natural seasonality in prices, which investors must consider as they're looking into the space. Additionally, weather plays a huge role in the “softs” market, impacting yields and making predicting supply especially difficult.

(3) “Hard” commodities *are* typically *mined* from the ground or *taken* from other natural resources and have a long shelf life: gold, oil, aluminum.



In many cases, initial products *are refined* into further commodities, as oil *is refined* into gasoline. Because “hard” commodities are easier to handle than “softs”, and because they *are more integrated* into the industrial process, most investors focus on these products. That's changing, to an extent, as former “softs” like corn and sugar *are transformed* into ethanol-based energy products, but still, “hard” commodities dominate the marketplace. For instance, literally trillions of dollars of oil futures trade hands each year.

(4) All commodities have to be similar and interchangeable or “fungible”. For example, soybean from one country or market should be of the same quality as soybean from another, or gold in one country should be of the same purity as gold from another. Consumer products like televisions or computers vary from manufacturer to manufacturer and hence *cannot be traded* as commodities. But now, electricity, bonds, and currencies *are also traded* as commodities across the globe.

(5) These commodities *are traded* across markets situated in different corners of the world through commodity exchanges such as the New York Mercantile Exchange, the Chicago Board of Trade, the London Metal Exchange, etc. These exchanges consist of traders who *are classified* as hedgers or speculators. Hedgers are actual manufacturers or farmers who want to sell their commodities at a guaranteed price, so that they *are insulated* against any price fall or fluctuations in the market. Speculators are traders who enter into the market solely to make a large profit. If the speculator has information that natural disasters are destroying wheat in a particular country, he will try and purchase wheat as soon as possible, since he would expect the price of wheat to rise in the coming days. Speculating requires a keen business sense and an in-depth understanding of the market or the losses incurred could be significant.

(6) Traders do their trading in any of the above commodity exchanges in the following ways. Spot trading occurs when the deals *are done* on the spot regarding price or delivery, or if the delivery takes place in a minimum amount of time after the trade *is finalized*. Trading *is also done* by way of ‘Futures Contracts’ where the price of the commodity *is decided* immediately, but the delivery *is made* after a certain period of time. ‘Futures Contracts’ benefit either the buyer or seller since the price, which *is agreed* upon could change marginally or drastically by the time the delivery *is actually made*. These contracts can give buyers and sellers a way to ‘foresee’ the market in the future, since the rates *have already been set*.

(7) The delivery date and the method of payment *must be agreed* upon before the contract *is executed*. Since commodities are physically and actually present, the chances of bankruptcy are nil, but profit and losses on a large scale are possible because of the sheer volume involved in trading. You too can directly invest in the Commodities market, but if you do not have experience, then it is better to go through a commodities broker. His vast knowledge and contacts will help you save time and money.

(8) The commodities market *is based* on the simple principle of supply and demand. Since there is a lot of demand from emerging economies such as India and China, some commodities such as crude oil and steel are in very high demand. Hence trading in these items is also very high. Commodities are in short, similar items grown or produced in different countries and traded in different markets around the world.

### **Information Check**

***1. Which of the following topics does the article discuss?***

1. etymology of the word *commodity*
2. types of commodities
3. commodity exchanges
4. global commodities trading companies
5. ways of trading

***2. Read the article again and circle T (true) or F (false). Correct the false statements.***

1. Physical trades considerably outnumber commodity markets with financial transactions around the world. T / F
2. «Soft» commodities are extremely volatile. T / F
3. It's easier for investors to deal with «hard» commodities than «softs». T / F
4. Hedgers and speculators sell their commodities in the similar ways. T / F
5. There are two major ways of doing trade. T / F
6. Companies that sell commodities can easily go bankrupt. T / F

## 1.2 Vocabulary Focus

***1. Without looking at the article, try to complete the expressions below. They are in the order they appeared. Then look at the article to check your answers.***

1. to be traded across various m...
2. to be s .... to spoilage
3. to d ... smth onto the market
4. to create a natural seasonality in p...
5. to have a long s ... life
6. to be refined into further c...
7. to be i... into the industrial process
8. to d .... the marketplace
9. to require a keen b ... sense
10. to execute a c...

***2. Look back at the article. Find the words which mean:***

1. a situation when something is changing quickly or suddenly (paragraph 2)
2. a person who tries to protect himself against a financial risk (paragraph 5)
3. the movement of prices, income, rates etc as they increase and fall (paragraph 5)
4. when someone is judged to be unable to pay their debts by a court of law (paragraph 7)
5. a person or organisation that buys or sells different goods for others (paragraph 7)

***3. Match the following words from the text to form word partnerships. Refer to the text only if you need to.***

- |              |              |
|--------------|--------------|
| 1. uniform   | a investment |
| 2. financial | b losses     |

3. well-timed      c transactions  
 4. phenomenal    d quality  
 5. significant     e economies  
 6. emerging       f gains

### 1.3 Group Work

**1. In groups, spend 10 minutes preparing a set of questions about the article to ask other groups. Use the “question starters” below:**

- What would be the result of ... ?  
 What exactly ... ?  
 In what way ... ?  
 What’s the main reason why ... ?  
 According to the article ... ?  
 What practical measures can be taken to ... ?  
 How might ... ?  
 Why is it that ... ?  
 Why can’t ... ?  
 What do you think is meant by ... ?

**2. Work in small groups. Brainstorm the advantages and disadvantages of “soft” and “hard” commodities trading. Use some expressions for brainstorming from the box below. Present your ideas to the class.**

That's an excellent suggestion.  
 That's probably not true, but let's write it down anyway.  
 I think these ideas are related to each other.  
 Logically, ...  
 Do you have any more ideas?  
 This idea isn't very convincing.  
 The best argument for these is...

### 1.4 Spotlight on Grammar Passive Voice

The passive form, for all the tenses, is formed with the auxiliary verb **be** followed by the past participle of the verb:

Subject + **be** (in appropriate tense) + past participle

*For more information, see Grammar Reference.*

### Exercises

1. *Choose the correct alternative.*

1. The swap of junk bonds **to be carried out** / **was carried out** as part of a complicated debt-reduction transaction.
2. Future will tend **to be overpriced** / **be overpriced** in a rising market and underpriced in a falling market.
3. Over the first five years of the contract, most of the gas **must be sold** / **will be sold** at a fixed price.
4. Most of the activity in aluminum has been in nearby prices and gains in further forward prices **have been restricted** / **had been restricted** by continued producer selling.
5. Power companies **will be forced** / **have been forced** to reduce voltage when demand exceeded available supplies during extreme cold or hot spells.

2. *Rearrange the words and write the sentences. They all have a passive form.*

1. on - report - investors - questioned - The - whether - volatility -market - blamed - should - be - foreign - .

---

2. the - set - by - international - reflect - market - and - Prices - trading - are - conditions - .

---

3. available - cost - the - price - video - be - of - made - Copies - to - course - will - participants - at - .

---

4. now - services - cargo-handling - - put out - are - to - All- contract - .

---

5. The - date - as - allows - invoices - orders - be - marketing - as - and - to - exchanged - new - well - system - .

---

**3. Tick (✓) the correct sentences and correct the sentences that contain mistakes.**

1. More investments are also needed to develop the food-processing industry in rural areas.

.....  
.....  
.....  
.....

2. Most futures contracts were cancelled out by opposing trades, so futures traders rarely take delivery of a physical commodity.

.....  
.....  
.....  
.....

3. Although invested in Europe, they weren't sufficiently hedged against currency changes.

.....  
.....  
.....  
.....

4. Investors may speculate in distressed companies that they think may restructure themselves or were taken over.

.....  
.....  
.....  
.....

5. When the demand price is equal to the supply price, the amount produced has no tendency either to be increased or to be reduced; it is in equilibrium.

.....  
.....  
.....  
.....

## 1.5 Listening Skills

### Soft commodities, hard prices

**1. Look at the words in bold in sentences 1-3 below and match them to the meanings a-d.**

1. The dollar was lower against European **currencies**.
2. There was an energy crisis caused by a **shortage** of imported oil.
3. The supermarket has just signed a **deal** with a group of dairy farmers to supply all their milk.

- a) an agreement or arrangement, especially one that involves the sale of something
- b) the system or type of money used in a particular country
- c) a situation in which there is not enough of something that people need or want

**2. You are going to listen to the interview with Garry White, Questor editor of Telegraph Talk, who looks at how investors can make money from rising food and commodity prices. For statements 1-5, complete the sentences.**

1. Food prices are going to ..... over the long
2. Lots of ..... are interested in “soft” commodity exchange trade.
3. .... in the growing season can be increased.
4. The market of “soft” commodities is .....
5. Fertilizers can help to increase crop .....



term.

**Listen again and check your answers.**

**3. What's your immediate reaction to the interview you've just listened to? Complete one or more of the following.**

- I'm amazed that ...
- I don't agree that ...
- I'm not so sure that ...
- I already knew that ...
- I can hardly believe that ...
- I tend to agree that ...

## 1.6 Business Communication Skills Negotiations

### *1. Discuss these questions with a partner.*

1. Do you think you are a good negotiator? Why or why not?
2. Have you ever negotiated for something and received what you wanted? What was it? How did you do it?

### *2. The ability to negotiate successfully in today's turbulent business climate can make the difference between success and failure. Match the following top ten negotiation tips developed by Ed Brodow, American negotiation guru, to their meanings.*

<ol style="list-style-type: none"> <li>1. Don't be afraid to ask for what you want.</li> <li>2. Shut up and listen.</li> <li>3. Do your homework.</li> <li>4. Always be willing to walk away.</li> <li>5. Don't be in a hurry.</li> <li>6. Aim high and expect the best outcome.</li> <li>7. Focus on the other side's pressure, not yours.</li> <li>8. Show the other person how their needs will be met.</li> <li>9. Don't give anything away without getting something in return.</li> <li>10. Don't take the issues or the other person's behavior personally.</li> </ol>	<p>A Look at the situation from the other side's perspective.</p> <p>B Be patient with your partner.</p> <p>C Gather as much relevant information prior to your negotiation as possible.</p> <p>D Whenever you give something away, get something in return.</p> <p>E Be assertive and challenge everything.</p> <p>F Never negotiate without options.</p> <p>G If someone is rude or difficult to deal with, try to understand their behavior and don't take it personally.</p> <p>H Be optimistic and expect more.</p> <p>I Ask probing questions and allow the other person to do most of the talking.</p> <p>J Don't focus on your own limitations so that you can miss the big picture.</p>
---	--

### *3. Put the phrases that both parties could use during negotiations under the following headings:*

➤ *Outlining points for discussion*

6, \_\_\_\_\_

➤ *Putting forward proposals*

➤ *Stating consequences*

---

➤ *Bargaining*

---

➤ *Reaching agreement*

---

➤ *Summarizing the situation*

---

- 1) That'll solve the problem.
- 2) Unless we ... , we won't ...
- 3) So, a quick recap ...
- 4) I could offer ... , but I'd expect ...
- 5) How about we ... ?
- 6) What we need to decide on today is ...
- 7) One option would be to ...
- 8) It just wouldn't work if ...
- 9) I'll be happy ... provided you ...
- 10) I'm happy with that.
- 11) The areas we need to discuss are ...
- 12) What I propose is...
- 13) If you guaranteed ..., I'd let you have ...
- 14) That sounds like a deal.
- 15) Let's just summarize the situation.

***4. Work in pairs. Choose to be the sales manager or chief buyer . The chief buyer is interested in purchasing 10 tanks of oil at a low price for further refining. The sales manager wants to get a high commission but is ready to make some concessions in case of prepayment. Carry out the negotiation, using the structure and expressions from exercise 3. Discuss the price, delivery date, method of payment and other terms. Follow the tips in task 2 and try to reach an agreement. Report the results to the class.***

## **1.7 Business Correspondence**

### **Writing a letter of agreement**

***1. Work with a partner and discuss these questions.***

- How often do you send letters rather than emails in your job?
- Why might you choose to send a letter rather than an email in some cases?

***2. You are the sales manager. Following the results of your negotiations write a letter of agreement to the chief buyer making a special offer and confirming the deal. Use the structure below.***

Address

Date

Dear ...

Further to our negotiations last week relating to ... (referring to previous contact)

I'm writing to confirm that we are able to offer you ... (giving the reason for writing)

As you know, last week's negotiations centered on ... (reminding the topic of discussion)

Based on this we would like to offer you .... (making a special offer and confirming the deal)

I sincerely hope this offer is mutually agreeable. (encouraging agreement to the new offer)

I look forward to hearing your response. (referring to future contract)

Yours sincerely,

Name

17  
**Unit 2**  
**Global Trading**

**Get Started**

*Paraphrase the three quotes. Then compare your texts with the partner.*

*People are trading distance for dollars.*

Ray Brown  
(American musician)

*Trading is very competitive and you have to be able to handle getting your butt kicked.*

Paul Tudor Jones  
(the founder of Tudor Investment Corporation)

*When Donald Duck traded his wings for arms, was he trading up or trading down?*

Douglas Coupland  
(a Canadian novelist)

**2.1 Reading Section**

*Study the headings from the article below. What do think the article is about? Discuss your predictions with the partner. Then read the article and match the headings with the paragraphs.*

- a How Global Trade Works**
- b The Bottom Line**
- c Free Trade Vs. Protectionism**
- d Increased Efficiency of Trading Globally**
- e What Is International Trade?**
- f Other Possible Benefits of Trading Globally**



***Trading Across Countries***

(1) \_\_\_\_\_

*If* you walk into a supermarket and are able to buy South American bananas, Brazilian coffee and a bottle of South African wine, you are experiencing the effects of international trade. International trade allows us to expand our markets for both goods and services that otherwise may not have been available to us. It is the reason why you can pick between a Japanese, German or American car. As a result of

international trade, the market contains greater competition and therefore more competitive prices, which brings a cheaper product home to the consumer. International trade is the exchange of goods and services between countries. This type of trade gives rise to a world economy, in which prices, or supply and demand, affect and are affected by global events. Political change in Asia, for example, could result in an increase in the cost of labor, thereby increasing the manufacturing costs for an American sneaker company based in Malaysia, which would then result in an increase in the price that you have to pay to buy the tennis shoes at your local mall. A decrease in the cost of labor, on the other hand, would result in you having to pay less for your new shoes.

(2) \_\_\_\_\_

Trading globally gives consumers and countries the opportunity to be exposed to goods and services not available in their own countries. Almost every kind of product can be found on the international market: food, clothes, spare parts, oil, jewelry, wine, stocks, currencies and water. Services are also traded: tourism, banking, consulting and transportation. A product that is sold to the global market is an export, and a product that is bought from the global market is an import. Imports and exports are accounted for in a country's current account in the balance of payments.

Global trade allows wealthy countries to use their resources - whether labor, technology or capital - more efficiently. Because countries are endowed with different assets and natural resources (land, labor, capital and technology), some countries may produce the same good more efficiently and therefore sell it more cheaply than other countries. *If* a country cannot efficiently produce an item, it can obtain the item by trading with another country that can. This is known as specialization in international trade.

(3) \_\_\_\_\_

Let's take a simple example. Country A and Country B both produce cotton sweaters and wine. Country A produces 10 sweaters and six bottles of wine a year while Country B produces six sweaters and 10 bottles of wine a year. Both can produce a total of 16 units. Country A, however, takes three hours to produce the 10 sweaters and two hours to produce the six bottles of wine (total of five hours). Country B, on the other hand, takes one hour to produce 10 sweaters and three hours to produce six bottles of wine (total of four hours). But these two countries realize that they could produce more by focusing on those products with which they have a comparative advantage. Country A then begins to produce only wine and Country B produces only cotton sweaters. Each country can now create a specialized output of 20 units per year and trade equal proportions of both products. As such, each country now has access to 20 units of both products. We can see then that for both countries, the opportunity cost of producing both products is greater than the cost of specializing. More specifically, for each country, the opportunity cost of producing 16 units of both

sweaters and wine is 20 units of both products (after trading). Specialization reduces their opportunity cost and therefore maximizes their efficiency in acquiring the goods they need. With the greater supply, the price of each product would decrease, thus giving an advantage to the end consumer as well. Note that, in the example above, Country B could produce both wine and cotton more efficiently than Country A (less time). This is called an absolute advantage, and Country B may have it because of a higher level of technology. However, according to the international trade theory, even *if* a country has an absolute advantage over another, it can still benefit from specialization.

(4) \_\_\_\_\_

International trade not only results in increased efficiency but also allows countries to participate in a global economy, encouraging the opportunity of foreign direct investment (FDI), which is the amount of money that individuals invest into foreign companies and other assets. In theory, economies can therefore grow more efficiently and can more easily become competitive economic participants. For the receiving government, FDI is a means by which foreign currency and expertise can enter the country. These raise employment levels, and, theoretically, lead to a growth in the gross domestic product (GDP). For the investor, FDI offers company expansion and growth, which means higher revenues.

(5) \_\_\_\_\_

As with other theories, there are opposing views. International trade has two contrasting views regarding the level of control placed on trade: free trade and protectionism. Free trade is the simpler of the two theories: a laissez-faire approach, with no restrictions on trade. The main idea is that supply and demand factors, operating on a global scale, will ensure that production happens efficiently. Therefore, nothing needs to be done to protect or promote trade and growth, because market forces will do so automatically. In contrast, protectionism holds that regulation of international trade is important to ensure that markets function properly. Advocates of this theory believe that market inefficiencies may hamper the benefits of international trade and they aim to guide the market accordingly. Protectionism exists in many different forms, but the most common are: tariffs, subsidies and quotas. These strategies attempt to correct any inefficiency in the international market.



(6) \_\_\_\_\_

As it opens up the opportunity for specialization and therefore more efficient use of resources, international trade has the potential to maximize a country's capacity to produce and acquire goods. Opponents of global free trade have argued, however, that international trade still allows for inefficiencies that leave developing nations

compromised. What is certain is that the global economy is in a state of continual change, and, as it develops, so too must all of its participants.

### Information Check

*Read the article again and choose the correct option.*

1. Global trade makes it possible to \_\_\_\_\_
  - a) purchase goods at high prices.
  - b) buy goods and get services that are not available in your country.
  - c) fight against competition.
  - d) increase the number of consumers.
  
2. International trade is affected by \_\_\_\_\_
  - a) start-up businesses.
  - b) local government institutions.
  - c) social changes in the countries.
  - d) political and economic changes in the world.
  
3. Worldwide trade allows to \_\_\_\_\_
  - a) apply resources more effectively.
  - b) allocate labor resources in a proper way.
  - c) use different resources outside the country.
  - d) increase the number of natural resources in the country.
  
4. A country which possesses an absolute benefit over another country \_\_\_\_\_
  - a) may get some advantages from specialization.
  - b) doesn't need specialization at all.
  - c) will never deal with specialization.
  - d) will try to get rid of specialization.
  
5. The main idea of protectionism is \_\_\_\_\_
  - a) to protect market against competition.
  - b) to make some countries market leaders.
  - c) to create a market that is strictly regulated.
  - d) to create a more competitive market.
  
6. According to the article, global trade \_\_\_\_\_
  - a) makes developing nations more competitive.
  - b) may have no influence at all.
  - c) makes the world economy more volatile.
  - d) is conducive to the development of country's economy.

## 2.2 Vocabulary Focus

**1. Rearrange the groups of words to make phrases and expressions from the article. Then look at the article to check your answers.**

1. trade effects experience the of to international
2. of countries services exchange goods and between the
3. with assets be endowed and different natural to resources
4. to foreign investment of the opportunity direct encourage
5. properly markets that ensure function to
6. hamper to benefits the of trade international
7. international any correct inefficiency in the to market
8. for specialization open opportunity up the to
9. to nations leave compromised developing
10. change in be state of to continual a

**2. Look back at the article. Find the words which mean:**

1. an amount of something that is available to be sold, bought, used etc (paragraph 1)
2. the amount of spending on goods and services by companies and people in a particular economy (paragraph 1)
3. a product or service that is sold to another country (paragraph 2)
4. something that is made in one country and brought into another, usually in order to be sold there (paragraph 2)
5. money that a business or organization receives over a period of time, especially from selling goods or services (paragraph 4)
6. when a government tries to help industry, farming etc in its own country by taxing foreign goods that compete with it, so limiting the number that can be imported (paragraph 5)
7. an official rule that limits or controls what people can do or what is allowed to happen (paragraph 5)
8. money that is paid by the government or organization to make something such as a particular food or product cheaper to buy, use, or produce (paragraph 5)
9. an amount of something that is officially allowed or expected in a particular period of time (paragraph 5)
10. a tax on goods coming into a country or going out of it (paragraph 5)

**3. Without looking at the article, try to complete the expressions below. They are in the order they appeared. Then look at the article to check your answers.**

1. to contain greater c ...

2. to give rise to a w ... economy
3. to be affected by global e ...
4. to be exposed to g ... and s ...
5. to use r ... more efficiently
6. to c ... a specialized output of smth
7. to trade equal p ... of products
8. to give an advantage to the e ... consumer
9. b ... from specialization
10. to result in increased e ...
11. to p ... in a global economy
12. to become competitive economic p ...
13. to o ... on a global scale
14. to promote trade and g ...
15. to m ... a country's capacity to smth

**4. Match the following words from the text to form word partnerships. Refer to the text only if you need to.**

- |                  |                  |
|------------------|------------------|
| 1. competitive   | a forces         |
| 2. comparative   | b approach       |
| 3. opportunity   | c revenues       |
| 4. absolute      | d cost           |
| 5. employment    | e trade          |
| 6. high          | f advantage      |
| 7. market        | g prices         |
| 8. free          | h inefficiencies |
| 9. laissez-faire | i advantage      |
| 10. market       | j level          |

### 2.3 Group Work

**1. In groups, discuss your immediate reactions to the article you've just read. Use the starters below.**

- I'm amazed that ...
- I agree with what it says about ...
- But I'm not sure about ...
- I think it over-stresses the importance of ...
- And underestimates the significance of ...
- I don't quite understand the point about ...
- And I'm not sure I believe the point about ...

- Overall, I think what the article says is absolutely right / more or less right / biased / misleading / completely wrong.

2. *Work in groups of 3-4. Prepare a summary of the article Trading Across Countries. Use the following mind map to summarize your ideas.*



## 2.4 Spotlight on Grammar

### *If* Clauses – Type Zero and Type One

To express a consequence depending on a condition, we use the conditional, which consists of an **if** clause introduced by the conjunction **if** and by a main clause. The **if** clause can precede or follow the main clause.

When the **if** clause comes first, a comma is often placed between the two clauses.

<b><i>if</i> clause (condition)</b>	<b>main clause (consequence)</b>
<b><i>If</i></b> a country cannot efficiently produce an item,	it can obtain the item by trading with another country that can.

Depending on the level of probability (certain, probable, possible or purely theoretical conditions), different tenses are used in the two parts of the conditional. There are four types of conditional: **type zero, one, two and three**. Type **zero** and type **one** are explained in *Grammar Reference*.

### Exercises

1. *Match the two parts of the sentences. They are all in the zero conditional.*

1 ..... 2 ..... 3 ..... 4 ..... 5 ..... 6 .....

- 1 If the approved accounts do not comply with the law,
- 2 If you recruit people,
- 3 If hotel guests have no credit cards,
- 4 If consumer spending picks up,
- 5 If a grey market price drifts too low,
- 6 If the taxpayer is resident in the UK,

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- a you find new people to work for a company or organization.
- b they are usually asked to prepay for their stay on a cash basis.
- c every director who was a party to their approval is guilty of an offence.
- d buyers usually spring up to correct it.
- e he has to pay tax on his income wherever it arises.
- f there is competition for consumer traffic.



- |                 |   |
|-----------------|---|
| 2. fine         | b to obey a law or rule, or to keep to an agreement                                   |
| 3. collaborate  | c providing a strong financial basis for something                                    |
| 4. freight      | d a business deal   |
| 5. underpinning | e money that someone has to pay as a punishment                                       |
| 6. execute      | f to work together with another person, company, or organization to achieve something |
| 7. transaction  | g to do what is written in a contract, plan etc                                       |

**2. Listen to the information about Amber Road - a platform that automates and streamlines global trade. Mark the statements below as true (T) or false (F). Correct the false ones.**

1. Sourcing goods from low-cost countries can significantly increase costs.
2. Companies must comply with the range of trade regulations.
3. These trade regulations are published and updated several times a year.
4. Amber Road provides platform to manage some important aspects of global trade.
5. Amber Road fully automates international trade compliance and global logistics.

**3. Listen to the information again and fill in the missing words in the statements below.**

1. Violating a trade regulation may result into fines, loss of import and export \_\_\_\_\_ and even jail time.
2. Companies must collaborate with the foreign \_\_\_\_\_, manage contracts and track goods.
3. The Amber Road \_\_\_\_\_ strips supply chain costs by optimizing global freight decisions, optimizing sourcing decisions and leveraging trade agreements.
4. \_\_\_\_\_ the Amber Road global management platform is Global Knowledge – the most comprehensive source of trade regulations available anywhere.

5. Amber Road's in-house team of over 75 trade \_\_\_\_\_ experts monitor, interpret and update country-specific trade regulations around the world on a daily basis.

6. The Amber Road platform uses the \_\_\_\_\_ from Global Knowledge to make strategic planning decisions as well as to execute transactions.

***4. What in the listening task about Amber Road did you personally find most amusing, interesting, surprising, shocking? Share the ideas with your partner using the prompts below.***

What amused me was ...

What interested me was ...

What surprised me was ...

What shocked me was ...

## **2.6 Business Communication Skills**

### **Brainstorming**

Brainstorming is an effective way to generate lots of ideas on a specific issue and then determine which idea – or ideas – is the best solution.

***1. Work together with your partner and decide which tips below are good advice and which ones should be avoided. Discuss your ideas with other groups.***

- Brainstorming is most effective with groups of 3-5 people.
- Brainstorming should be performed in a relaxed environment.
- A brainstorming session requires a capable facilitator.
- Brainstorming works best with a homogenous group of people.
- Relaxation exercises and other fun activities before session can help participants relax their minds so that they will more creative during the brainstorming session.

***2. Match 1-10 to a-j to make pairs of phrases used in brainstorming.***

1 I'm not sure how this would work in practice,          a I think it has potential.

- 2 Do you have
- 3 In terms of ...
- 4 If they are not convinced,
- 5 Can we write anything else
  
- 6 It's not clear to me
- 7 I would have thought
- 8 Oh I see,
- 9 I read / saw something about this
- 10 It's certainly

- b it would be possible to ...
- c which said ...
- d in this category?
- e so you're thinking ..., am I right?
- f but how about ... ?
- g worth thinking about.
- h any more ideas (at all)?
- i what you mean by ...
- j we can say that ...

**3. Put the phrases above under the following headings:**

➤ *Asking for ideas (1)*

2, \_\_\_\_\_

➤ *Putting forward an idea (2)*

➤ *Asking for clarification (3)*

➤ *Adding support for your ideas (4)*

➤ *Evaluating the ideas (5)*

**4. Work in groups. Choose one of the topics below and brainstorm ideas to support it using phrases from tasks 2 and 3.**

1. *Different ways to improve the system of foreign direct investment (FDI).*
2. *Reasons why specialization in international trade is / isn't a good idea.*
3. *The main strengths and weaknesses of free trade.*

***During the meeting***

- *put forward all ideas and note them down*
- *clarify and then evaluate the ideas*
- *decide on the best options.*

## 2.7 Business Correspondence

### Writing a report

**1. Work with a partner and discuss these questions.**

- What types of business writing do you use in your job (in your own language and in English)?
- Who do you write to?

**2. In a report you give information about a subject that you have researched. A report should be well organised with information presented in a logical order. Match the following points that are common for the structure of a formal report to their meanings.**

- |                                 |   |
|---------------------------------|---|
| ✓ Title                         | a determination of the sequence of points that will be looked at  |
| ✓ Executive summary             | b the name of the report  |
| ✓ Introduction                  | c practical suggestions to deal with the situation and ideas for making sure future activities run more smoothly. |
| ✓ Findings                      | d what you think about the facts and how you interpret them   |
| ✓ Conclusion                    | e the facts you discovered  |
| ✓ Recommendations of the report | f a summary of the main points and conclusions  |

**3. Based on the results your brainstorming meeting write a report on the topic *New Approaches to Free Trade*. Follow the structure presented above and consider the tips presented below.**

- ✓ Use the correct register, and be consistent. A report should be formal.
- ✓ Use full forms (*I would like*), not short forms (*I'd like*).
- ✓ Use formal structures, expressions and linkers, and avoid chatty, colloquial language.
- ✓ Use headings to make it easier to read the report.
- ✓ Support your ideas with facts and statistics.
- ✓ End with a conclusion which gives clear recommendations to the reader.

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**Unit 3**  
**Sales**

**Get Started**

*Read the quotes below and choose the ones you like best and least. Compare your ideas with your partner. Explain your reasons.*

*To me job titles don't matter. Everyone is in sales. It's the only way we stay in business.*

Harvey Mackey  
(American entrepreneur and motivational speaker)

*So long as new ideas are created, sales will continue to reach new highs.*

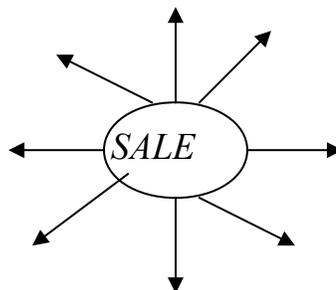
Dorothea Brande  
(American writer and editor)

*Sales may lead to advertising as much as advertising leads to sales.*

Michael Schudson  
(American academic sociologist)

**3.1 Reading Section**

*The article below explains how to design sales strategies that accomplish key business goals. Fill in the following mind map with the words that you associate with sale. Compare your mind map with your partner. Then read the article quickly and underline the information relevant to the words in your mind map.*



## *Sales Strategies – Keys to Success*

(1) Before learning more about how to do successful sales and selling, it's important first to get a sense of what sales is. A sale is the act of selling a product or service in return for money or other compensation. In today's economy, big and small businesses are seeking every opportunity to win sales through competitive advantages. Smart owners of small business know a sales strategy *can* create a competitive advantage. Selling consists of two main functions: tactics and strategy. Sales strategy is the planning of sales activities: methods of reaching clients, competitive differences and resources available. Tactics involves the day-to-day selling: prospecting, sales process, and follow-up.

(2) The lack of an effective sales strategy *might* be the one thing holding a company back from moving to the next level. Although sales strategies vary by company and industry, the most successful ones share several important characteristics.

(3) When it comes to sales, many people mistakenly think about goals in terms of quotas. But a sales quota is really little more than a target sales figure - selling "X" amount of product by a certain date. Sometimes quotas are determined by other factors, but more often than not they are driven by budgetary income requirements, i.e. how much money needs to come in to make payroll and keep the lights on.

(4) Sales goals, on the other hand, have more to do with achieving specific objectives that lead to the long-term growth and vitality of the business. This *may* or *may not* involve increasing the company's bottom line sales. In some cases, it *might* make more sense to realize lower sales for a time if it allows the company to break into a new market or expand its line. The important thing is sales goals make sense and reflect the larger goals of the business, not the goals of this month's bottom line expenses.

(5) Growing small businesses have sharpened their ability to acquire new customers and clientele on a regular basis. Advertising and marketing only go so far. Eventually, it's going to come down to the sales staff to identify new prospects and convert them into satisfied customers. Identifying new customers happens in a number of ways. One way is to develop a list of potential customers based on need. For example, if your company sells beauty supplies your list would contain the names of salons and spas - places that regularly buy beauty supplies. Another



strategy to acquire new customers is to ask for referrals from existing customers. Happy customers are almost always willing to give you the names of others who might benefit from your products and services.

(6) Successful sales strategies not only target new customers, but work to retain existing customers as well. However, retaining customers requires the sales staff to play a dual role. First, they need to assume the role of a customer service representative, particularly for businesses that operate in a non-retail setting. By periodically checking in on existing customers, sales reps maintain relationships and ensure that the customer is happy with the products or services your business provides. More importantly, a little time spent with existing clients reminds them that you still care after the sale - something you'll want them to remember when your competitor's sales reps come knocking on their door. The other role sales reps play with existing customers is the role of, well, sales reps. Existing customers are future customers who are already familiar with your products and services, and are often willing to increase the amount of business they do with your company.

### **Information Check**

***Read the article again and mark the statements below as true (T), false (F), not stated (NS). Correct the false statements.***

- 1. Some competitive advantages may help big and small businesses win sales.
- 2. Selling includes three main components.
- 3. Goods may be taken on hire purchase, credit sale, or conditional sale term.
- 4. Successful sale strategies share some similar features.
- 5. A sales quota is nothing but a target sales figure.
- 6. A company going international should try to boost sales from the very start.
- 7. Satisfied customers tend to provide word of mouth advertising.
- 8. Sales staff are responsible for attraction and retention of customers.
- 9. Sales people should attend special training courses.
- 10. Existing customers have no impact on future sales of a company.

### **3.2 Vocabulary Focus**

***1. The following nouns form strong partnerships with the word sale . Find 6 more in the article you have just read.***

process	_____
strategy	_____
<b>sales</b>	<b>sales</b> _____
_____	_____
_____	_____

**2. Without looking at the article, try to complete the expressions below. They are in the order they appeared. Then look at the article to check your answers.**

1. to hold a c..... back from (doing) smth
2. to s..... several important characteristics
3. to be determined by other f.....
4. to be driven by b ..... income requirements
5. to realize lower s ..... for a time
6. to break into a new m .....
8. to identify new p .....
9. to convert sb into s ..... customers
10. to ask for referrals from e ..... customers
11. to b ..... from products and services
12. to play a dual r .....
13. to assume the role of a customer service r .....
14. to c ..... in on existing customers
15. to increase the amount of b .....

**3. Look back at the article. Find the words which mean:**

1. the total amount of wages paid to all the people working in a particular company or industry (paragraph 3)
2. the figure showing a company's total profit or loss (paragraph 4)
3. an amount of money that a business or organization has to spend on something (paragraph 4)

4. all the people who regularly use the services of a person or organization (paragraph 5)
5. to aim products, programmes of work etc at a particular area or group of people (paragraph 6)
6. a person who sells a company's products or services by speaking to customers on the phone or travelling to meet them (paragraph 6)

**4. Match the following words from the text to form word partnerships. Refer to the text only if you need to.**

- |                |             |
|----------------|-------------|
| 1. competitive | a growth    |
| 2. day-to-day  | b customers |
| 3. long-term   | c advantage |
| 4. potential   | d setting   |
| 5. non-retail  | e selling   |

### 3.3 Group Work

**1. What in the article did you personally find most amusing, interesting, surprising, shocking? Share the ideas with your partners using the prompts below.**

What amused me was ...

What interested me was ...

What surprised me was ...

What shocked me was ...

**2. Work in groups of 3-4. Prepare a chain summary of the article *Sales Strategies – Keys to Success*. Use the mind map before the article and the plan presented below to summarize your ideas.**

1. definition of sales
2. main functions of selling
3. sales quotas
4. sales goals
5. successful sales strategies

### 3.4 Spotlight on Grammar

#### Modal verbs: can, could, may, might

Modal verbs *can, could, may, might* express possibility.

*For more information, see Grammar Reference.*

#### Exercises

##### 1. Choose the correct alternative.

1. Before and during negotiations, a salesperson *may / may not* benefit by assessing the relative strength of his power business.
2. Import rules *could / could not* make it hard for foreign van suppliers to penetrate that market.
3. Friday is not a good day for the meeting. I *might / might not* be in the office on that day.
4. If the UK doesn't enter the euro, it *could / could not* harm London's standing as an international financial centre.
5. There was persistent speculation that the company *could / could not* be the target of a takeover bid.

##### 2. Rearrange the words and write the sentences.

1. in - sale - A - weeks - completed - house - may - be - four - .

---



---

2. decisions - of - ministers - Even - not - Cabinet - may - these - Day - hear - until - Budget - .

---



---

3. may - oil - Futures - headed - markets - down - suggest - prices - be - .

---



---

4. arrange - could - the - finance - take - a - long - It - time - to - .

---

5. recover - price - share - The – might - .

---

**3. Tick (✓) the correct sentences and correct the sentences that contain mistakes.**

1. The new regulations could have a bad effect on small and medium-sized companies.

.....  
.....

2. I might not have some more news for you next week.

.....  
.....

3. The franchisors consistently over-estimated the level of sales that franchisees might to expect.

.....  
.....

4. We may be able to deliver goods next week.

.....  
.....

.....  
5. Critics of short selling say it can causing huge falls in prices.  
.....  
.....  
.....

### 3.5 Listening Skills

#### Buyer beware

*1. Look at the words in bold in sentences 1-3 below and match them to the meanings a-d.*

1. Coca-cola reported strong **profits** in the latest quarter.
  2. He made a lot of money by buying houses at **bargain** prices and reselling them.
  3. Amanda's childhood memories of war-time **austerity** made her cry.
- a) bad economic conditions in which people do not have much money to spend
- b) money that you gain from selling something or from doing business in a particular period of time, after taking away costs
- c) something that you buy cheaply or for less than the usual price

*2. You are going to listen to the interview with Richard, a marketing manager, who is answering the following question: How can Poundland increase its profits by 50% when everything it sells costs just £1? For statements 1-5, complete the sentences.*

1. Poundland is commercially successful due to two main factors: excellent marketing ..... and a few tricks to maximize .....

2. In the times of ..... Poundland promotes itself as a ..... shop.

3. Poundland gives people the ..... that the goods are cheap – as cheap as they were ages ago.

4. The store has changed the ..... size.

5. The majority of things they sell are non-famous brands – so called ..... brands.



*Listen again and check your answers.*

**3. What's your immediate reaction to the interview you've just listened to? Complete one or more of the following.**

I'm amazed that ...

I don't agree that ...

I'm not so sure that ...

I already knew that ...

I can hardly believe that ...

I tend to agree that ...

### **3.6 Business Communication Skills** **Presenting: Selling an idea**

**1. Which of the following techniques can a sales manager use to convince the customers to buy goods? Choose five best ideas and then in pairs discuss your ideas with your partner and negotiate a single list of seven best techniques.**

- invite the customer to speak
- address the client directly
- ask the customer to do an activity
- use visuals
- keep a fast pace
- use positive language/vocabulary
- use rhetorical questions

- use word stress and intonation
- shock the client
- speak slowly
- use tripling (lists of three points)
- shout at times
- speak with enthusiasm

**2. Match 1-7 to a-g to make pairs of phrases used in presenting: selling an idea.**

- |                                    |   |
|------------------------------------|---|
| 1. You could be missing out        | a the second point ...                    |
| 2. You not only benefit from ... , | b miss the opportunity.                   |
| 3. OK, that's the first benefit,   | c serious consideration to ...            |
| 4. I very much                     | d on a great opportunity if you don't ... |
| 5. Please give                     | e on you to ...                           |
| 6. You can't afford to             | f hope that ...                           |
| 7. I'm calling                     | g you also gain ...                       |

**3. Think of an idea for a brand new product that will be launched in some weeks. Using the phrases from Ex.2 prepare a mini-presentation to persuade the potential customers to buy it. Practice giving presentation to you partners. Find out if you have convinced them to purchase it.**

### 3.7 Business Correspondence

#### Writing a response to a letter of complaint

**1. Discuss these questions with a partner.**

1. Have you ever had to complain about a product you have bought?
2. How did you complain? What was the response?

**2. Work with a partner and decide which of the following is good advice when responding to a complaint.**

- ✓ Explain how the problem has occurred.
- ✓ Blame the customer.
- ✓ Express sincere regret.
- ✓ Tell the customer they are the only person who complained.
- ✓ Explain what you intend to do to rectify the situation.

- ✓ Make promises you can't keep.
- ✓ Trivialize the complaint – this is no big deal.
- ✓ Offer a goodwill gesture- exchange the faulty product.
- ✓ Promise to get to the bottom of the product.

**3. Look at expressions a-f below. Match each to a piece of good advice in Ex.2.**

- a I'm terribly sorry to hear about \_\_\_\_\_
- b I'm afraid we have been having \_\_\_\_\_
- c I will be investigating what exactly happened \_\_\_\_\_
- d In the meantime I've arranged for \_\_\_\_\_
- e We would like to offer you \_\_\_\_\_
- f Once again, please accept our sincere apologies \_\_\_\_\_

**4. Match 1-6 below to a phrase with a similar meaning in Ex.3.**

- What I'll do immediately is ...
- I would like to apologize for ...
- I hope you will accept ...
- I'm afraid this was because of ...
- I really do apologize ...
- I would like to look into this further ...

**5. Imagine you work as a manager in after-sales service. Write a response to the letter of complaint that you have received from an angry customer. Respond as sympathetically as possible using the information in Ex. 2, 3, 4 to help you.**

*I am a long time customer of your company and I was very upset when I recently purchased a new model of I-Pod only to have it be defective. My new I-Pod switches off 5-6 times a day and the volume function doesn't work well. While this is a first for me when dealing with your company, I am definitely not happy about it and would like you to handle this complaint swiftly.*

*Whenever I have purchased items from you in the past, I have received high quality merchandise that I am proud to use. This time, however, I am appalled at the quality and I wonder how you could allow such a product to hit shelves at all.*

*I would hope that this is simply a one-time thing, as I do not want to believe that this company has gone downhill so quickly. All that I am asking in this case is to receive my money back, as I do not believe that this product was delivered to me as promised. I really do not want to be rude, but the quality of this product is*

*nowhere near what I would expect from a company like yours and I believe that this should be dealt with as soon as possible.*

*Yours faithfully,  
Tom Brown*

## **Unit 4 Finance and Banking**

### **Get Started**

***Which of the quotes do you agree or disagree with? Can you relate them to your own life/job?***

*A big part of financial freedom is having your heart and mind free from worry about the what-ifs of life.*

Suze Orman  
(American advisor and author)

*It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning.*

Henry Ford  
(American industrialist)

*Banking is a very treacherous business because you don't realize it is risky until it is too late. It is like calm waters that deliver huge storms.*

Nassim Nicholas Taleb  
(Lebanese-American scholar and risk analyst)

### **4.1 Reading Section**

***Before you read A Short Guide to Finance and Banking decide what would you like to find out from the article. Then read the article. Does it answer your questions?***

#### ***A Short Guide to Finance and Banking***

(1)"Finance" is a broad term that describes two related activities: the study of how money is managed and the actual process of acquiring needed funds. Because individuals, businesses and government entities all *need* funding to operate, the field is often separated into three sub-categories: personal finance, corporate

finance and public finance.

(2) All three categories are concerned with activities such as pursuing sound investments, obtaining low-cost credit, allocating funds for liabilities, and banking. Yet each has its own specific considerations. For example, individuals *need to provision* for retirement expenses, which means investing enough money during their working years and ensuring that their asset allocation fits their long-term plans. A large company, on the other hand, may have to *decide* whether to *raise* additional funds through a bond issue or stock offering. Investment banks may advise the firm on such considerations and *help* them *market* the securities. As for public finance, in addition to managing money for its day-to-day operations, a government body also has larger social responsibilities. Its goals include attaining an equitable distribution of income for its citizens and enacting policies that lead to a stable economy.

(3) Accounting for trillions in assets worldwide, the banking system is a crucial component of the global economy. While money-changing and money-lending may be as old as money, banking dates back to 15th century medieval Italy, and played a major role in the rise of the Italian city-states as world economic powers. Ever since, the health of an economy and the health of its banks have been interrelated.

(4) Banks are just one part of the world of financial institutions, standing alongside investment banks, insurance companies, finance companies, investment managers and other companies that profit from the creation and flow of money. As financial intermediaries, banks stand between depositors who supply capital and borrowers who demand capital. Given how much commerce and individual wealth rests on healthy banks, banks are also among the most heavily regulated businesses in the world.

(5) At the most basic level, what banks do is fairly simple. Banks accept deposits from customers, raise capital from investors or lenders, and then use that money to make loans, buy securities and provide other financial services to customers. These loans are then used by people and businesses to *buy* goods or *expand* business operations, which in turn leads to more deposited funds that make their way to banks.

(6) Banks also provide security and convenience to their customers. Part of the original purpose of banks, and the goldsmiths that predated them, was to *offer*

customers safe keeping for their money. Of course, this was back in a time when a person's wealth consisted of actual gold and silver coins, but to a large extent this function is still relevant. By keeping physical cash at home, or in a wallet, there are risks of loss due to theft and accidents, not to mention the loss of possible income from interest. With banks, consumers no longer need to keep large amounts of currency on hand; transactions can be handled with checks, debit cards or credit cards, instead.

(7) Banks also serve often under-appreciated roles as payment agents within a country and between nations. Not only do banks issue debit cards that allow account holders *to pay* for goods with the swipe of a card, they can also arrange wire transfers with other institutions. Banks essentially underwrite financial transactions by lending their reputation and credibility to the transaction.

### **Information Check**

***1. Which of the following topics does the article discuss?***

1. types of finance
2. business operations worldwide
3. ways of getting a bank loan
4. different roles of banks
5. future of banking system

***2. Read the article again and answer these questions.***

1. How can the term "finance" be defined?
2. What are the main subcategories of finance?
3. When did the banking system appear?
4. What is the main role of banks as financial intermediaries?
5. How was the role of banks changing?

### **4.2 Vocabulary Focus**

***1. Rearrange the groups of words to make phrases and expressions from the article. Then look at the article to check your answers.***

1. social to responsibilities have larger
2. services to provide customers financial to
3. equitable to income attain of an distribution
4. customers accept from to deposits
5. account assets to for trillions in
6. on keep to currency hand large amounts of
7. to card pay with the for swipe of goods a
8. reputation the lend credibility one's and to transaction to

**2. Look back at the article. Find the words which mean:**

1. an amount of money borrowed by a government or an organization (paragraph 2)
2. a person or organization that puts money into a bank account so that it can be held there and earn interest (paragraph 4)
3. someone who has borrowed money especially from a bank or building society (paragraph 4)
4. the buying and selling of goods and services (paragraph 4)
5. a person or organization that invests money in order to make a profit (paragraph 5)
6. property or other assets that you promise to give someone if you cannot pay back the money that you owe them (paragraph 6)
7. a person who buys goods, products, and services for their own use, not for business use or to resell (paragraph 6)
8. a payment, or the process of making one (paragraph 6)

**3. Without looking at the article, try to complete the expressions below. They are in the order they appeared. Then look at the article to check your answers.**

1. to acquire needed f ...
2. to pursue sound i ...
3. to obtain low-cost c ...
4. to fit l ... plans
5. to r ... additional funds
6. to market the s ...
7. to expand business o ...
8. to keep physical c ...
9. to s ... under-appreciated role
10. to issue debit c ...

4. **Match the following words from the text to form word partnerships. Refer to the text only if you need to.**

- |                |                |
|----------------|----------------|
| 1. government  | a operations   |
| 2. corporate   | b intermediary |
| 3. investment  | c economy      |
| 4. day-to-day  | d institution  |
| 5. banking     | e finance      |
| 6. crucial     | f fund         |
| 7. global      | g card         |
| 8. financial   | h manager      |
| 9. insurance   | i holder       |
| 10. investment | j company      |
| 11. financial  | k entity       |
| 12. deposited  | l agent        |
| 13. debit      | m system       |
| 14. payment    | n component    |
| 15. account    | o bank         |

### 4.3 Group Work

1. **In groups, discuss your immediate reactions to the article you've just read. Use the starters below.**

- ✓ I'm amazed that ...
- ✓ I agree with what it says about ...
- ✓ But I'm not sure about ...
- ✓ I think it over-stresses the importance of ...
- ✓ And underestimates the significance of ...
- ✓ I don't quite understand the point about ...

2. **Work in groups of 3-4. Prepare a summary of the article *A Short Guide to Finance and Banking*. Use the following key words to summarize your ideas.**

finance	investment	credit	fund	bank	distribution	economy
asset	money-changing	intermediary	deposit	customer	cash	transaction

#### 4.4 Spotlight on Grammar Infinitive

A number of verbs are followed by the infinitive. Many of these verbs are connected with making plans and decisions. Common examples are *agree, arrange, decide, expect, fail, hope, manage, offer, plan, prepare, promise, refuse* and others such as *afford, deserve, learn, seem, want, would like*.

We arranged *to meet* the following week.

*For more information, see Grammar reference.*

#### Exercises

##### 1. Complete the sentences with the infinitive of the verbs in the box.

to get	to develop	to pay	set up	to meet
--------	------------	--------	--------	---------

1. They agreed ..... a \$240 million international fund through which industrialized nations can help develop developing countries.
2. More investment is also needed ..... the food-processing industry in rural areas.
3. The company is ..... an additional \$225 million credit with no strings attached.
4. Banks should ensure that their assets are worth enough ..... their deposit liabilities.
5. People on low income will be getting some help ..... their fuel bills.

##### 2. Rearrange the words and write the sentences.

1. and - next - manufacturing - in - The - step - was - finance - order - obtain - to - start - selling full-sized - to - engines - .

---

2. year - program - reduce - \$28 - company's - The - expenses - by - million - cost-cutting - is - expected - to - next - .

---

3. sell - its - Germany - reserves - has - bank - no - plans - gold - to - from - central - .

---

---

4. finish – was - He - commerce – university - trying – to - a - at – degree - .

---

5. heavily – borrowed - Many - their - firms - expand - businesses - to - .

---

**3. Match the two parts of the sentences.**

1 ..... 2..... 3 ..... 4 ..... 5 .....

1. Thousands of legal claims  
are being made by individuals

a to accumulate free of tax.

2. They will have to produce and

b to hurt the flow of funds to small  
businesses.

sell more than 300,000 cars a year

3. Undistributed profits should be allowed  
returned.

c to get their frozen assets

4. Capital constraints continue  
\$13.2 billion.

d to bring total core deposits to

5. We have added 68,000 new savings  
and checking accounts,

e to turn a profit on the model.

**4.5 Listening Skills**

**Bitcoin - a new cyber-currency**

**1. Match these words from the listening task to their meanings.**

1. currency

a actions to keep someone safe from being damaged, stolen  
etc

2. security

b a person, business etc that helps to arrange business deals  
for other people

3. double-spending

c banknotes and coins

4. volatile

d spending some money more than once

5. middleman

e changing quickly and suddenly

**2. You are going to listen to the information about bitcoin – a new currency. Mark the statements below as true (T) or false (F). Correct the false ones.**

1. Bitcoin is a digital currency which helps to eliminate the problems that people have when paying for things online.
2. Bitcoin was invented in 2009 by a famous programmer using the alias Satoshi Nakamoto.
3. Transactions are made with no middlemen (no banks) and there are no transaction fees.
4. The new payment system offers a faster and more convenient method to spend money.
5. In general people are very optimistic about the bitcoin system.

***Listen again and check your answers.***

**3. What in the listening task about bitcoin system did you personally find most amusing, interesting, surprising, shocking? Share the ideas with your partner using the prompts below.**

What amused me was ...

What interested me was ...

What surprised me was ...

What shocked me was ...

## **4.6 Business Communication Skills**

### **Telephoning**

*Telephoning in a language which is not your own is not easy. You should be aware that the person you are speaking to may have difficulties too.*

**1. Work together with your partner and match the telephoning tips with their explanations. Discuss the most useful tips with other groups.**

1 Speak clearly.

a Keep in mind that many people tend to speak quickly when they are nervous. Hardly anyone ever speaks too slowly.

- |                                |   |
|--------------------------------|---|
| 2. Do not speak too fast.      | b Make sure that you have prepared the call and know what you want to say and how you want to say it in advance.        |
| 3. Be polite.                  | c This is particularly important if you have to spell names and addresses.  |
| 4. Be efficient.               | d Use clear articulation and try to avoid difficult words and long sentences if it is not necessary to use them.        |
| 5. Know the telephone alphabet | e Start and end the conversation nicely. Try to avoid too direct. In English this is often done by using <i>would</i> . |

**2. Match 1-10 to a-j to make pairs of phrases used in telephoning.**

- |  |  |
|--|--|
| 1 I've tried to get through several times, | a on the line.                                 |
| 2 Good morning / afternoon / evening,      | b please.                                      |
| 3 I'll put ...                             | c I'll see if Mr Jones is available.           |
| 4 I'm sorry,                               | d to leave a message?                          |
| 5 Could you                                | e but it's always engaged.                     |
| 6 Hold the line,                           | f there is no reply from Mr Jones.             |
| 7 One moment please,                       | g I'm afraid Mr Jones is not in at the moment. |
| 8 Would you like                           | h I don't understand.                          |
| 9 Thank you for waiting.                   | i Jackson Enterprises, Sally Jones speaking.   |
| 10 I'm very sorry,                         | j put me through to Mr Jones, please?          |

**3. Put the phrases that can be used during telephone calls under the following headings.**

➤ *Answering the phone (1)*

2

➤ *Asking for someone (2)*

---

---

➤ *Problems (3)*

---

➤ *Putting someone through (4)*

---

➤ *Putting someone on hold (5)*

---

➤ *Asking someone to call back (6)*

---

➤ *Taking a message (7)*

---

**4. Work in pairs. Student A is a private individual who wants to take out a bank loan for his start up business and telephones the local bank to get some details about the papers he needs. Student B is the bank clerk who receives the call and tries to put the potential borrower to the credit department. Use the expressions from the tasks above.**

#### **4.7 Business Correspondence** **Writing a covering letter / email**

**1. Work with a partner and discuss these questions.**

1. Have you ever applied for a job? Have you passed the job interview successfully?
2. What information should be included in your CV?

**2. In a covering letter or email you explain why you are writing to a company, organization or individual, and list the other contents of the correspondence or any attachments (for example, a CV or application form). Put the following structure elements of a covering email into the correct order.**

\_\_\_ Give reasons for your interest in the job in the second paragraph.

\_\_\_ If you started with *Dear Sir or Madam*, end with *Yours faithfully*. If you used *Dear Mr / Mrs / Ms + surname*, end with *Yours sincerely*.

\_\_\_ Use this phrase *I look forward to hearing from you* to bring your letter / email to an end.

\_\_\_ Say what documents you're enclosing. If you're writing an email, say *Please find attached my CV and a reference*.

\_\_\_ Say when you are available for an interview.

\_\_\_ If you don't know the name of the person you're writing to, use *Dear Sir or Madam* or *Dear Sir / Madam*. If you know the person's name, use *Dear Mr / Mrs / Ms + surname*.

\_\_\_ Give information about your achievements and experience in the third and fourth paragraphs.

\_\_\_ Say why you are writing and where you saw the job advertisement in the first paragraph of the letter / email.

***3. Imagine you are you looking for a job in financial sector. You have found the following ad on a recruiting website.***

### **Finance manager**

*Responsibilities:*

- Responsibility for the overall management of financial and accounting issues;
- Ensuring efficient utilization of company financial resources;
- Providing financial forecasting and budgeting data, analysis of variances;
- Ensuring adherence of company accounting practices to Russian legislation;
- Taxation management, preparation of Balance Sheet, General Ledger, and other accounting statements;

*Requirements:*

- English at Intermediate level and higher;
- University degree in finance, accounting or economics;
- Strong knowledge of both, Russian GAAP regulations and IFRS;
- Job related experience for 3 years as a minimum;
- Business needs understanding, independent and honest personality, ability to develop simple & reasonable procedures.

***Write a covering email applying for this job. Follow the structure presented above and consider the tips presented below.***

- ✓ Use the correct register, and be consistent. A letter or email like this should be formal.
- ✓ Use formal language, with full forms (*I am*), not short forms (*I'm*).
- ✓ Use formal structures, expressions and linkers, and avoid chatty, colloquial language.
- ✓ Use the appropriate opening and closing expressions.
- ✓ If you're attaching documents to an email, make sure you give them clear names.

## Progress Test 1

### Test Your Vocabulary

**1. Put the letters in brackets in the right order to find words that match these definitions.**

- 0 an amount of money borrowed by a government or an organization: bond (dbon)  
 1 a person or an organization that buys and sells securities, property, etc to others:  
 \_\_\_\_\_ (krober)  
 2 the movement of prices, income, rates etc as they increase and fall: \_\_\_\_\_  
 (ulcotfunati)  
 3 the act or process of bringing goods, letters etc to a particular place or person:  
 \_\_\_\_\_ (ylidevre)  
 4 a product that can be sold to make a profit: \_\_\_\_\_ (mtyomocdi)  
 5 the activities involved in buying and selling a particular type of goods or services,  
 in competition with other companies: \_\_\_\_\_ (parelketacm)  
 6 a situation when something can suddenly change or become more dangerous:  
 \_\_\_\_\_ (lolyativit)  
 7 a business deal; a payment, or the process of making one: \_\_\_\_\_ (ncrantatios)  
 8 the process of becoming decayed or damaged: \_\_\_\_\_ (epogilas)

**2. Complete these sentences with words from the list. You may need to change the form of the words.**

<u>emerge</u>	trade	produce	integrate	bankrupt	hedge	speculate
invest						

- 0 The EU is allowing emerging economies to have greater access to their products.  
 1 Britain is the second largest foreign \_\_\_\_\_ in Mexico.  
 2 Investors often buy precious metals as a \_\_\_\_\_ against inflation.  
 3 Westwood One Inc. is a Los Angeles-based \_\_\_\_\_ and distributor of radio programs.  
 4 Grace aims to better \_\_\_\_\_ its existing businesses, many of which were acquired  
 5 \_\_\_\_\_ who bought the options before the bid and sold 24 hours later showed a 100% profit.

6 Many state-operated companies had experienced difficulties and some had faced \_\_\_\_\_.

7 \_\_\_\_\_ between Hong Kong and eastern European countries has been very limited.

### Test Your Grammar

**3. Complete the sentences with the correct passive form of the verbs from the list below.**

regulate      exclude      cut      design      accept      establish      prohibit  
sell

- 0 The taxis charge a fixed price and are regulated by the city government.
- 1 Luxury items \_\_\_\_\_ regularly \_\_\_\_\_ for much more than the official price by corrupt sales clerks.
- 2 Producer prices rose 0.2% or 0.3% after food and energy \_\_\_\_\_.
- 3 Union Carbide's earnings are likely \_\_\_\_\_ in half by lower selling prices for polyethylene.
- 4 The track \_\_\_\_\_ to allow higher train speeds at a price, and that price was safety.
- 5 Quarterly price floors \_\_\_\_\_ for Japanese commodities.
- 6 The agency \_\_\_\_\_ from using price terms which are not industry standard.
- 7 Tickets cannot \_\_\_\_\_ back for exchange or re-sale.

**4. Put the verbs in brackets into the correct passive form.**

- 0 People today are attracted (attract) to discount stores because they don't want to pay full price.
- 1 Pharmacies halved the price of the drug, but when legal action followed, they \_\_\_\_\_ (force) to charge the manufacturer's recommended price.
- 2 Land valued up to \$2 million can \_\_\_\_\_ (auction) with extremely low reserve prices.
- 3 Some big wholesale prices increases still remain \_\_\_\_\_ (pass) on to consumers.
- 4 When oil prices \_\_\_\_\_ (depress), Mexico made a great effort to promote manufactured exports as an alternative source of foreign exchange.

- 5 Polo shirts are increasingly a low-end product: 30% of them \_\_\_\_\_ (sell) through discount outlets.
- 6 All employees \_\_\_\_\_ (supply) with protective clothing last month.
- 7 Deliveries to the restaurant should \_\_\_\_\_ (make) at the back entrance.
- 8 Each company \_\_\_\_\_ (assign) a dealer who is responsible for making a market in the stock.

**Total score:** \_\_\_\_\_ / 30 marks

## Progress Test 2

### Test Your Vocabulary

#### 1. Match the words from the list to these definitions.

<u>capacity</u>	proportion	specialization	competition
participant	asset	cost	employment
			demand

0 the amount of something that a company, country etc can produce or deal with:  
capacity

1 something belonging to an individual or a business that has value or power to earn money: \_\_\_\_\_

2 a method of production where a business or area focuses on the production of a limited scope of products or services: \_\_\_\_\_

3 the amount of spending on goods and services by companies and people in a particular economy: \_\_\_\_\_

4 the amount of money that you have to pay in order to buy, do, or produce something: \_\_\_\_\_

5 a situation in which businesses are trying to be more successful than others:  
\_\_\_\_\_

6 the relationship between two or more quantities or parts of a whole: \_\_\_\_\_

7 the number of people in an area or a country who have jobs: \_\_\_\_\_

8 someone who is taking part in an activity or event: \_\_\_\_\_

#### 2. Choose the correct answer from the words in italics.

- 0 Removing quotas allows *competitive* / *comparative* advantage to enrich the world.
- 1 Quebec Liberals strongly support free *trade* / *competition* with the US.
- 2 If consumer spending picks up, there will be keen competition for consumer *traffic* / *awareness*.
- 3 The advantage of this card is that there is a very high credit *limit* / *rating*.
- 4 UK growth rates were below those of Europe and as a result an *absolute* / *unfair* advantage was turned into absolute disadvantage.
- 5 Natural gas is an environmentally clean *natural* / *human* resource.
- 6 During the different stages in the supply *chain* / *crunch*, distributors and suppliers frequently have conflicting goals.
- 7 Under the Act, an *end* / *final* consumer can claim against the producer of a defective product.

### Test Your Grammar

#### 3. Choose the correct option.

- 0 If you are going to have a large stock of components,  
a you must store them sensibly.  
 b you will store them sensibly.
- 1 If the buyer accepts a trade bill,  
 a the exporter may arrange for it to be discounted.  
 b the exporter would arrange for it to be discounted.
- 2 If you decide to join the trade union,  
 a you must be encouraged to play an active part and to ensure your views a represented.  
 b you are encouraged to play an active part and to ensure your views a represented.
- 3 Policyholders often feel more confident  
 a if they will have access to their funds.  
 b if they have access to their funds.
- 4 An importer might be able to make payment in his own domestic currency  
 a if this is acceptable to the exporter.  
 b if this was acceptable to the exporter.
- 5 If banks increase their lending,  
 a the money supply would expand.  
 b the money supply will expand.
- 6 If the yen rose above 115 to the dollar,  
 a virtually every exporter in Japan will be losing money.

b virtually every exporter in Japan lose money.

7 If you are not satisfied with your purchase,  
a we will give you a full refund.

b we should give you a full refund.

8 If the insurance company that issued your pension is in trouble,  
a might your money be safe?

b is your money safe?

**4. Put the verbs in brackets into the correct form.**

0 If 5% Treasury stock, originally priced at £100, can be bought on the market at £50, the buyer receives (receive) £5 a year from the government.

1 They \_\_\_\_\_ (bring) an action against him if he does not repay the loan.

2 Banks can make a considerable capital loss if they \_\_\_\_\_ (force) to sell their bonds now.

3 Personal cheques \_\_\_\_\_ (accept) if accompanied by valid cheque card.

4 Peugeot will extend interest-free loans up to 48 months if the buyer \_\_\_\_\_ (come up with) the downpayment of at least 20%.

5 If you \_\_\_\_\_ (copy) music files from the Internet, you could easily be breaking the law.

6 If the investment manager picks the right mix of bonds, his total return \_\_\_\_\_ (rise) quickly.

7 If a director \_\_\_\_\_ (involve) in any way with a contractor, he or she is required to declare his interest at the meeting of board.

**Total score:** \_\_\_\_\_ / 30 marks

**Progress Test 3**

**Test Your Vocabulary**

**1. Use a word from A and a word from B below to match definitions 1-6.**

A

takeover

short

share

hire

B

purchase

bid

sale

price



- 7 France enforces an import \_\_\_\_\_ of 5% of total car sales.  
 8 Our target \_\_\_\_\_ are the over-50s.  
 9 Sales \_\_\_\_\_ to 11.5 million tons from 11 million tons.

### Test Your Grammar

#### 3. Cross out or tick the mistake in each sentence and write the correction at the end.

- 0 We may ~~are~~ able to deliver in three weeks. be  
 1 I might to have some more news for you tomorrow. \_\_\_\_\_  
 2 It could takes a long time to arrange the finance. \_\_\_\_\_  
 3 Monday is not a good day for the meeting. I may be in the office on that day.  
 \_\_\_\_\_  
 4 The share price must recover. \_\_\_\_\_  
 5 We're only five minutes late. The talk might have started yet. \_\_\_\_\_  
 6 He might arrived by now. \_\_\_\_\_  
 7 That looks like Karina over there, but it mustn't be. She is in France. \_\_\_\_\_  
 8 I might to be able to help you, but I'm not sure.

#### 4. Choose the correct alternative.

- 0 Next Tuesday is a possibility. I *can't be* / *might be* free in the afternoon.  
 1 Inflation *may* / *must* reach 20% by the end of the year.  
 2 David *might* / *will* have made a mistake.  
 3 I *may* / *may be able* see you on Friday evening.  
 4 They live in different streets. The *might* / *might not* know each other.  
 5 He *must* / *might* love his job. He's always in the office.  
 6 The economic situation *could* / *should* get worse next year.  
 7 Sue *may* / *has to* get a new job.

Total score: \_\_\_\_\_ / 30 marks

**Progress Test 4**  
**Test Your Vocabulary**

**1. Complete these sentences with nouns from the list. You may need to use plural forms.**

borrower currency bond security asset investor deposit transaction  
commerce

- 0 Borrowers pay 14% interest, due to rise to 16% on 1 October.
- 1 The bank offers its customers flexible borrowing, usually without \_\_\_\_\_ .
- 2 Residents have some \$4 million in \_\_\_\_\_ in local financial institutions.
- 3 Investment properties are now shown as current \_\_\_\_\_ .
- 4 Exports will bring in valuable foreign \_\_\_\_\_ .
- 5 The auditors will conduct regular checks on all financial \_\_\_\_\_ .
- 6 Prices of active \_\_\_\_\_ declined, ending with losses of about 1/8 to 1/4 point.
- 7 The GATT trade agreement established a sound basis for international \_\_\_\_\_ .
- 8 \_\_\_\_\_ are confused about where to put their money in stocks.

**2. Choose the correct answer from the words and word combinations in italics.**

- 0 Oil price rises will be passed on to the *consumer* / customer in higher costs.
- 1 During periods of economic expansion, those who are in the top one-third of the *income tax* / *income distribution* will always benefit.
- 2 *Investment* / *enrollment* in manufacturing has fallen by 20 percent in the past year.
- 3 Sales were helped by the introduction of interest-free *borrowing* / *credit*.
- 4 Instead of paying *cash* / *money* for their bond, they can offer bondholders common shares.
- 5 The company announced it had hired an *investment fund* / *investment bank* to explore options, including the possible merger with another entity.
- 6 A financial crisis in Asia could effect the world *banking system* / *banking power* .
- 7 There was some buying of shares by investment funds and *financial instruments* / *financial institutions*.

**Test Your Grammar****3. Find the mistakes and underline them. Then write the correct sentences.**

0 Five-year balloon loans are attractive to starter-buyers and those who to plan stay in a house for less than five year.

Five-year balloon loans are attractive to starter-buyers and those who plan to stay in a house for less than five year.

1 High finance charges are made if customers fail meeting their monthly card payments.

---

2 Many export contracts to contain provisions for advance payments to meet the exporter's costs.

---

3 Unsecured creditors should to agree accept a down payment of around 35p in the pound.

---

4 Failure to restructure its debt led its bankers demand accelerated payments of their loans.

---

5 Before the stock market existed here, the only way for people managing their money was to put it in a deposit account.

---

6 The Bank uses the Exchange Equalization Account to intervening in the foreign exchange market.

---

7 Neighbouring countries offered and lend rescue equipment to the city authorities after the earthquake.

---

8 Many lenders continue to service loans they have sold into the secondary market.

---

**4. Choose the correct alternative.**

0 Thomas sold off his shares in the company to *off pay* / *to pay off* personal bank loans.

1 He is determined to prevent powerful vested interests *from blocking* / *to block* the reform.

2 The bank may have to raise interest rates further *to keep* / *for keeping* inflation in check.

3 A helpful advice is *to print* / *print* your presentation ideas on separate index cards.

4 Cash discount is an allowance off a debt given *to encourage* / *for encourage* prompt payment.

5 She used her first pay check *and opened* / *to open* an account.

6 Homeowners rushed to refinance *and prepay* / *to prepay* their loans at lower interest rates.

7 The company is taking out a bank loan of \$14.5 million *and funding* / *to fund* the acquisitions.

Total score: \_\_\_\_\_ / 30 marks

## Grammar Reference

### 1. Passive Voice

Passive form is often used when we want to put emphasis on the action or on the result of the action, rather than who does it. In this case, the agent isn't needed.

Look at the table below that compares the active form and the passive form of the present, past, present perfect and past perfect tenses, and the various ways in which to express the future in the third person singular:

tense	active	passive
<b>present simple</b>	... produces	... is produced
<b>present continuous</b>	... is producing	... is being produced
<b>past simple</b>	... produced	... was produced
<b>past continuous</b>	... was producing	... was being produced
<b>present perfect</b>	... has produced	... has been produced
<b>past perfect</b>	... had produced	... had been produced
<b>future (going to)</b>	... is going to produce	... is going to be produced
<b>future (will)</b>	... will produce	... will be produced
<b>future perfect</b>	... will have produced	... will have been produced

Here are some examples from the article *The World of Commodities* using the tenses in the table. You can find more examples of passive form *in bold* in the article.

“Soft” commodities *are* typically *grown*.

In many cases, initial products *are refined* into further commodities, as oil *is refined* into gasoline.

These contracts can give buyers and sellers a way to ‘foresee’ the market in the future, since the rates *have already been set*.

The passive form is often used with modal verbs (**can, must, may, should ...**) to express deductions, permission, obligations, possibility and requests that refer to the present or the past.

The structure of passive sentences with any modal verb is as follows:

Present: Subject + modal + <b>be</b> + past participle
--

Past: Subject + modal + **have been** + past participle

Here are a few examples with some modal verbs followed by the present infinitive passive from the article.

Broadly speaking commodities *can be divided* in two categories: “soft” and “hard”.

Consumer products like televisions or computers vary from manufacturer to manufacturer and hence *cannot be traded* as commodities.

The delivery date and the method of payment *must be agreed* upon before the contract *is executed*.

## 2. *If* Clauses – Type Zero and Type One

### Type zero

In the **if** clause of the zero conditional, we describe a consequence that takes place regularly and with certainty. In this case we use the present simple in both the main clause and the **if** clause.

<b>if clause:</b> <i>if</i> + present simple	<b>main clause:</b> present simple / continuous
<i>If</i> you <u>walk</u> into a supermarket and <u>are able to buy</u> South American bananas, Brazilian coffee and a bottle of South African wine,	you <u>are experiencing</u> the effects of international trade.

The zero conditional is used to express general truths, scientific and mathematical laws, technical procedures, instructions.

*However, according to the international trade theory, even **if** a country has an absolute advantage over another, it can still benefit from specialization.*

### Type one

In the first conditional, we describe a real possibility, i.e. we talk about facts that, given certain conditions, probably or possibly will take place in the future.

In this case, the verb tenses used are usually:

<i>if clause: if + present simple</i>	<i>main clause: will / 'll / won't + base form</i>
<i>If you <u>open</u> an account with this bank,</i>	<i>you <u>will be asked</u> to provide a specimen signature.</i>

### 3. Modal verbs: can, could, may, might

We use **can, could, may, might** to say that something is possible. Modals are always the first word in a verb group.

For example: A sales strategy **can** create a competitive advantage.

Modals have only one form. There is no “s” form for the third person singular of the present tense. There are no *-ing* or *-ed* forms.

Modals are not followed by an infinitive with *to*.

For example: The lack of an effective sales strategy **might** be the one thing holding a company back from moving to the next level.

Questions and negatives are formed without the auxiliary **do**.

For example: This **may** or **may not** involve increasing the company's bottom line sales.

### 4. Infinitive

Present infinitive: **to** + base form of verb

The CEO has *to be* there on time.

Past Infinitive / Perfect infinitive: **to have** + past participle

It's better *to have competed* and lost than never *to have competed* at all.

The infinitive is mainly used:

- after many verbs (refuse, seem, decide ... ) and adjectives (easy, difficult ...).

He refused *to negotiate*.

- To express an aim.

He's saving money *to buy* a car.

The continuous forms of the infinitive (continuous infinitive) are the following:

**to be + -ing** (for the present): to be saving

They seem to be working hard.

**to have been + -ing** (for the past): to have been saving

They seem to have been working hard.

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66  
**Keys**  
**Unit 1**

Information Check

1

Topics 2 3 5

2

1. F
2. T
3. T
4. F
5. T
6. F

Vocabulary Focus

1

1. to be traded across various markets
2. to be subject to spoilage
3. to dump smth onto the market
4. to create a natural seasonality in prices
5. to have a long shelf life
6. to be refined into further commodities
7. to be integrated into the industrial process
8. to dominate the marketplace
9. to require a keen business sense
10. to execute a contract

2

1. volatility (paragraph 2)
2. hedger (paragraph 5)
3. fluctuation (paragraph 5)
4. bankruptcy (paragraph 7)
5. broker (paragraph 7)

3

1. uniform quality
2. financial transactions
3. well-timed investment

4. phenomenal gains
5. significant losses
6. emerging economies

### Spotlight on Grammar

#### Passive Voice

1

1. was carried out
2. to be overpriced
3. will be sold
4. have been restricted
5. have been forced

2

1. The report questioned whether market volatility should be blamed on foreign investors.
2. Prices are set by the market and reflect international trading conditions.
3. Copies of the video will be made available to course participants at cost price.
4. All cargo-handling services are now put out to contract.
5. The new system allows marketing data as well as orders and invoices to be exchanged.

3

1. are — is
2. were — are
3. v
4. were — be
5. v

#### Listening skills

1

1 b

2 c

3 a

2

1 rise

2 investors

3 demand

4 volatile

## 5 deals

## Business communication skills

2

1. E
2. I
3. C
4. F
5. B
6. H
7. J
8. A
9. D
10. G

3

- 1) Outlining points for discussion
  - ✓ What we need to decide on today is ...
  - ✓ The areas we need to discuss are ...
- 2) Putting forward proposals
  - ✓ One option would be to ...
  - ✓ How about we ... ?
  - ✓ What I propose is...
- 3) Stating consequences
  - ✓ That'll solve the problem.
  - ✓ It just wouldn't work if ...
  - ✓ Unless we ... , we won't ...
- 4) Bargaining
  - ✓ I could offer ... , but I'd expect ...
  - ✓ If you guaranteed ..., I'd let you have ...
  - ✓ I'll be happy ... provided you ...
- 5) Reaching agreement
  - I'm happy with that.
  - That sounds like a deal.

- 6) Summarizing the situation
- ✓ So, a quick recap ...
  - ✓ Let's just summarize the situation.

## Unit 2

### Reading section

- (1) What Is International Trade?
- (2) Increased Efficiency of Trading Globally
- (3) How global trade works
- (4) Other Possible Benefits of Trading Globally
- (5) Free Trade Vs. Protectionism
- (6) The Bottom Line

### Information Check

- 1 b
- 2 d
- 3 a
- 4 a
- 5 c
- 6 d

### Vocabulary Focus

1

1. to experience the effects of international trade
2. the exchange of goods and services between countries
3. to be endowed with different assets and natural resources
4. to encourage the opportunity of foreign direct investment
5. to ensure that markets function properly
6. to hamper the benefits of international trade
7. to correct any inefficiency in the international market
8. to open up the opportunity for specialization
9. to leave developing nations compromised
10. to be in a state of continual change

2

1. supply (paragraph 1)
2. demand (paragraph 1)
3. export (paragraph 2)

4. import (paragraph 2)
5. revenue (paragraph 4)
6. protectionism (paragraph 5)
7. restriction (paragraph 5)
8. subsidy (paragraph 5)
9. quota (paragraph 5)
10. tariff (paragraph 5)

3

1. to contain greater competition
2. to give rise to a world economy
3. to be affected by global events
4. to be exposed to goods and services
5. to use resources more efficiently
6. to create a specialized output of smth
7. to trade equal proportions of products
8. to give an advantage to the end consumer
9. benefit from specialization
10. to result in increased efficiency
11. to participate in a global economy
12. to become competitive economic participants
13. to operate on a global scale
14. to promote trade and growth
15. to maximize a country's capacity to smth

4

1. competitive prices
2. comparative advantage
3. opportunity cost
4. absolute advantage
5. employment level
6. high revenues
7. market forces
8. free trade
9. laissez-faire approach
10. market inefficiencies

Spotlight on Grammar

1

1 c 2 a 3 b 4 f 5 d 6 e

2

1 raises

2 will export

3 will see

4 will be

5 doesn't enter

3

1 remains

2 can't

3 finds

4 can

5 delivers

6 should be

### Listening Skills

1

1 b

2 e

3 f

4 a

5 c

6 g

7 d

2

1 F increase costs – reduce costs

2 T

3 F several times a year – on the daily basis

4 F some important aspects – all aspects

5 T

3

1 privileges

2 suppliers

- 3 solution
- 4 underpinning
- 5 compliance
- 6 intelligence

### Business Communication Skills

- 2
- 1 f
- 2 h
- 3 a
- 4 j
- 5 d
- 6 i
- 7 b
- 8 e
- 9 c
- 10 g

- 3
- 1 – 2, 5
- 2 – 7, 1
- 3 – 6, 8
- 4 – 4, 9
- 5 – 3, 10

### Business Correspondence

- 2
- 1 – b
- 2 – f
- 3 – a
- 4 – e
- 5 – d
- 6 – c

## Unit 3

Reading section  
Information Check

1 T  
2 F  
3 NS  
4 T

5 F  
6 F  
7 T  
8 T  
9 NS  
10 F

### Vocabulary Focus

1

*sales activities*

*sales quota*

*sales figure*

*sales goal(s)*

*sales staff*

*sales reps*

2

1. to hold a company back from (doing) smth
2. to share several important characteristics
3. to be determined by other factors
4. to be driven by budgetary income requirements
5. to realize lower sales for a time
6. to break into a new market
7. to acquire new customers
8. to identify new prospects
9. to convert sb into satisfied customers
10. to ask for referrals from existing customers
11. to benefit from products and services
12. to play a dual role
13. to assume the role of a customer service representative
14. to check in on existing customers
15. to increase the amount of business

3

1. payroll (paragraph 4)
2. bottom line (paragraph 4)
3. expense (paragraph 4)
4. clientele (paragraph 5)
5. to target (paragraph 6)
6. representative (paragraph 6)

4

1. competitive advantage
2. day-to-day selling
3. long-term growth
4. potential customers
5. non-retail setting

### Spotlight on Grammar

Modal verbs: can, could, may, might

1

1. may
2. could
3. might not
4. could
5. could

2

1. A house sale may be completed in four weeks.
2. Even Cabinet ministers may not hear of these decisions until Budget Day.
3. Futures markets suggest oil prices may be headed down.
4. It could take a long time to arrange the finance.
5. The share price might recover.

3

1. v
2. might not — might
3. might to expect — might expect
4. v
5. can causing — can cause

## Listening skills

1

1 b

2 c

3 a

2

1 strategy; profits

2 austerity; discount

3 impression

4 packaging

5 «phantom»

## Business communication skills

2

1 d

2 g

3 a

4 f

5 c

6 b

7 e

## Business correspondence

2

Suggested answers: 1, 3, 5, 8, 9

3

a 3

b 1

c 9

d 5

e 8

f 3

4

1 d

2 a

3 e

4 b

5 f

6 c

**Unit 4**

## Information Check

1.

Topics 1, 4

## Vocabulary Focus

1

1. to have larger social responsibilities
2. to provide financial services to customers
3. to attain an equitable distribution of income
4. to accept deposits from customers
5. to account for trillions in assets
6. to keep large amounts of currency on hand
7. to pay for goods with the swipe of a card
8. to lend one's reputation and credibility to the transaction

2

1. bond

2. depositor
3. borrower
4. commerce
5. investor
7. consumer
8. transaction

3

1. to acquire needed funds
2. to pursue sound investments
3. to obtain low-cost credit
4. to fit long-term plans
5. to raise additional funds
6. to market the securities
7. to expand business operations
8. to keep physical cash
9. to serve under-appreciated role
10. to issue debit cards

4

1. government entity
2. corporate finance
3. investment bank
4. day-to-day operations
5. banking system
6. crucial component
7. global economy
8. financial institution
9. insurance company
10. investment manager
11. financial intermediary
12. deposited fund
13. debit card
14. payment agent
15. account holder

Spotlight on Grammar

1

1. to set up
2. to develop
3. to get
4. to meet
5. to pay

2

1. The next step was to obtain finance in order to start manufacturing and selling full-sized engines.
2. The company's cost-cutting program is expected to reduce expenses by \$28 million next year.
3. Germany has no plans to sell gold from its central bank reserves.
4. He was trying to finish a commerce degree at university.
5. Many firms borrowed heavily to expand their businesses.

3.

1. c
2. e
3. a
4. b
5. d

### Listening Skills

1

1. c
2. a
3. d
4. e
5. b

2

1. T
2. F
3. T
4. T
5. F

### Business Communication Skills

1

1. d

2. a

3. e

4. b

2

1. - e

2. - i

3. - a

4. - h

5. - j

6. - b

7. - c

8. - d

9. - g

10. - f

3

1. - 7

2. - 5

3. - 1, 4

4. - 3, 10

5. - 6

6. - 9

7. - 8

### Business Correspondence

2

1. If you don't know the name of the person you're writing to, use *Dear Sir or Madam* or *Dear Sir / Madam*. If you know the person's name, use *Dear Mr / Mrs / Ms* + surname.

2. Say why you are writing and where you saw the job advertisement in the first paragraph of the letter / email.

3. Say what documents you're enclosing. If you're writing an email, say *Please find attached my CV and a reference.*

4. Give reasons for your interest in the job in the second paragraph.

5. Give information about your achievements and experience in the third and fourth paragraphs.
6. Say when you are available for an interview.
7. Use the phrase *I look forward to hearing from you* to bring your letter / email to an end.
8. If you started with *Dear Sir or Madam*, end with *Yours faithfully*. If you used *Dear Mr / Mrs / Ms* + surname, end with *Yours sincerely*.

### Progress Test 1

#### Test Your Vocabulary

##### 1

- 1 broker
- 2 fluctuation
- 3 delivery
- 4 commodity
- 5 marketplace
- 6 volatility
- 7 transaction
- 8 spoilage

##### 2

- 1 investor
- 2 hedge
- 3 producer
- 4 integrate
- 5 speculators
- 6 bankruptcy
- 7 trade

#### Test Your Grammar

##### 3

- 1 are sold
- 2 were excluded
- 3 to be cut
- 4 was designed
- 5 were established
- 6 is prohibited
- 7 be accepted

**4**

- 1 were forced
- 2 be auctioned
- 3 to be passed
- 4 were depressed
- 5 are sold
- 6 were supplied
- 7 be made
- 8 is assigned

**Progress Test 2**

Test Your Vocabulary

**1**

- 1 asset
- 2 specialization
- 3 demand
- 4 cost
- 5 competition
- 6 proportion
- 7 employment
- 8 participant

**2**

- 1 free trade
- 2 consumer traffic
- 3 credit limit
- 4 absolute advantage
- 5 natural resource
- 6 supply chain
- 7 end consumer

Test Your Grammar

**3**

- 1 a
- 2 b
- 3 b
- 4 a

5 b

6 a

7 a

8 b

**4**

1 will bring

2 are forced

3 will be accepted

4 comes up with

5 copy

6 will rise

7 is involved

### **Progress Test 3**

#### Test Your Vocabulary

**1**

1 takeover bid

2 short selling

3 share price

4 hire purchase

5 conditional sale

6 competitive advantage

**2**

1 payroll

2 expenses

3 clientele

4 target

5 representative

6 budgetary

7 quota

8 customers

9 increased

#### Test Your Grammar

**3**

- 1 might have
- 2 take
- 3 may not
- 4 might / could
- 5 might not
- 6 might have arrived
- 7 can't
- 8 might be able

**4**

- 1 may
- 2 might
- 3 may
- 4 might not
- 5 must
- 6 could
- 7 may

**Progress Test 4**

## Test Your Vocabulary

**1**

- 1 security
- 2 deposits
- 3 assets
- 4 currency
- 5 transactions
- 6 bonds
- 7 commerce
- 8 investors

**2**

- 1 income distribution
- 2 investment
- 3 credit
- 4 cash
- 5 investment bank
- 6 banking system
- 7 financial institutions

## Test Your Grammar

**3**

- 1 High finance charges are made if customers fail to meet their monthly card payments.
- 2 Many export contracts contain provisions for advance payments to meet the exporter's costs.
- 3 Unsecured creditors should agree to accept a down payment of around 35p in the pound.
- 4 Failure to restructure its debt led its bankers to demand accelerated payments of their loans.
- 5 Before the stock market existed here, the only way for people to manage their money was to put it in a deposit account.
- 6 The Bank uses the Exchange Equalization Account to intervene in the foreign exchange market.
- 7 Neighbouring countries offered to lend rescue equipment to the city authorities after the earthquake.
- 8 Many lenders continue to service loans they have sold into the secondary market.

**4**

- 1 from blocking
- 2 to keep
- 3 to print
- 4 to encourage
- 5 to open
- 6 and prepay
- 7 to fund

**Миссия университета** – генерация передовых знаний, внедрение инновационных разработок и подготовка элитных кадров, способных действовать в условиях быстро меняющегося мира и обеспечивать опережающее развитие науки, технологий и других областей для содействия решению актуальных задач.

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## **КАФЕДРА ИНОСТРАННЫХ ЯЗЫКОВ**

Объединенная кафедра иностранных языков, являющаяся подразделением Института Международного Развития и Партнерства, с 2015 года получила возможность - в частности, в рамках программы 5-100 - реализовать программы коммуникативного курса английского языка. Количество часов, предусмотренное для изучения иностранных языков, было увеличено в несколько раз, массово внедряются современные учебные материалы и пособия. В 2014-2015 учебном году процесс затронул только ряд факультетов, а в 2015-2016 распространился уже на всех студентов бакалавриата.

Студенты получили возможность изучать английский язык в большом объеме и по самым продвинутым методикам. Это потребовало от преподавателей дополнительной подготовки и переподготовки по коммуникативным методикам. В результате кафедра вышла на новый уровень образовательной деятельности, которая охватывает не только студентов бакалавриата, но и магистратуры и аспирантуры. Для аспирантов был введен новый курс делового английского языка, по-новому строится курс английского языка для специальных целей, создана Лаборатория Академического Письма, готовятся электронные образовательные платформы и ресурсы.

Безусловно, английский язык занимает главное место в сфере образовательной деятельности кафедры, но немецкий и французский языки также преподаются на высоком профессиональном уровне, и при небольшом количестве студентов подготавливаются элитные кадры, владеющие несколькими иностранными языками.

Каждое из направлений работы открывает перед кафедрой новые горизонты, требует постоянного совершенствования методической и практической подготовки преподавателей, делает работу преподавателей и сотрудников творческой, привлекает на кафедру новые кадры. Кафедра иностранных языков готова ответить на любые запросы Университета – у нее есть все возможности, ресурсы и кадры для того, чтобы предложить самые современные решения.

Пирогова Надежда Геннадьевна

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