Lesson
23

WORDS TO LEARN

aggressively
attitude
commit
conservative
fund
invest
long-term
portfolio
pull out
resource
return
wisely

Investments

Study the following definitions and examples.

1. **aggressively** adv., competitively, assertively
   a. Some people are risk takers and prefer to invest aggressively.
   b. His ideas were not well received because he spoke so aggressively.
2. **attitude** n., a feeling about something or someone
   a. The new fund manager's attitude changed quickly after the first big downturn in the market.
   b. Each investor should assess his or her own attitude toward investment.
3. **commit** v., to consign for future use, to promise
   a. It is a good idea to commit a certain percentage of your income to investments.
   b. The stockbroker committed herself to finding the best investments for each client.
4. **conservative** adj., cautious, restrained
   a. Her conservative strategy paid off over the years.
   b. Generally, older people should be more conservative in their investing than younger people.
5. **fund** n., an amount of money for something specific; v., to provide money for
   a. He will have access to his trust fund when he is 21 years old.
   b. The company will fund the trip to the conference.
6. **invest** v., to put money into a business or activity with the hope of making more money; to put effort into something
   a. The chief financial officer invested in the stock at a very good time.
   b. Don't invest all of your time in just one project.
7. **long-term** adj., involving or extending over a long period
   a. The CEO's long-term goal was to increase the return on investment.
   b. Over the long-term forecast, unemployment is expected to remain steady.
8. **portfolio** n., a list of investments
   a. Investors are advised to have diverse portfolios.
   b. The investor's portfolio consisted of blue chip company stocks and government bonds.
9. **pull out** v., to withdraw, to stop participating; n., a withdrawal, removal
   a. His advisor suggested that she pull out her investments in the troubled country.
   b. The pull out of the bank has left the company without financing.
10. **resource** n., assets; valuable things
    a. If you don't invest in petroleum resources now, you will find that the stock prices will get away from you.
    b. The company's most valuable resource was its staff.
11. **return** n., the amount of money gained as profit
    a. The 44 percent return on the new stock was far more than the stockbroker had anticipated.
    b. Some investors are satisfied with a 15 percent return, while others want to see a much larger return.
12. **wisely** adj., knowledgeably, smartly
    a. If you invest wisely, you will be able to retire early.
    b. Mary wisely followed her stockbroker's advice and took her money out of some bad investments.

LIVEWORKSHEETS

WORDS IN CONTEXT

Read the following passage and write the words in the blanks below.

aggressive	committed	long-term	resources
attitude	fund	portfolio	return
conservative	invest	pull out	wise

Investment is a common, everyday occurrence. Companies (1) _____ time and money in finding and training their employees. Employees invest in their own training and education. Financial investment takes place at a corporate level and at an individual level. Whether an individual or a company, a decision must be made on the percentage of (2) _____ to have invested and the percentage to have in cash.

To avoid making stupid decisions, many people use financial advisors. Financial advisors help individuals and corporations make (3) _____ investment decisions. What kind of portfolio should be maintained? What should be in this (4) _____ At what point should an investor pull back or (5) _____ of the market? What kind of (6) _____ should the investor realistically expect? How much risk can an investor take (both emotionally and financially)? Investors who are (7) _____ for the (8) _____ can more easily weather the ups and downs of a market. As one analyst commented, "If you're staying awake at night thinking about the stock market, you probably have too much invested."

Many employees have retirement plans at work. They decide what level of contribution to make to a certain (9) _____. These decisions and large company decisions depend to a large degree on (10) _____. Is the decision maker (11) _____ or (12) _____? That attitude often depends on the age of the investor or on the stage and the needs of the business.

LIVEWORKSHEETS

WORD FAMILIES

noun	aggression	The act of aggression against our country caused a fear of war and had a negative effect on the stock market.
adjective	aggressive	The director's aggressive position on investing was frowned upon by the Board of Directors.
adverb	aggressively	I chose this stockbroker because he invests my money aggressively.

verb	commit	I'm committed to keeping the money in my pension fund until I retire.
noun	commitment	The employee's commitment to working hard and saving her money was commendable.
adjective	noncommittal	I had hoped that the discussion would yield a definite answer from them, but they were noncommittal.

verb	conserve	Conserve your money now so you will be able to invest when the stock market gets better.
adjective	conservative	Some people are conservative investors and take few risks with their money.
adverb	conservatively	If you invest too conservatively, you may lose some chances for making money.

verb	invest	The company has been successful because it has invested wisely in its resources.
noun	investment	The CFO is responsible for corporate investment.
noun	investor	The fall in the stock market shook up the investors.

verb	return	I wish I could return to the days where investing was simple.
noun	returns	Our returns on our investments exceeded expectations.
adjective	returnable	The merchandise is returnable as long as you have your receipt.

noun	wisdom	Common wisdom is to place your money in a variety of investments.
adjective	wise	The wise investor does her homework before parting with her money.
adverb	wisely	She planned her retirement wisely and was able to retire to her summer house.

LIVEWORKSHEETS

WORD PRACTICE

LISTENING COMPREHENSION

CD1
Track 23

Part 1 Photo

Look at the picture and listen to the sentences. Choose the sentence that best describes the picture.



1. Ⓐ Ⓑ Ⓒ Ⓓ

Part 2 Question–Response

Listen to the question and the three responses. Choose the response that best answers the question.

2. Ⓐ Ⓑ Ⓒ

3. Ⓐ Ⓑ Ⓒ

Part 3 Conversation

Listen to the dialogue. Then read each question and choose the best answer.

4. What does the man recommend?
   (A) Investing mainly in natural resources.
   (B) Investing in various industries.
   (C) Investing aggressively.
   (D) Investing in the basket industry.

5. How much money has the man made through his investments?
   (A) One million dollars.
   (B) Two million dollars.
   (C) Five million dollars.
   (D) Ten million dollars.

6. What will the woman do?
   (A) Take her money out of the stock market.
   (B) Hire an investment advisor.
   (C) Start a marketing business.
   (D) Follow the man's investment strategy.

Part 4 Talk

Listen to the talk. Then read each question and choose the best answer.

7. What is this talk about?
   (A) How to invest in the stock market.
   (B) How to choose a good college.
   (C) How to choose investments.
   (D) How to save money for college.

8. When should parents start saving money for college?
   (A) Two or three years from now.
   (B) When their children are small.
   (C) After they have had two or three children.
   (D) When their children are in high school.

9. How often should parents put money in the stock market?
   (A) Every month.
   (B) Every two or three months.
   (C) Every year.
   (D) Every two or three years.

LIVEWORKSHEETS

READING

Part 5 Incomplete Sentences

Choose the word that best completes the sentence.

10. The stockbroker recommended investing some money more _____.
    (A) aggressive (C) aggressively
    (B) aggression (D) aggressor

11. All employees are encouraged to _____ a percentage of their earnings to the retirement fund.
    (A) committed (C) commitment
    (B) commit (D) committing

12. Because he had made such _____ investments, he lost very little money when the stock market went down.
    (A) conservative (C) conservatively
    (B) conserved (D) conserve

13. After months of study and research, the _____ decided to put his money into new facilities and materials.
    (A) investor (C) investing
    (B) investment (D) invested

14. A good financial analyst will advise investors on strategies that will generate higher _____.
    (A) returned (C) returns
    (B) returning (D) returnable

15. Is it _____ to consider funding a new project when we haven't even seen the returns from the last one?
    (A) wisdom (C) wisely
    (B) wisest (D) wise

Part 6 Text Completion

Many people try to save money by acting as their own investment advisors. This is not usually considered to be a wise choice. In the long term, it can actually end up costing the investor more money because of poor investment decisions. A professional investment advisor understands investment options more thoroughly than the layperson ever could. A good investment advisor becomes familiar with her clients' __16__ toward investing and gives advice accordingly. The advisor makes certain recommendations to clients who are conservative investors and makes different recommendations to clients who prefer to invest more __17__. The best way to create a strong investment __18__ that matches your needs and preferred investing strategy is to work with a professional investment advisor.

16. (A) funds
    (B) returns
    (C) attitudes
    (D) resources

17. (A) aggressor
    (B) aggression
    (C) aggressive
    (D) aggressively

18. (A) portage
    (B) portrait
    (C) portfolio
    (D) portmanteau

LIVEWORKSHEETS

Part 7 Reading Comprehension

Questions 19–23 refer to the following two e-mail messages.

To: Amelia Waddell
From: Peter Simpkins
Subject: Investment

Hi Amelia,

I wondered if you would give me the name of your investment advisor. My business is doing very well this year. In fact, I am now making a lot more money than I did when I had a job with a salary. I would prefer to invest my profits in the stock market as I'm sure I would earn more money that way than just letting it earn interest in a bank account. Of course, I want to invest wisely, so I am looking for professional advice. You know I tend to have a conservative attitude toward money, and I hope your advisor can help me make some safe investments. Please get back to me soon as I'd like to get started on this before the end of the month. Thanks.

Peter

To: Peter Simpkins
From: Amelia Waddell
Subject: Re: Investment

Hi Peter,

I would be happy to help you out. As a matter of fact, I just talked with my investment advisor this morning, and she mentioned that she is looking for more clients. Her name is Susannah Oliveros. I have been working with her for several years and have always been satisfied. I have gotten good returns on the investments I have made with her. I will call you this afternoon, and we can discuss all the details then. I will also give you her phone number so you can call her tomorrow. I know you will like her.

Amelia

19. Why did Peter write the e-mail message?
    (A) He is looking for a job.
    (B) He needs some investment advice.
    (C) He lent some money to Amelia.
    (D) He is looking for new clients.

20. Why does Peter have extra money to invest?
    (A) He earned a lot of interest in his bank account.
    (B) He has a high salary.
    (C) His business is very profitable.
    (D) He made money in the stock market last year.

21. When will Amelia call Peter?
    (A) This morning.
    (B) This afternoon.
    (C) Tomorrow.
    (D) Before the end of the month.

22. The word *wisely* in line 8 of the first e-mail is closest in meaning to
    (A) smartly
    (B) carefully
    (C) quickly
    (D) easily

23. The word *returns* in line 6 of the second e-mail is closest in meaning to
    (A) goes back
    (B) gives back
    (C) suggestions
    (D) profits

LIVEWORKSHEETS