

Chapter 6 : Money

VOCABULARY

➤ Activity 1

Match the words on the right to their **definitions**.

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|----------------|---|
| Equity stake ● | ● Equal parts into which the capital or ownership of a company is divided. |
| Recession ● | ● A period of time when business activity decreases because the economy is doing badly. |
| Shares ● | ● Money risked when a business owns part of another company. |
| Debt ● | ● A place where company shares are bought and sold. |
| Stock market ● | ● A description of what is likely to happen in the future. |
| Forecast ● | ● Money owned by one person or organisation to another person or organisation. |

➤ Activity 2

Complete the following sentences with the correct first halves.

Profit margin is ...	Investment is ...	Bankruptcy is ...
A dividend is ...	Pre-tax profits are ...	Annual turnover is ...

- a) _____ a part of a company's profits paid to the owners of shares.
- b) _____ the difference between the price of a product or service and the cost of producing it.
- c) _____ money which people or organisations put into a business to make a profit.
- d) _____ the amount of money which a business obtains (in a year) from customers by selling goods or services.
- e) _____ when a person or organisation is unable to pay their debts.
- f) _____ the money a business makes before payment to the government.

➤ **Activity 3**

Complete this news report with the vocabulary used in the previous activities.

And now the business news ...

There was a further downturn in the economy this month as the¹ in the United States and Asia-Pacific region continues. Yesterday was another day of heavy trading on the², with big losses in share values. The³ for the near future is not good, as market confidence remains low.

Paradise Lane, the struggling luxury hotel group, is seeking new⁴ to try and avoid⁵, following the announcement of disastrous interim results. It currently has a⁶ of nearly \$5 billion. There are rumours of rivals GHN taking a large⁷ in the troubled hotel group.

Phoenix Media announced a 15% increase in⁸ on an⁹ of \$4.5 million. Added to the strong performance in the last quarter, this is likely to result in an increased¹⁰ of over 14 cents per share, well up on last year, which will certainly please shareholders*. Following a rise in sales in the emerging markets of ...

* the people who own shares in a business

➤ **Activity 4**

Listen to this audio and **check** your answers.



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