Test A (Unit 01 -04)

I Listen and complete these sentences.

1 I'm generally _____ about the economy.
2 Interest rates _____ at the moment.
3 I think the unemployment rate will probably _____ for the next six months.
4 I think there is more _____ in the economy.
5 I think the price of oil _____ quite a lot.

II Complete this text with the words in the box.

index	predict	retail	statistics	supply	unemployment	well

Governments regularly issue (6) _____ about the economy called economic indicators. They show whether the economy is doing (7) _____ or badly and economists use them to (8) _____ how well it will do in the future. Economic indicators include the (9) _____ rate, the money (10) _____, the stock market (11) _____, consumer spending, industrial production and the (12) _____ price index. Investors use this information to make decisions about where to invest their money.

III Choose the correct word or phrase.

1 Many companies ***withdraw / deduct*** tax from your salary before you get paid.

2 The judge awarded us 1,000 euros ***damage / damages*** when the builder admitted he hadn't followed safety standards.

3 The hotel was so bad I'm thinking of asking for ***compensation / debt*** from the travel agency.

4 Hello. I'd like to ***withdraw / deduct*** 500 euros from my account, please.

5 You can pay in 12 monthly instalments, but you'll have to make an initial ***lump sum / down payment*** of $25.

6 If you win, you can choose to receive it all in one go as ***a lump sum / down payment*** or you can have a certain amount per year for life.

7 I'll ***finance / deposit*** the money in your bank account in the morning.

8 I'm thinking of ***speculating / depositing*** on the stock exchange. Do you think it's risky?

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9 Why don't you arrange to pay your bills by direct ***debt/ debit*** ? That way, they're automatically paid from your account.

10 Where is the company planning to get ***the sum / finance*** for this project from?

IV Write the word from the box in the correct form in each gap.

benefit debt dividend insurance interest investment mortgage overdraft pension share

Money management - an introduction

Different bank accounts pay different amounts of (1)…….. It makes sense to shop around before you open an account.

If your salary doesn't always get you to the end of the month , you'll have to arrange a/an (2)……with your bank, so it's worth being on good terms with your bank manager.

If you're planning to buy a house, you'll probably need to get a /an (3)…….

Once again, shop around to get the best deal.

If you're thinking about taking out life (4)……, make sure you talk to an independent financial advisor. They'll give you unbiased advice.

Make sure you know what (5) …….. you're entitled to. If you're on a low income and have a family, you may be surprised how much you'll receive from the state each month.

Even if you're only in your early twenties, it pays to plan for the future. If you can, start paying into a/an (6)……scheme now to ensure you have a comfortable retirement.

It goes without saying that you should try to avoid getting into too much (7)…… . Only buy things on credit if you're sure you can afford to pay the monthly instalments.

If you do manage to start saving a little each month, you might want to think about buying some (8) …….. . Their value can go down of course, but they can be a good (9) …… particularly in the mid- to long-term. Many companies pay an annual (10) …….. to shareholders – this can be a welcome source of extra income if the company's doing well.

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V. Write one preposition in each gap.

down up away up to out back up down

Dealing with debt

If your debts are mounting (1) …… and your financial problems are weighing you (2)……, the first thing to do is to stay calm. Sizing (3)…….. your financial situation – however painful – is far better than just ignoring it. The next thing to do is to make a list of your monthly outgoings. Break these outgoings (4) …….. into essentials (such as electricity bills and food) and luxuries (such as nights out). Cross the luxuries off – there's no more of them for the time being – and take your essential outgoings (5) ……. from your income. The amount that's remaining is the amount you can afford to pay (6)…… to your creditors each month. Most credit card companies are willing to accept payment in instalments as they know that if you – and they – just let the debit build (7)……..indefinitely it will never be paid off. If your essential expenses add up (8)……..more than your income, then your situation is more serious and you'll have to consider drastic action either to increase your income or reduce the amount of money you have to pay (9)……each month on essentials.

VI. Read these notes by an economic analyst. Then write sentences about the economy.

Unemployment rate ↓ last month (9% to 8.5%)
FTSE index ↑ 6 points yesterday
Interest rates ↑ next month (probably)
Industrial production steady
Inflation ↓ by 1% (3% to 2%)

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