Studiengang

International Finance

Modul: Presenting in English

In-Class Materials

Table of Contents

Banking

- 1. What is Banking / Retail Banking
- 2. Banking Institutions / Fintech
- 3. Bank Performance / Start-Up Performance
- 4. Central Banks / Economic Indicators
- 5. International Banking / Global Marketing

Presenting in English

Some Hints for a Successful Presentation

Presenting in English: Language Frames

Section 1 : Getting Started

Section 2: Exploiting Visuals

1.1 Vocabulary

guessing words in context • prefixes and suffixes

Read the text. The red words have familiar meanings in general English. What is the meaning of each word in banking?

It was the last day of the holiday. Tomorrow, the new term started. Their boat was floating under the branch of a large tree.

'We'll have to return soon,' said May.

'I know, I know,' replied Adam, 'I'll open the engine compartment and fix it.'

'Why don't you call them?'

'If they have to come out, we'll lose our deposit.'

'We'll miss our train at this rate,' said May.

3	Read the conversation below. Complete each sentence with one of the red words from E	xercise A.
ener .	Change the form if necessary (e.g., change a noun into a verb).	•

	- 1 c. U.1.19 4	_	an investment account.
Α:	Good afternoon. I'd like t)	all lilvestificate accounts

- B: Do you want the account at this _____?
- A: Yes, please.
- B: Right. How much do you want to
- A: £20,000. What's the best ______ I can get?
- B: It depends on the _______. Do you want your money on _______
- A: Well, I'm not sure. What's the highest _____ I can earn?
- B: Currently, the highest is a 6% fixed for two years, as opposed to the ______ rate on call. You'll find it's a good rate compared with other banks.
- A: OK. I'll take it.

C Study the words in box a.

- 1 What is the connection between all the words?
- 2 What is the base word in each case?
- 3 What do we call the extra letters?
- 4 What is the meaning of each prefix?
- 5 Can you think of another word with each prefix?

Study the words in box b.

- 1 What is the connection between all the words?
- 2 What is the base word in each case?
- **3** What do we call the extra letters?
- 4 What effect do the extra letters have on the base word?
- 5 Can you think of another word with each suffix?

decentralized dishonour illegal illegible inactive insufficient international invalid irregular miscalculate recall transaction

bancassurer circulation
commercial convertible creditor
debtor depreciation investment
liability liquidity monetary
negotiable payable regulatory
security speculative variable

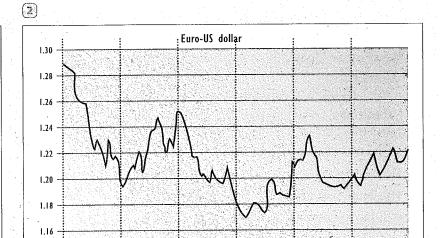
Discuss the illustrations on the opposite page using words from this page.

(1)

3-year **SAVINGS BOND**

STAR SAVINGS BANK

1.14



Nov

(3a)



ANW Bank

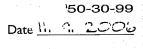
Water Street Branch Water Street
Barton BT4 6NP

Antonia Marcos Two hundred pounds only

000009 • • 50 - 30 - 99 : • 005486389 • • 95

3b)

Jan





P R Lee

PRLee



March





ANW Bank

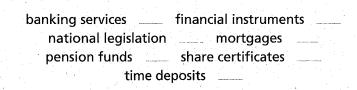
Current account

· IN	OUT	1	BALANCE
			,650.55
		5.99	644.56
	.59.20	-	803.76
		15.24	788.52
		8.00	780.52
		102.49	678.03
		159.20	159.20 159.20 15.24 8.00

- You are a student in the Banking Faculty of Hadford University.
 - 1 Write a definition of banking.
 - 2 What other ideas will be in this lecture? Make some notes.

See Skills bank

- Listen to Part 1 of the talk. Which heading below best describes this part of the talk? Tick the best choice.
 - a Money-lending services
 - **b** The history of banking
 - c The origins of English words in banking
 - **d** Buildings where banking services are provided
- In Part 2 of the talk, the lecturer defines a bank.
 - 1 Which do you think is the best definition?
 - a It is not a financial institution.
 - **b** It is a government authority.
 - c It is a service organization.
 - **d** It is a government-licensed organization.
 - 2 So Listen and tick the definition chosen by the lecturer.
- In Part 3 of the talk, the lecturer describes different types of bank.
 - 1 How many types of bank can you think of?
 - 2 What sort of person or organization does each type of bank work with?
 - 3 So Listen, make notes, and check your ideas.
- In the final part of the talk, the lecturer gives a definition of banking and some examples. Listen and mark each word in the box **D** if it is part of a definition and **E** if it is part of an example.



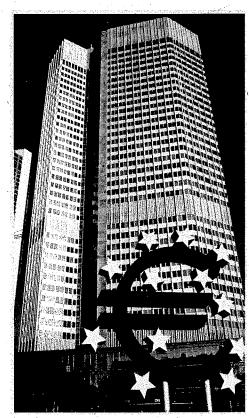
- Write a definition of banking. Use more than one sentence if necessary. Use words from Exercise E.
- Look back at your notes from Exercise A. Did you predict:
 - the main ideas?
 - most of the special vocabulary?



Credit Suisse Group headquarters, Zürich, Switzerland



Alliance & Leicester, UK



The European Central Bank

RETAIL BANKING

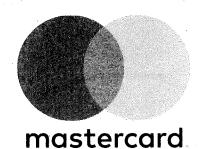
2.5 billion adults don't have a bank account.

Retail banking is a type of mass-market banking in which the customers are private individuals and small business customers. It typically offers a wide range of such services as **personal loans**, **mortgages**, **pensions** and different types of **accounts**. In most nationwide banking systems it is still the most profitable part of a bank's activities. (Dictionary of Finance and Banking (2008) OUP)

₩ Banking quiz 1. Which country produced the world's banknote? b. China a. England c. Greece d. France 2. Where is the world's oldest bank? a. Greece b. Japan c. Spain d. Italy 3. Which company produced the world's first traveller's cheques? a. TUI b. Thomas Cook c. American Express d. P & O 4. When was the world's first credit card issued? b. 1960 c. 1970 d. 1980 a. 1950 5. Which company issued the world's first credit card? a. American Express b. Deutsche Bank c. Visa d. Diner's Club 6. Where was the world's first cash-point machine (ATM)? a. the USA b. the UK d. Italy c. Spain 7. What proportion of the total money in our economy do banknotes and coins make up? a. 8% b. 19% c. 63% d. 97%

(Source: onestopenglish.com)





P&O CRUISES

Language: key verbs in retail banking

Fill in the gaps with the correct form of a verb in the box with the opposite meaning of the one in square brackets.

simplify rise	borrow	decline	spend	withdraw
receive encourage	distrust	reduce	be in the red	d debit
		· · · · · · · · · · · · · · · · · · ·		
1. He€100,000	from the bank to b	ouild a new house	. [LEND]	
2. Interest rates	by 1% last wee	k. [FÁLL]		
3. The bank has decided to	its ch	narges. [INCREAS	SE]	
4. She decided to	all her money.	[SAVE]		
5. Your account will be	with	the amount of dif	ference. [CREDIT]
6. Customers usually	a bank s	tatement every m	onth. [SEND]	
7. For the third month in a row, I		[BE IN THE I	BLACK]	
8. Many customers	interne	t banking. [TRUS	T	
9. High interest rates usually		small investors to	take risks. [DISC	OURAGE]
10. She went to the bank to		some money. [D	EPOSIT]	٠.
11. The bank manager	her	equest for a loan	. [ACCEPT]	
12. Electronic banking has	k	oanking transaction	ons. [COMPLICAT	E]
			(\$	Source: onestopenglish.com)
Task: dis/advantages of diffe	erent payment syst	ems		

In pairs, partner 1 does exercise A and partner 2 does exercise B. List the advantages and disadvantages of your chosen category. Then compare your notes.

A. What are the advantages and disadvantages of **bank notes/coins**?

Bank	Notes
Advantages	Disadvantages
	•

B. What are the advantages and disadvantages of **electronic forms of payments**?

· · · · · · · · · · · · · · · · · · ·	с рауппе	payments								
· · · · · · · · · · · · · · · · · · ·	Advantages				Disadvantages					
· ·			٠							
									•	
· •	·			:						
	N									
	* ************************************									
	•									
				*						
nguage: claus	es of contrast (whereas/v	vhile) (S	ee Apper	ıdix)				esiste.	
		,	,,, (-	and the Allerton and						
Writing: wh	Ava a wyblia					48.34				
viiling. wii	ereas/writte									
nnect vour id	eas from your	pairwork	with wi	hereas o	r <i>while.</i>	Add the	appropr	iate pu	inctua	ıtic
nere needed.	,	J.		,			./			
•	*.		1.41							
•						4.0				
									٠.	
								÷		
	٠.									
					•					
							4	•		
	***************************************					Ţ.				
•						<u> </u>			· .	
(2)										
								•		
•		-								
							•			
		,								,
							•			
	•	•								
						· · · · · · · · · · · · · · · · · · ·				
						S .				-
						N.				

Language: banking terminology

Complete the sentences below with a word or a phrase from the box. (You won't need all the words)

bank draft	cash point/ATM	overdraft	debit card	direct debit
electronic funds	transfer (EFT)	contactless payment	night safe	paying-in slip
PIN number	standing order	statement	with	drawal receipt





1. If I want my bank to transfer money to another bank I ask for a
2. A plastic card that I can use to pay for goods in shops that means that money is immediately transferred to the shop's bank is called a
3. A is a complete record of all transactions on the named account. The custome can either access it online or go to a branch to print it out.
4. When someone pays cash or cheques into a bank, they complete a
5. If you need cash urgently, you can usually get some - even 24/7 - from a
6 is a secure method for consumers to purchase products or services via debit, credit or smartcards (also known as chip cards), by using RFID technology or near-field communication (NFC).
7. A(n) is an arrangement by which the customer can withdraw more than is in the account.
8. Ais an agreement to pay a creditor a sum of money on a regular basis, where the creditor can alter the dates or amounts of the payment.
9 is a way of paying bills by allowing people or companies to take money directly from your bank account on a particular day.
10. If you take money from your account you have the option to get a







Read the following article and answer the questions on p.55

The Guardian

10 June 2017

You've come along way....yet ATMs are about to get a whole lot smarter.

Who needs to withdraw old-fashioned notes when we can pay with the tap of a card? But the Automatic Teller Machine (ATM) is fighting back, with a wide range of new technology set to take over where high street branches are leaving off.

It's 50 years this month since actor Reg Varney, withdrew £10 on the opening day of the world's first cash machine at a Barclays branch in Enfield, north London. Since then, more than 70,000 have been installed across the UK, last year dispensing £129bn. However, as contactless and mobile payments increasingly become the norm, will ATMs on the high street become an old-fashioned reminder of Link, the network that connects most of Britain's machines, says our yesterday's technology? relationship with cash is hardly over - we made 2.1bn withdrawals from its network in 2016, with an average amount of £69. But our appetite for cash is diminishing. In Europe, the number of installed ATMs has been declining by 6% a year since 2010, while in Australia withdrawals have fallen by 22% over the past five years. Contactless cards have encouraged us to "wave and pay" on transport systems and at coffee shops, convenience stores etc, making cash almost entirely redundant for some. However, Ron Delnevo, who heads up the ATM Industry Association in Europe, reckons the death of cash and the ATM, is massively overstated. "We are not seeing the use of cash falling away dramatically. The closure of bank branches is actually an opportunity for new-style smart ATMs, which will be the 'touch point' for you and your money on the high street and in shopping centres. We will be able to carry out 99% of the transactions we do in bank branches at ATMs instead." Next week the ATM industry holds its annual European conference in London, showcasing the latest technology. So what's in store?

1. The card-free ATM

A NatWest advertising campaign gives a clue to where ATMs are heading. A man withdraws money via his mobile banking app, which sends him a secure code usable for up to three hours at any Royal Bank of Scotland (RBS) ATM. Barclays is piloting 100 contactless ATMs at 25 branches, which will allow customers to withdraw up to £100 without putting their card into the machine. You simply tap a contactless card against the machine's reader before inputting a pin as normal. Customers with the Barclays banking app will be able to tap their phone on the reader and input their pin either on the ATM, or the handset, and out pops the money.

2. The 'iphone' ATM

In April this year, cash machine manufacturer Diebold Nixdorf unveiled the prototype for a new type of ATM that does away with a lot of the features you would normally expect to see – most notably, the traditional keypad. Called *Essence*, it features a sleek, modern look and works more like a smartphone or tablet, with a touchscreen display. The minimalist design will remind some of a smartphone. "By eliminating the traditional magnetic stripe card reader, receipt printer and pin pad, the concept meets the needs of busy, technology-minded consumers," says the company.

3. The biometric ATM

Barclays has piloted "finger vein" readers that allow customers to access their account with just a scan of their digit. Poland and Qatar are two countries where this technology has already been introduced by some providers. They typically make an infra-red scan of the unique vein patterns that lie just below the

skin surface, eliminating the need for bank cards or pin numbers. It is also claimed that finger vein authentication is "remarkably robust, able to cope with sweaty, dry or aged fingers".

4. The selfie ATM

This is really an extension of the card-free and biometric ATM. To fight fraud, some banks are developing systems whereby the ATM will ask you to take a photo of yourself on your phone, which is read by your banking app, which then gives permission to the ATM to dispense cash. It is likely to be used as a secondary security back-up to other ID systems such as finger vein or iris recognition technology.

5. The bank-in-a-box ATM

This also offers cheque depositing, new card dispensing and even video contact with bank staff. Zurawski says Metro Bank already issues cards in branches so customers do not have to wait for them to be delivered in the post. The technology is already there for ATMs to issue a personalised debit card. Lost or stolen card? Even when you are abroad you will be able to get a new one at the cash machine. Delnevo sees "smart" ATMs being grouped together into community hubs and replacing traditional banks. "They will help maintain and improve the social and economic viability of villages, small towns and suburban neighbourhoods, all of which are under threat of becoming bank branch 'deserts'."

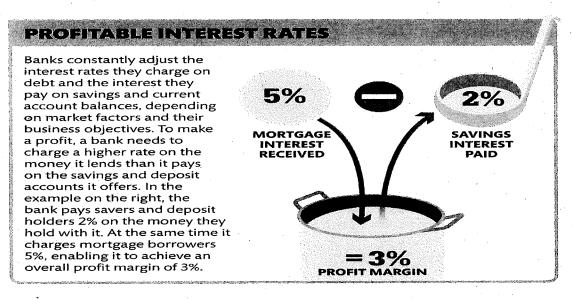
6. 'Free' comes at a cost

The vast majority of cash withdrawals from ATMs in Britain are free. Around 16,000 of the 70,000 machines charge fees, but they are used for less than 3% of the money withdrawn. But after 50 years of dispensing money without charge, is "free" now under threat? In most other countries, bank customers who use an ATM that is not part of their bank's network are charged a fee. Perhaps the most notorious are in Las Vegas, where \$10 fees are not uncommon. In Australia, the government allowed surcharging in 2009, with many banks now adding a \$2 surcharge to users who are not their direct customers. The *Link* network is understood to charge around 29p to the cardholder's bank for a withdrawal if it is an ATM not at a bank branch. These "interchange" fees add up to £900m a year, though banks are of course receiving fees as well as paying them. Lloyds Bank is widely seen as the prime mover behind a suggested shake-up of charging. It has a sizeable chunk of the UK current account market, but only around 2,500 ATMs. So it is paying an awful lot of fees, and would like the bill to come down.

- **♦** Comprehension questions... and one opinion question!
- 1. What is happening to ATMs in the UK and across the world? What are the reasons for this?
- 2. What is Ron Delnevo's opinion about where ATMs are headed?
- 3. What are the advantages offered by the **bank-in-a-box ATM** over the other cash machines? (*Don't forget to use whereas/while in your answer*)
- 4. What is the cost for *Link's* customers to take out money from non-branch cash machines?
- 5. **Opinion**: Do you think that ATMs will disappear from the high street or do you agree with the article that the ATM will evolve to meet the needs of different client groups?

Reading: retail banking

Banks make money by providing loans and charging interest on them. They also pay out interest - at a lower rate - on deposits that they hold for savers. To remain solvent, banks must maintain a balance between the two. (Source: Hennessy, K. (ed.) (2017) How Money Works. DK.)



(Source: Hennessy, K. (ed.) (2017) How Money Works. DK.)

Discussion: retail banking

Using the 'useful language' box below, and discuss two of the following questions.

Useful language: presenting ideas

We discussed/examined/talked about...

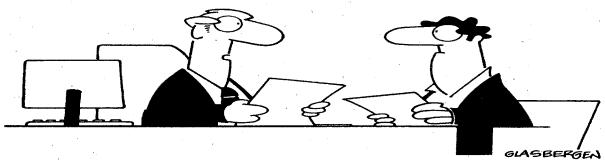
We all/Most of us agree that...

We all had different opinions about...

Some of us agreed that... but others disagreed about...

We could/n't reach (any) consensus on...

- 1. Are bank irresponsible in the way they lend to customers? Do they actually want to put them deeper and deeper into debt? Is there a conflict between 'helping' the customer and making a profit for the bank?
- 2. What factors should customers weigh up when applying for a loan? Conversely, what factors must the lender consider when granting a loan?
- 3. What can/should a bank do when someone, who is loaned money, defaults on their payments?
- 4. In which situations might it be difficult for a bank to lend money?



It's an adjustable mortgage. If interest rates go up your payment increases. If interest rates go down, your payment increases."

Discourse markers: adverbs (See Appendix)

Adverbs

however, then, therefore, consequently, also, as a result, on the other hand, similarly, furthermore

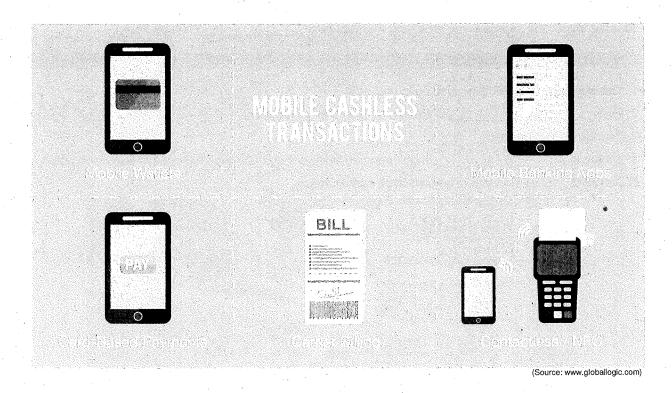
Exercise 1: rewrite the sentences using adverbs and adverbial expressions in the box.

also consequently yet then therefore

- 1. The bank is very inefficient, and the staff are rude.
- 2. We took out a loan before we looked at houses.
- 3. There had been no investment for years, so the railways in Kerala were in a terrible state.
- 4. The branches are well-designed, but it is difficult to find the transfer slips.
- 5. Some students are impossible to locate and drop out of the statistics, so accurate figures are difficult to obtain.
- Exercise 2: add a second sentence but connect the sentences with a discourse marker (adverb)

however	therefore	meanwhile	in fact	as a result	indeed	yet	generally

- 1. Some State Bank of India's branches have been closed in towns in the countryside.
- 2. ATMs are insecure in terms of hacking and governmental surveillance.
- 3. Purchasing goods with electronic forms of payment is cheap and efficient.
- 4. Sweden is the most cashless society on the planet, with barely 1% of the value of all payments made using coins or notes last year.



BANKING INSTITUTIONS

es of Violga**loul**ary

stress within words and phrases • two-word phrases

1.0					questions
or a		_	COLICE	THACA	MIESTIONS.
ar e	ŧ	1)	ISCUSS	LITESE	questions
57 a F		_	13		•

- 1 What services do banks commonly provide?
- 2 How many different types of banks can you name?
- 3 Look at your answers to questions 1 and 2.
 Where does the main stress fall
 - a in each word? b in each phrase?

credit cards foreign investments insurance mortgage finance online banking personal banking personal loans securities share capital telephone banking text message banking trade services

- **B** Study the pictures on the opposite page.
 - 1 What banking services are shown?
 - 2 Match the pictures with words from box a.

	Complete each sentence with words from box a. Change the form if necessary.
	1 The term refers to both investments in stocks and shares,
	and the ownership certificates.
	The bank accepted the bill of exchange from the exporter's overseas customer as part of its for its client.
	3 The value of a company's assets held as shares is known as
	4 If you have a cell phone, is so convenient.
	5 At the first sign of trouble in the domestic economy he moved his money into
	6 Before issuing him with a, the bank checked his credit history.
	7 When they went on holiday, they took out travel
D	Study the words in boxes b and c. Make words or phrases used in banking with a word from each box. Key non off on take under key non off on take under
	You can use words more than once. Example: key in In line out over profit screen shore write
e e e e e e e e e e e e e e e e e e e	Match each two-word phrase from Exercise D with a
R.meta	noun or noun phrase from box d. banking a bond issue a company
	Example: non-profit organization insurance investments organization a PIN number share dealing
	C. Francisco D
	Stock and bond issues.
	1 In the US, investment banks traditionally guarantee of the bank account. 2 You have to your password before accessing your bank account.
	share dealing helps you make quick changes to your portions.
	4. If you don't insurance, it can be costly if your nouse or can is damaged.
	organizations, popular in Canada.
	C. Investment banks will fund leveraged buyouts when there is a or a company.
	7 Many banks are located in areas or jurisdictions of low regulation and taxation.



- Look at the Hadford University handout.
 - 1 What will be in the lecture? Make a list.
 - 2 Write down some key words you expect to hear.
 - 3 Check the pronunciation of the key words, with other students or with a dictionary.
 - 4 How are you going to prepare for this lecture?



Faculty: Banking

Lecture 3: Banking institutions

		•			
529%				1.	e lecture.
	8.40	1:-4	A - D	4	
23.25	AND US	IISTAN	TO Part	INTIN	IDCTLIFE

1 What exactly is the lecturer going to talk about? Tick the topic(s) you heard.

the financial services industry

reactions of customers

bank ownership

bank regulations

- 2 What does the lecturer give definitions of?
- 3 What do you expect to hear in the next part of the lecture?
- Listen to Part 2 of the lecture.
 - 1 What is the main idea of this section?
 - 2 What is another word for merchant bank?
 - 3 What types of thrift banks does the lecturer mention?
 - **4** What three examples does the lecturer give to describe how banks make money?
 - 5 What is a good way to organize notes for this lecture?
- Listen to Part 3 of the lecture.
 - 1 How could you write notes for this part?
 - 2 What is the main idea of this section? What are the key words and phrases?
- **E O** Listen to Part 4 of the lecture.
 - 1 Use your notes to list the main points of the lectures so far.
 - 2 What research must you do now?
 - Listen and say whether the sentences are true or false. Explain your reasons.

· I ------

3

5

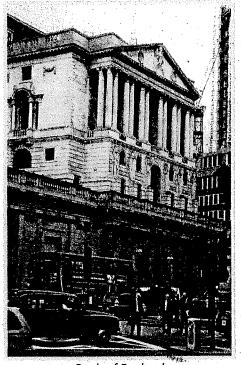
2

4 ...

6 ____

What do the words in the blue box have in common?

- 1 Write two sentences for each word using the word as both a verb and a noun.
- 2 Practise saying each word.
- 3 Read your sentences to a partner.
- 4 Does your partner agree with your use of the word? If not, discuss why. Check in a dictionary if you are unsure.



Bank of England

bank deposit fund finance loan mortgage profit **Fintech** is shorthand for *financial technology*. According to Fintech Weekly, it is "a line of business based on using **software** to provide financial services. Financial technology companies are generally **startups** founded with the purpose of disrupting incumbent³⁵ **financial systems** and corporations that rely less on **software** such as banks". Since the end of the first decade of the 21st century, the term has expanded to include any **technological innovation** in the financial sector, including innovations in financial literacy and education, retail banking, investment and even crypto-currencies like bitcoin. (Source: Investopedia.com)



Quiz: forms of money/transactions Choose the words (a-d) to complete the sentences. 1. Mobile money, mobile money transfer, and mobile wallet are known collectively as a. mobile credit b. mobile payments d. mobile resources c. mobile currency The money paid to a bank for the use of borrowed money is called the _ a. interest b. premium c. bank rate The amount of money that is given to someone for a period of time with a promise that it will be paid back is called a. a bill of exchange b a donation c. a credit d. a loan A person who has borrowed money is a. a creditor b. a debtor c. a financier d. a teller Another word for a lender is a/an b. a crediter a. an investor 6. An encrypted digital or virtual currency such as Bitcoin is called a b. electronic cash a. litecash c. cryptocurrency d. digital money 7. A financial transaction that occurs directly between individuals without a bank is called a. P2P Lending b. P2P Owing c. P2P Debit d. P2P Credit 8. To let someone else have the use of your money for a certain period of time, after which it must be paid back, is to a. borrow b. lend c. credit d. donate 9. To accept money that has to be repaid is, on the contrary, is to a. borrow b. lend c. confiscate d. bank 10. An online, automated guide that provides financial advice or portfolio management, providing answers based on data and algorithms is referred to as a. a robo-cop b. a android-teller c. a Al banker d. a robo-advisor

³⁵ incumbent: currently holding the power

Read the article. As you read, find the words in the text that correspond to these definitions:

1. (para. 1)	a system of accounting where each transaction is as a debit in one account and a credit on
	another
2. (para. 2)	to interrupt the normal progress or activity of (something)
3. (para. 2	cash-rich investors bypass banks and lend directly to borrowers, often through online lending platforms
4. <u>(</u> para. 4)	the act or process of introducing new ideas, devices, or methods
5. (list) a re	cord of financial accounts

BREAKING DOWN 'Fintech'

The term financial technology can apply to any innovation in how people transact business, from the invention of digital money to double-entry bookkeeping³⁶. Since the internet revolution and the mobile internet revolution, however, financial technology has grown explosively, and fintech, which originally referred to computer technology applied to the back office of banks or trading firms, now describes a broad variety of technological interventions into personal and commercial finance. According to EY's Fintech Adoption Index³⁷, one-third of consumers utilize at least two or more fintech services and those consumers are also increasingly aware of fintech as a part of their daily lives.

Fintech's Expanding Horizons

If one word can describe how many fintech innovations have affected traditional trading, banking, financial advice and products, it's 'disruption', as financial products and services that were once the realm of branches, salesmen and desktops move toward mobile devices or simply democratize away from large, established institutions. For example, the mobile-only stock trading app *Robinhood* charges no fees for trades, and peer-to-peer lending sites like *Prosper Marketplace* and *Lending Club* promise to reduce rates by opening up competition for loans against the more traditional banks.

New Tech in Fintech

New technologies, like machine learning/artificial intelligence, predictive behavioural analytics and data-driven marketing, will take the guesswork out of financial decisions. "Learning" apps will not only learn the habits of users, often hidden to themselves, but will engage users in learning games to make their automatic, unconscious spending and saving decisions better.

The Fintech Landscape

Fintech startups received \$17.4 billion in funding in 2016 and were on pace to surpass that sum as of late 2017, according to CB Insights, which counted 26 fintech unicorns globally valued at \$83.8 billion. North America produces most of the fintech startups, with Asia following. Some of the most active areas of fintech innovation include or revolve around the following:

Cryptocurrency and digital cash

Blockchain technology, a distributed ledger technology (DLT) that maintain records on a network of computers, but has no central ledger.

Regtech, which seeks to help financial service firms meet industry compliance rules, especially those covering Anti-Money Laundering and Know Your Customer protocols which fight fraud.

Robo-advisors, such as Betterment, utilize algorithms to automate investment advice to lower its cost and increase accessibility.

Unbanked/underbanked, services that seek to serve disadvantaged or low-income individuals who are ignored or underserved by traditional banks or mainstream financial services companies.

Cybersecurity, given the proliferation of cybercrime and the decentralized storage of data, cybersecurity and fintech are interlocked. (Source: Investopedia.org)

Funfact: Since 2008 global investment in the fintech sector has tripled, from \$928 million to \$2.97 billion.

³⁷ 'EY's Fintech Adoption Index' is a worldwide survey on Fintechs carried out by the accountancy firm 'Ernst and Young'.

³⁶ German: doppelte Buchführung

Exercise 1: money in the digital age

Fill in the blanks with words from the box.

exchanges	minted	crowdfunding	donations	value
regulations	interest rates	fee	central banks	intermediary
	ر با معاد معادمات المعادلات الماد		<u> </u>	ing ang ang ang ang ang ang ang ang ang a
TRADI	FIONAL FORMS OF F	INANCE	NEW FORM	S OF FINANCE
		/ DIGITA	L CURRENCY	
			y that can be	
\searrow /			raded on	
<i>V</i> .			directly	
		betwe	en individuals	
			a computer or	
TRADITIONA		``	device that is \int	
Conventional mo		\ connecte	ed to the internet.	
country or region. currency, from t			/ (ROWDFUNDING
fiat meaning 'let				ay for individuals and
term used wh				groups to raise
	ecree. Fiat			from donors
currency is	by the		overi	he internet, bypassing
·	of individual	PEER-TO-PEER LE	11	banks, charitable
countries and its	is /	Loans arranged by agencies who match		organizations, or
determined by	supply and/	be borrowers with le	1 90001	nment institutions. It is
demand.		Peer-to-peer lend		anaged by an online
		usually subject to	,	who takes
			nan a per	centage as a
		conventional lend		
•		Borrowers are scree	ened for /	
		risk, which is reflecte		
	\	the	y pay.	
		<u>.</u>		
÷				
				**
	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		(Source: Henness	y, K. How Money Works DK (2017)
	2.0			

Groupwork: internet research

In groups of <u>three</u>, assign one company (below) to each participant. Then, using your smartphones, google your assigned company and prepare a short presentation about your company to the rest of your group.

www.trussle.com www.prosper.com	Company	D	etails (What th	ey offer:	types of	company,	etc.)	
	www.transferwise.com						,	•
www prosper com	www.trussle.com	*		- -				
www.prooper.com	www.prosper.com	- :			3			

Video-Viewing: "Start-Up Kids"

We will watch a video about the young tech start-up world, portraying some entrepreneurs. For each entrepreneur, record their business concept, previous experience and financing.

What is bootst What makes y	jug SoundCloud InDinero.com Pownce/Grov Rainmakers Vimeo entary questions:	·			
2. Alexander L 3. Jessica Mah 4. Leah Culver 5. Ben Way 6. Zach Klein 6 Come supplen What is bootst What makes y	jug SoundCloud InDinero.com Pownce/Grov Rainmakers Vimeo entary questions:	·			
3. Jessica Mah 4. Leah Culver 5. Ben Way 6. Zach Klein 6 Some supplen What is bootst What makes y	InDinero.com Pownce/Grov Rainmakers Vimeo entary questions:	·			
4. Leah Culver 5. Ben Way 6. Zach Klein 60me supplen What is bootst What makes y	Pownce/Grov Rainmakers Vimeo entary questions:	·			
4. Leah Culver 5. Ben Way 6. Zach Klein 60me supplen What is bootst What makes y	Pownce/Grov Rainmakers Vimeo entary questions:	·			
5. Ben Way 5. Zach Klein 60me supplen What is bootst What makes y	Rainmakers Vimeo entary questions:	/e			
5. Zach Klein Some supplen What is bootst What makes y	Vimeo entary questions:				
Some supplen What is bootst What makes y	entary questions:				
Some supplen What is bootst What makes y	entary questions:				
What is bootst What makes y					
What makes y	rapping?				
What makes y	apping:				
• :					
Why is venture	oung university gradua	tes particulary suitable	for working at a s	tart-up?	
	canital so attracted to	o early-stage companies	. ၁		
villy is vericult	capital 30 attracted to	o earry-stage companies	·		
What perspect	ives are there on work	c/life balance and failure	?		
What does it to	ıke to have a successfu	ıl start-un?			* 6
		ar start ap.			
.anguage : bo	row or lend		经营工工会 建氯		
ill in the blar	ks with the correct fo	orm of ' <i>borrow'</i> or ' <i>lene</i>	ď.	v = 4	
I. Since S	Sangeeta needed mon	ey to buy a new car, she	approached her	bank to	it to h
•			1		
2. A capit than sh		vill always expect to recensis customer.	eive more money	back in th	e form of intere
				ع حادثور راہ	المال المساد مة سمايد
		my car for the afternoon,			
4. Whene		uys a bond belonging to y to the bank.	her/his bank, she	e/he in fac	it .
5. If you o	o not wish to	money from me	after all, you can	always a	sk someone els
		_ Rembrandt's 'Kitchen I	Maid' from the No	tionalmus	oum Stockholi
B. Dulwic		Trembianors Michell I	viaiu noili ille Na	uonannus	ouiii, Siockiioii



Banking: Fintech case study

Read the following article on N26 and fill in the information at the bottom of the page.

App-only bank N26 hits 300,000 customers as startups across Europe race to be the finance app for millennials

LONDON — App-only bank N26 has tripled customer numbers in little over a year, announcing on Wednesday that it now has 300,000 users across Europe. The customer number is up from 100,000 in January 2016. N26 has customers in 17 European countries, including 30,000 in France and 10,000 in both Spain and Ireland. The startup also announced on Wednesday that it has processed €3 billion (£2.6 billion, \$3.1 billion) of transactions, with more than 60% of that total in the last year alone.

Valentin Stalf, the founder and CEO of N26, says in a release announcing the milestone: "January and February 2017 were the strongest months in terms of customer growth in our company's history. We are on track to grow to a couple of million customers over the next years." N26, founded in 2013 and launched in 2015, is an app-only bank. It currently offers a debit card and account that can be controlled from an app. It also has attractive features such as the ability to borrow up to €25,000 straight from your smartphone.

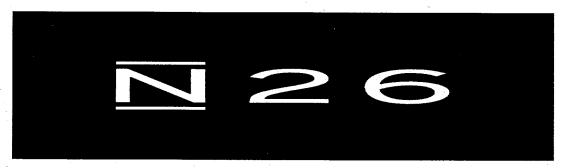
Berlin-based N26 is one of a number of app-only bank or bank-like services that have sprung up across Europe in the last few years. Many of them are competing to become the go-to bank for millennials, the generation glued to their smartphones who find bank branches as old school as sending a fax. N26 highlights in a blog post announcing the milestone that 59% of its customers are aged 18-34. Like many of its rivals, N26 says its ambition is to "run your entire financial life from your phone," partnering with the likes of Allianz to offer insurance and TransferWise for sending money internationally.

Britain's answer to N26, app-only bank Monzo, says in its investment deck that it wants to become a "financial control centre" and partner with other providers for things like loans and currency exchange. Likewise, fast-growing startup Revolut began as a money exchange card but is changing to become a hub that gives you "the best possible financial product at the best possible price." And on Wednesday, app-only bank Starling announced it is integrating TransferWise's service to let customers do international money transfers. N26 has a significant war chest³⁸ to take on any would-be rivals. The 200-person business has raised over \$55 million, most recently raising \$40 million from investors including Hong Kong billionaire Li Ka-Shing last June. N26 has said it plans to launch in Britain later this year

Reading comprehension: N26

Fill in the N26 factsheet once you have finished reading the article.

Type of business						 	 	
Number of employees			-					
Founded		****		****			 	
No. of Customers								
Customer profile		,		•		•		
No. of countries		 					 	
Offered services	 			·			15	
Raised finance							-	



³⁸ a war chest: an amount of money intended for a specific purpose, action, or campaign.



Bank Performance and Start-Up Performance

5.1 Vocabulary

word sets • antonyms • describing trends

- Study Figure 1 and Table 1 on the opposite page.
 - 1 Where would you find this type of information?
 - 2 Who is it written for?
- Study the words in box a.
 - 1 What part of speech is each word?
 - 2 Find pairs of opposites.
 - 3 Which pairs relate to which words in box b?
- C Study Figure 1 on the opposite page.
 - 1 What do the blue bars show?
 - 2 What is the horizontal scale?
 - 3 What items are on the left of the line?
 - 4 What items are on the right?
- Study Table 1 on the opposite page.
 - 1 What happened to performance in 2007?
 - 2 Complete Table 1 with information from Figure 1. Use numbers from box c. Not all the numbers are used. Some may be used twice.
- Study the text on the right, which describes Table 1.
 - 1 Complete the first paragraph with a preposition in each space.
 - 2 Complete the second paragraph with one or two words in each space.

assets deficit distributed expenses income intangible liabilities loss non-operating operating profit retained surplus tangible

17,780 11,890 -3,015 10.4 4.4 -2,815 4,385 3.7 2.3 -1,315 4,450 18.8 3.9 -27.6 3,182

Table 1 shows changes _____ the bank's financial performance _____ the years 2006 and 2007. There was an increase _____ 4.4% ____ net profit ____ the year 2006.

While there was a ______ of 10.4% in occupancy-related expenses, the provision for doubtful debts ______ by 27.6%. Other banking income showed a/an ______ of 6.3% from the previous year. Interest income also ______ to \$18,560m, a/an _____ of 4.4%. However, personnel expenses also ______

- Study Table 1 again. Discuss these questions.
 - 1 What happened to the doubtful debts provision in 2007?
 - 2 Why might interest expenses grow by 5.6% whereas interest income grows by only 4.4%?
 - 3 What happened to other banking income in 2007? How might you explain this?
 - 4 The annual inflation rate was 3.4%. How therefore would you explain an increase in personnel costs of 6.5%?
 - 5 Occupancy-related costs increased by 10.4%. Why?
- Discuss the changes shown in Table 1. Use a variety of nouns, verbs, adjectives and adverbs.





ANW Bank plc Annual Review and Summary

Consolidated Financial Statements — Summary

The following is a summary of the information which appears in the full annual report and accounts. For further information, please consult the full annual report on our website, or request a free copy from the address on the back cover.

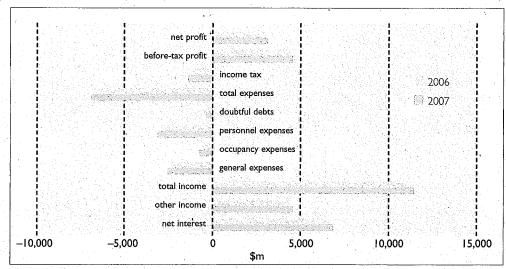


Figure 1 ANW Bank — Financial performance 2006 and 2007

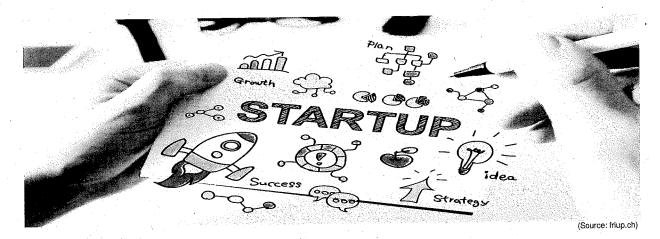
·	- Victoria de la companya della companya della companya de la companya della comp					
	2007 \$m	2006 \$m	% change			
Interest income	18,560		4.4			
Interest expenses	- <u>11,890</u>	- <u>11,260</u>	5.6			
Net interest income	6,670	6,520				
Other banking income	4,730		6.3			
Total income	11,400	10,970				
Personnel expenses	-3,210		6.5			
Occupancy expenses	-530	-4 80				
General expenses	-2,815	-2,710	3.9			
Provision for doubtful debts	-275	-380				
Total expenses	-6,830	-6,585	3.7			
Before-tax profit	4,570		4.2			
Income tax	- <u>1,364</u>					
Net profit	3,206	3,070				

Table 1 ANW Bank — Statement of financial performance for the year ended 31st March 2007



START-UPS

There's a gap in the market, but is there a market in the gap?



Start-up¹ (n) (adj): a start-up company is a small business that has recently been started by someone.

- e.g. Like many high-tech [ADJ] start-up companies, Soundcloud decided to re-locate to Berlin.
- e.g. It provides financial and practical support to small business [N] start-ups. (Capel, W. et al (2014)

Fun facts: 476,000 new businesses are started up every month in the US. But 75% of all US start-ups failed between 2004 - 2010.

Quiz: How much do you know about start-ups?

	17/F
1	Start-ups usually need to form partnerships with other firms to enable their business
-	model to operate.
2	A <i>unicorn</i> is a privately held start-up company with a current valuation of \$1 million.
3	20 % of venture-backed companies never return cash to investors.
4	Tel Aviv (Israel) is the largest start-up hub in the world.
5	There's a 50% chance the small business you've just opened will not be around in
-	five years.

The Single Biggest Reason Why Start-ups Succeed.



You are going to watch a **TED Talk**² by Bill Gross. He has founded a lot of start-ups, and incubated³ many others. He became curious about why some succeeded and others failed. So he gathered data from hundreds of companies and identified **five key factors** for a start-up's success.

What must a start-up do or have to be successful?

There are two acceptable ways of spelling: 'startup' and 'start-up'. However, the latter is far more common.

² "TED is a non-profit devoted to spreading ideas, usually in the form of short, powerful talks (18 minutes or less)" (www.ted.com).

³ to incubate means to supply specialist know-how in order to develop and support start-ups.

Pre-view

Read the sentences 1-5. The words in bold are used in the TED Talk. Match the words with their definitions (a-e).

- 1. Her ideas were brilliant but her **execution** (of them) was incredibly bad.
- 2. Timing accounted for 42 percent of the difference between success and failure.
- 3. Does the company have a very clear path generating customer revenues?
- 4. The bottom companies had intense **funding**, but they didn't succeed.
- 5. I came to think that maybe the team's adaptability mattered even more than the idea itself.
- a. money that is made by or paid to a business or an organization
- b. able to change or be changed in order to fit or work better in a situation
- c. the act of doing or performing a task or a plan
- d. a reason or explanation for an action or specific data
- e. to provide money for a start-up, project, etc.

	2	3	4	5
		,		
		r		
1.				

Writing: the five factors of start-up success

As you watch, write down the five factors Bill Gross mentions as well as the success ratio.

Factors success/failure	Percentage (success ratio %)
1	
2.	
3.	
4.	
5.	50

What are the examples of companies where timing was the major factor in their success?

	Companies			Why?	
Airbnb		· · · · · · · · · · · · · · · · · · ·			
Uber			<u> </u>		
·			-		
Youtube					

Discuss these questions using the language in the Useful Language box

- 1. What do you think about the factors that the speaker mentioned? Do you agree with his conclusions?
- 2. How do you think the Mike Tyson's quote "everybody has a plan, until they get punched in the face" relates to business?
- 3. If timing is the most important factor, how can start-ups take this into consideration?
- 4. What advantages do young entrepreneurs (16-25) have over the more traditional style of business?
- 5. What could governments do to encourage entrepreneurialism? Should they? Why/not?

Useful language: making suggestions

Suggesting ideas	Responding to suggestions
How/What about?	That's a good point.
How does the idea of XYZ strike you?	That wouldn't be my first choice
Why don't we look at?	I think we're on the wrong track here.
Let's	That's not a bad idea actually/at all.
	I'm torn between X and Y.
	Frankly, I don't think that is true/would be effective.

Language: collocations (entrepreneur)

A '**collocation**' is a pair or group of words that are often used together. Basically, these are fixed word combinations that statistically frequently occur together. e.g. **take** a photo NOT make a photo. Notice the collocations for the noun **entrepreneur** and its derivatives.

successful creative red-hot natural budding, potential, would-be	ENTREPRENEUR
young/veteran	

	ability	ŀ
	activity	l
	capitalism	l
ENTREPRENEURIAL	flair	
ENTREPRENEURIAL	opportunities	
*	skill	
	spirit	ŀ
	success	

Language: derivatives (entrepreneur)



🕰 Exercise: complete the sentences with the terms related to entrepreneurship in the box below.

hub entrepreneur	grant	start-up	venture capital
angel investor risk-averse	seed capital	incubator	entrepreneurial
1. A(n)is someone	e who sets up a busin	ess, taking on financi	al risks in the hope of pro
2. A(n) is a	new, small, innovativ	e company.	
3. Investment money from the financi	al sector is called		
4. If someone has	ability it means	s they are talented in b	ousiness matters.
5. A(n) is a centre o	r community where ex	operts get together to	discuss innovative projec
6. An individual who invests in a start-	up is a(n)	_	
7. Money received from a governmen	t to help a business is	called a(n)	
8. An investor who prefers to avoid ris	k is	- -	
9. A(n) is a	company that support	ts start-ups.	
	and the second s		

Read this article on start-ups in Mexico and do the exercises on the next page.



If you walk through the streets of Mexico City's hipster neighbourhoods of Condesa or Roma, you are almost certain to bump into an aspiring entrepreneur. The entrepreneurial wave has hit Mexico hard and seems to be gaining momentum rapidly. A new generation of millennials and post-millennials, led by a group of entrepreneurs in their late 30s to early 50s, is starting to believe you can change the world by creating new and better solutions to everyday problems.

FINANCIAL TIMES

Times The phenomenon is manifesting everywhere, not just in Mexico City and not just in Mexico. Cities in Latin America, Asia, Africa and Europe that would not typically be considered innovation hubs are witnessing an entrepreneurial fever at all levels of society, government, industry and academia. But Mexico is particularly ripe for this change. The country is macroeconomically stable and enjoys a good relationship with most nations in the world. It is second highest among 140 countries in the Happy Planet Index, a measure of human well-being and environmental impact devised by the UK think-tank New Economics Foundation. This, coupled with its hospitality, world-renowned food and natural beauty, makes Mexico an attractive destination for tourists and immigrants from around the globe. In the past couple of years, for the first time in its modern history, the country reversed its emigration wave, with more Mexicans leaving the US to return to their home country than arriving. Different layers of government are injecting federal, state and local dollars into entrepreneurship and technology development via grants, loans and even direct investment into start-ups and venture capital funds, all of which are helping to spark a new culture.

Mexico is popular with the young. More than half its citizens are under 30 and the median age is 27. A growing number of university students are graduating as scientists, engineers, designers, marketers and business people. Mexico's creative class is expanding rapidly and the new generation is full of individuals not afraid to take risks. In a stagnant job market, this is creating the ideal base for entrepreneurship. And money is beginning to pour in. Not only are many international incubators, accelerators and funds investing in Mexico, the number of Mexican seed and venture capital funds has increased rapidly from three in 2008 to 14 in 2012 and more than 60 by last year. Family offices are dedicating part of their money to venture capital, participating as investors in emerging funds or creating their own. The number of angel investors is growing in the main metropolis, and smaller cities are spreading knowledge of the

start-up market to wealthy people through seminars teaching them how to diversify away from traditional property and other risk-averse markets.

Mexico's public image has been boosted in the last 10 years, with headlines such as "The new China", "The Aztec Tiger", or "Move over Brazil" appearing regularly in international media. But not everyone is so enthusiastic, not least Mexicans themselves. Indeed, it appears that the country's biggest hurdle is Mexico itself. Corruption and impunity are at all-time highs in the country and, culturally, Mexicans are still averse to risk, intolerant of failure (and success) and not prone to collaboration. Government institutions are not trusted and changing this perception will take a couple of generations. With crucial elections due in 2018, the short-term focus is likely to be on internal power distribution rather than moving towards a common goal.

Yet Mexico is at a pivotal stage in its history and on the brink of evolving into a knowledge-based economy. The entrepreneurial boom should help lead the way, creating new high-value jobs, improving the distribution of wealth, generating innovation, developing competitiveness and eventually turning Mexico into a fairer and more equitable nation. It behoves us to continue to foster it. (Source: © (2017) FTLImited. All Rights reserved.)



Reading comprehension: understanding detail

Read the article and decide if the sentences are true, false or the information is not given.

- 1. Most young Mexican entrepreneurs live in fashionable areas.
- 2. Many countries are experiencing a boom in entrepreneurship.
- 3. Mexican people are generally quite depressed.
- 4. The government has a special department to help entrepreneurs.
- 5. Mexico is a country with a young population.
- 6. Only the very wealthy are investing in entrepreneurs.
- 7. Mexico has problems with crime.
- 8. The government is seen as very important.

Language: progressive aspect for trends

Put the verbs in brackets into the correct progressive⁴ aspect.

More students	
2. The number of Mexicans returning home (increase) since 2008.	
3. Some bankers' attitudes towards new companies don't seem (evolve).	
4. I (think) of investing in a start-up until a friend warned me about the company.	
5. The attitude towards venture capital currently (change).	

⁴ The *progressive* (also continuous) *aspect* is used to refer to actions etc. seen as in progress without necessary time limits e.g. *I'm reading your book*; *was reading* (past progressive). A **tense** refers to primarily to past and present time orientation.



Language: present progressive (am/is/are + verb+ing) (See Appendix)

Exercise 1: progressive aspect	
Fill in the blanks with the appropriate for	m (HINT: Not all of the blanks take the -ing form).
1. For the past few years the cost of living	(rise) continuously.
2. We (seldom, offer)	free air miles on sales of less than € 50.
3. When you were in Nazareth,	(you, make) contact with many new business people?
4. Look! The stock markets are down Ye	es, they(fall) all day.
5. At the moment our competitor	(consider) buying another company in Bangladesh.
6. Anwar	(study) for an MBA for 3 years now.
7. Currently we(pr	repare) for our move to bigger premises in San Pedro Sula.
8. Last month the shares in the emerging n	· · · · · · · · · · · · · · · · · · ·
9. The economy	_ (not, get) any better - jobs are still at risk.
10. How long	(you, stand) in now for your colleague on paternity leave?
Exercise 2: progressive forms	
Which of these sentences would be bette	er in the progressive form?
1. What do you do now?	
2. Who do these keys belong to?	
3. I'm fed up! We've waited an hour!	
4. Abdullah works on a project at the mome	nt.
5. Sarah loves it.	
6. She owns a small business next to the gr	raveyard.
7. I often go to the stock exchange during m	ny lunch break.
8. How long do you live here?	
9. That chicken dish tastes great!	
10. My friend writes that book for the last 20	years.
Discussion: conversation practice	
Complete the sentences to make them tr read out your sentences to a partner for	ue for you. Make the verbs negative if necessary. Then them to ask follow up questions.
1. I work/ I've been working	
2. I study/ At the moment I'm studying	
3. I usually write/ I've been writing	
4. I come from/ Now I am living	
5. I go/ I've been	

Group project: entrepreneurs

Entrepreneurs go into business for many reasons - some start-up decisions are based on personal ethos and conviction, while others are founded on the desire to make money.

Below are six types of start-ups. In pairs, choose <u>ONE</u> type of start-up and prepare a presentation (2-3 minutes) on your chosen type. You must research the topic and present a real life example of your choice.

TYPE	MOTIVATION	EXAMPLE	TYPE OF FUNDING
Lifestyle	Working and passion	Ex-athlete starts fitness-consulting business	Self, friends, peers, bank loan
Social start-ups	Making a difference	Malaria blood-test kit for smartphone	Community, charity, government, donation
Small business	Feeding the family	Neighbourhood grocery shop	Self, family, bank loan
Initiative within a large corporation	Innovating	PC manufacturer starts a separate business providing cloud data storage	Internal company funding
Scalable start-up	Readiness to grow	Phone app developer	Crowdfunding or angel funding
Acquisition targets	To sell the business from the beginning	Biotech laboratory	Outside investment

(Palffy, G. How Business Works (p.30/31 (2015)

Useful Language: Presentations

Introduction

Today we'd like to tell you about...

In my/our brief presentation we'll begin by defining/looking at/examining...

Body

With a turnover of....this start-up develops/manufactures/supports/markets/etc. One thing I'd like to point out...

Structuring

First of all there's.../secondly,.../and finally.... So that brings us to the end of our presentation

Suffixes: boyhood, centralize, greenish, derivation

Thanks for listening!

Are there any questions?

Language: Derivatives (start-up)

Derivation is used to form new word forms, either by adding prefixes or suffixes. In general, derivation changes either the meaning (president ex-president) or the word class (verb noun).

Here are the most common suffixes in academic writing:

Prefixes: ex-president, reread, unknown

Complete each	n sentence with the c	correct derivation	of the word in t	he left column.

1.	entrepreneur	People who have an	flair are risk-	takers.
2.	employ	The current	figures are rising.	
3.	develop	Proposals for the	of a Taurus system a	re under consideration.
4.	invest	The parent company is subje	ct to a £1.3bn leveraged buyou	ut from IMA, an
5.	encourage		in setting	up a business.
6.	invest	KLM had to agree to reduce	its \$400m in	NorthWest by \$175.
7.	own	Is there a legal requirement f	or a minimum 'local'	in the country?
8.	manage	'Your view of the shares depo	ends on how you view the	,' she said
9.	apply	Manyv	vanted to be hired for the vaca	nt position.
10.	bureaucracy	We have eliminated an expe	nsive and	layer of government.
4(33) (FEE)				
⊕ ı	Reading: raising	finance for start-ups		

CNN Money

Read about raising finance for start-ups and do the following exercises.

No matter how groundbreaking your idea for a new business, you won't get past the starting gate without funding. While there are many ways to find money, most are generally more appropriate for more established

companies. Still, there are some smart tacks for start-ups. Here's a look at seven options:

- 1. Bootstrapping. Entrepreneurs spend an average of \$70,000 to start a business, according to William Bygrave, professor of free enterprise at Babson College. And most of that money is provided by the small-business owners themselves. "Bootstrapping means using whatever resources you have on hand to help you get your business to the next level," says Tom Ehrenfeld, author of *The Startup Garden: How Growing a Business Grows You.* Where do entrepreneurs find the money? While a large part comes from personal savings and home-equity loans⁵, they also tend to use plastic heavily. In fact, perhaps half of all start-ups are funded by the owners' credit cards, according to Timothy Faley, managing director of the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies at the University of Michigan. Take Google. For the first two years, founders Larry Page and Sergey Brin financed their efforts almost entirely through the use of credit cards, according to Bygrave. But tread carefully. If you run up a huge debt and damage your credit rating, it'll be hard to get further funding.
- 2. **Friends and family**. At the very early stages of any start-up, entrepreneurs also tend to raise money from relatives, colleagues and other people they know well. Take Blue Joe Estate Coffee, Ore.-based company selling gourmet coffee. When they started the business three years ago, with no products and little previous experience in the industry, founders A.J. Brown and John Shanebrook decided their only route was to ask friends. They raised \$480,000. Now that they're further along in their plan, they're looking for funding from other sources. Usually, friends-and-family financing is informal. You probably won't have to write a business plan beforehand, for example. But no matter how well you know your early investors, you'd be wise to draw up a contract to prevent any misunderstandings down the line.

 $^{^{5}}$ a **home-equity loan** is a type of consumer debt. It allows home owners to borrow against their equity in the residence.

- 3. **Banks**. For most start-ups, getting a traditional bank loan is a long shot. That's because banks typically will only consider companies that have been in business for two years. What's more, they need to see a tangible asset that can be used as collateral⁶. The exception is a manufacturing company building or using heavy equipment. "The bank is going to loan money based on your ability to pay," says Candida Brush, chair of the Entrepreneurship Division at Babson. "And they're more likely to finance something that has greater value." One possibility is to apply for a loan guaranteed by the Small Business Administration (SBA). A bank is more likely to take on a company with an SBA guaranty. Even with that seal of approval, however, you may still have to pledge your home as collateral.
- 4. **Grants**. If yours is a technology business, you might be able to apply for a Small Business Innovation Research grant (SBIR). That's a federally-funded program mandating that certain agencies set aside part of their budgets to fund inexperienced high-tech companies with interesting inventions they want to commercialize. There also are a limited number of government grants for women and minority-owned businesses. The really good part: Competition for this money is steep. So, if you apply for and win a grant, it's helpful for attracting funding from other investors.
- 5. **Angels**. If you're further along in your development you have a management team and, preferably, a product or service on the market you can try angels. They're private, high net-worth individuals who generally invest anywhere from \$50,000 to \$2 million in companies. Angels invested about \$25.6 billion last year, an increase of 10.8 percent from 2005, according to the Center for Venture Research at the University of New Hampshire. Often former entrepreneurs themselves, angels can offer a lot more than money: They also can provide expertise and useful contacts. How to find them? One avenue is to approach the growing number of angel clubs that have sprouted up. These groups of private investors meet regularly to hear brief presentations from entrepreneurs seeking money and then, often, give money jointly to companies. The downside: As angels have become more sophisticated, they've also started to focus more on later-stage companies.
- 6. **Venture capital**⁷. Simply put, VCs rarely invest in start-ups or even early-stage companies. "You have a much better chance of winning \$1 million in the lottery than raising venture capital for a start-up," says Bygrave. Consider the numbers: In the first quarter of 2007, VCs invested just \$26 million in seed funding, according to Ernst & Young and Dow Jones VentureOne, compared with \$3.1 billion for later-stage ventures. Still, if your company already has a track record⁸ and promises high returns, it's worth a shot. Also make sure you have an airtight business plan.
- **7. Customers and suppliers.** Some customers may be willing to help fund your product development if you customize it for them. As for suppliers, you may be able to convince one to hold inventory for you, as long as you guarantee them you'll pay for the material by a certain date. Remember: When you're raising money for your business, it pays to be creative.

\sim		
(Y) Mount	shraege: ac	ljective + noun
ין ווייטיווי עב	nnases, au	ijective + noun

The reason why **derivatives** (p.11) are important is that they sometimes make up parts of **noun phrases**. In academic writing, most of the information is packaged up in noun phrases and are by far the most important structures (approx.65% of an academic text). Noun phrases are structures based around one noun (*head noun*) e.g. bored **students**. The whole phrases can be replaced by a **pronoun**, which refers to the head noun. e.g. *the earliest known* **book** → It.. Noun phrases can be short (one or two words) or as many as 20 words.

Exer the text?	cise 1: Find the nouns (listed below)	in the text. What are th	ne adjectives before these nouns in
1	debt (para 1)	5	individuals (para 5)
2	experience (para 2)	6	companies (para 5)
3	asset (para 3)	7	returns (para 6)
4	companies (para 4)	8	business plan (para 6)

⁶ collateral is something that you promise to give someone if you cannot pay back a loan.

venture capital: money that is used to start a new business

⁸ track record: the past achievements or performance of a person, organization, or product.

1. He left the house, his only	, jointly to my aunt and myself.
	ecause nearby companies provide consulting or infrastructure
3. His had b	een as assistant boss of one of the smaller London museums.
4. Investors demand	to compensate for possible failure, making share issues an
expensive way to raise cash.	
5. The practical help in developing mallowing me to obtain professional as	was helpful in focusing my idea and esistance.
Discussion: risks and rewards With a partner, assess the <u>risks</u> ar methods:	nd <u>rewards</u> involved in financing a start-up by means of these 7
1. Bootstrapping	
2. Friends and family	
3. Banks	
4. Government grants	
5. Business angels	
6. Venture capital	
7. Customers and suppliers	
Language: Einführung review Insert the correct tenses/aspects of	of the verbs in brackets:
1. Advice is seldom	_ (welcome), and those who want it the most, always like it the least.
2. When you were in the US,	(you, make) contact with many new business angels?
3. How long (yo	u, have) the car? – Since October 2017.
	(raise) interest rates several times this year.
5. At the moment Uber	(consider) buying another taxi company.
6. Right now we	(prepare) for our move to bigger premises.
7. Our CEO	(travel) to Karachi many times already.
8. How (often,	you, attend) the lectures of Prof. Weber in the Faculty of Economics?
9. Yesterday the petrol price	
10. How long	(be) in Frankfurt for?

CHARLETANKS

(6. 11-Violealbuilary

paraphrasing at sentence level

- Study the words in Table 1.
 - 1 What is the meaning of each word in general English?
 - 2 What is the meaning of each word in banking?
 - 3 Identify the part of speech of the word in banking.
 - 4 Find a synonym for each word. (Some may not be possible.)
- Study the table on the opposite page. Discuss these questions.
 - 1 What does the table show?
 - 2 Which country or area does each central bank represent?
 - 3 Is there a common objective across all banks? If so, what is it?
- Study the highlighted words in the table on the opposite page. Complete Table 2.
 - 1 What part of speech is each word?
 - 2 What is the meaning of each word in banking?
 - 3 Find a synonym (a word or a phrase) for each word.
- Study the words in Table 3 on this page.
 - 1 What is the base word in each case?
 - 2 What part of speech is each base word?
 - 3 Add a prefix to make an antonym for each word.
- Student A has written about the role and function of central banks. Look at his notes on the opposite page.
 - 1 There are some mistakes in the notes. Say whether each sentence is true or false.
 - 2 Rewrite the false sentences so that they are true.
- Look at Student B's notes on the opposite page.
 - 1 Complete the notes using the appropriate form of the verb in the brackets.
 - 2 Write a paraphrase of each sentence.

See Vocabulary bank



Federal Reserve, Washington, D.C.

Table 1

Word	Banking meaning	Part of speech	Synonym
appreciate	increase in value	V	increase
basket			
capital	,		
reserves			
stable			
stock			

Table 2

Word	Part of speech	Banking meaning	Synonym
mandate			
stability			
prejudice			
maintenance			
support	1.1		
quantified			
prioritization			
qualitative			
sound			
specification			

Table 3

Word	Base word	Part of speech	Antonym with prefix
stability		•	
quantified			
employment			
sound			

Central banks

c

The mandate of central banks in the euro area, the UK, the USA and Japan

	European Central Bank	Bank of England	Federal Reserve System	Bank of Japan
Objectives	low inflation monetary stability without prejudice to low inflation, support of the general economic policies of the Community	low inflation monetary stability subject to monetary stability, support of the economic policy of the government, including its objectives for growth and employment	low inflation maximum employment moderate long- term interest rates	keep inflation low monetary stability contributing to the sound development of the national economy
Primary objective	maintenance of low inflation	maintenance of low inflation	no prioritization	maintenance of low inflation
Specification of the inflation objective	quantified by the ECB	quantified by the ' Treasury	qualitative specification provided by the Federal Reserve	qualitative specification provided by the Bank of Japan

Source: ECB Monthly Bulletin Nov 2002

www.thereport.com

27

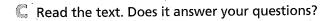
Student A

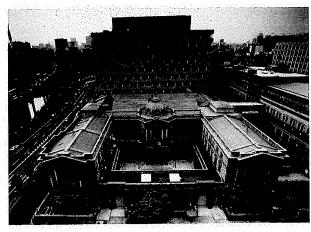
- The main objective of the Federal Reserve System is maintaining low inflation.
- 2 The US government sets the inflation policy of the Federal Reserve System.
- 3 The goal of the Bank of Japan is to maintain low inflation.
- 4 The Bank of England is the only central bank that does not specify its own inflation objective.
- 5 The government of Japan oversees the inflation policy.
- 6 It is the mandate of the European Central Bank to support the economic policies of the European Union at all times.

Student B

- I The Bank of England's primary goal is _____ (maintain) low inflation.
- 2 The Bank's objectives for inflation (quantify) by the Treasury.
- of low inflation, and growth and employment (conflict).

- Discuss these questions.
 - 1 Who are the owners of a central bank?
 - 2 What are the main functions of a central bank?
 - 3 Explain the term 'lender of last resort'.
- Look at the title, the introduction and the first sentence of each paragraph on the opposite page.
 - 1 What will the text be about?
 - 2 Using your ideas from this exercise and from Exercise A above, write some research questions.





The Bank of Japan, Tokyo

- Study the highlighted sentences in the text. Find and underline the subject, verb and object or complement in each sentence. See Skills bank
- Two students paraphrased a paragraph of the text.
 - 1 Which paragraph is it?
 - 2 Which paraphrase is better? Why?

Student A

The objective for most central banks is to carry out policies that result in a stable currency and economy.

By setting the official interest rate of their country, central banks hope to manage the inflation rate.

Inflation involves an increase in the price of a 'basket' of goods rather than an increase in just one product or service.

Student B

The majority of state banks have to execute the agreed financial goals of parliament.

A certain number of them fix the government interest rate.

This is seen as a means of controlling inflation (increasing costs on a range of products), and deflation.

- Read the text on the opposite page.
 - 1 Select part of the text.
 - 2 Paraphrase it in your own words without changing the meaning:
 - use synonyms where possible
 - change from active to passive voice as necessary
 - use a replacement subject where possible
 - **3** Exchange your paraphrase with another student or pair. Can you identify the part of the text they selected?

See Vocabulary bank

The role of the central bank

A central bank (reserve bank or monetary authority) is created by government legislation. It normally has the legal right to create money. It can print more money to increase the supply, or exchange money for securities. It can sell securities to decrease the money supply. It is responsible for maintaining stability in the banking system of its country, or group of member states. In times of financial crisis, the central bank acts as 'lender of last resort' (i.e., extending credit when no one else will) to the banking sector. Some central banks, such as the Bank of England, are involved in coordinating, with solvent banks, 'lifeboat' rescues of banks in crisis.

The mandate of most central banks is to carry out their government's fiscal and monetary policy to ensure a stable economy and currency. Some central banks set their country's official interest rate. They do this to manage inflation (a rise in the price of a 'basket' of goods), as well as deflation. Central banks can influence money supply, interest rates, and foreign exchange rates. They may also manage the country's foreign exchange, gold reserves, plus the government's stock register.

Central bank structures and conditions vary significantly within and across nations. The European Central Bank (ECB) operates across several countries. The Federal Reserve Bank (Fed) operates across all states in the USA. Central banks are managed by a board of directors. The head of the central bank is usually a governor or president. All governments have some influence over their central banks. In the USA, the chairman of the Federal Reserve Bank is appointed by the president. However, his or her appointment must be confirmed by Congress. In some countries, the key monetary policy decisions are made by committees or individuals, independent of the political appointee. The Monetary Policy Committee of the Bank of England, for example, is dominated by representatives of private corporations.

In most countries, a central bank carries out supervision and regulation of the banking industry. Some central banks still require trading banks to maintain a certain amount of their deposits as reserves. However, most central banks address credit risk by requiring trading banks to meet certain capital requirements. These requirements (called capital adequacy ratios) require banks to hold a percentage of their assets as capital. The Basel Capital Accord's current guideline is 8% for international banks. This means that when a bank reaches its lending limit, 92% of assets, it must raise additional capital if it wishes to continue to increase its lending.

Central banks may also provide financial services such as transfer of funds, banknotes and coins or foreign currency. The Bank of Japan, for example, is a central bank that is actively engaged in financial transactions with other financial institutions. In this role, the central bank is known as the 'bank of banks'. In some countries, this may be the responsibility of a government department such as the ministry of finance.

Most central banks are state-owned. However, many economists view government intervention in the monetary policy of the country as undesirable. Advocates of an independent central bank argue that the power to create money, and the power to spend it (e.g., funding government budgets), should be separate. Independence, it is argued, creates a more credible monetary policy. Consequently, the financial market reacts more in line with the direction indicated by the central bank. It is also argued that political interference or pressure may lead to 'boom and bust' economic cycles as governments attempt to manipulate the economy before an election for short-term political gain. This may result in higher employment and consumer spending, but lead to higher inflation in the long term. During the 1990s, many countries, influenced by research correlating central bank independence with low and stable inflation, increased central bank independence. Critics of this trend say independence can weaken the central bank's public accountability. They argue that central bank independence needs to be balanced with accountability to the public and their elected representatives.

- A Study the words in box a.
 - 1 What part of speech is each word?
 - 2 Think of a word or phrase with a similar meaning to each word.
- Study the words in box b.
 - 1 What is the base word in each case?
 - 2 What is its meaning?
 - 3 How does the affix change the part of speech?
- Study Figure 1 and the summary at the bottom of this page. Complete the summary with words from Exercises A and B.
- Study the highlighted sentences in the summary.
 - 1 Identify the main subject, verb and object.
 - 2 Rewrite the first sentence as passive.
- Study the highlighted sentences again. Identify the dependent clauses.
 - 1 How are the clauses linked to the main part of the sentence?
 - 2 What does each word at the beginning of the dependent clause refer to?
 - 3 Make the clauses into complete sentences.

about data graph period rates relationship represents

clustered correlated independence rated significantly subsequently targeting

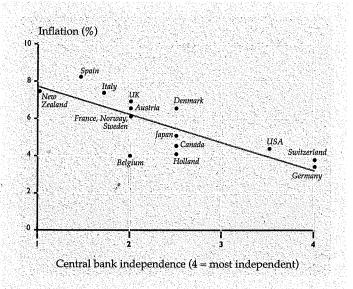


Figure 1: Central bank independence and inflation 1955-1988

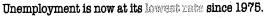
Figure 1, which	the 1933	to 1988, shows	the
between central bank	and inflation. Infla	ation	were averaged
over the 33 years then	to an index of cen	tral bank indepe	ndence. Bank
independence was	on a scale of 1 to 4. T	he least independ	lent central bank was
rated 1 whereas the most in	dependent was rated 4.		
If you look at the red lin	e, you will see that the USA, S	Switzerland and	Germany are
around 4 or	n the independence	They all	have
4% inflation. When you lo	ok at New Zealand, you will	see it has 8% in	flation, as well as
being the least independent	. Although Spain has just ove	er 8% inflation, i	t scores about 1.5 on
the central bank independen	nce scale. What the	indicates	is that there is a
positive correlation, for the	period represented on the	, bo	etween central bank
independence and low infla	tion. However, for countries v	whose central ba	nks
adopted inflation	, the data shown has cl	nanged	,

International Finance "English for Presentations"						
Video Viewing Worksheet						
"Money From Nothing" We are going to view a video about Central Banks called "Money From Nothing."						
Then turn your notes into	a short prese	entation to sl	hare your ic	leas with t	he class.	
	ı .					ì
	<u>.</u>			·	· · · · · · · · · · · · · · · · · · ·	
				•		
						· :
	· · · · · · · · · · · · · · · · · · ·					
						<u>. </u>
	•					· .
		4 1				
			1		-	
	- 1					
						3
					* .*	
			•			:
						<u> </u>
		· · · · · · · · · · · · · · · · · · ·		······································		
<u></u>		· · · · · · · · · · · · · · · · · · ·				·
						<u> </u>
			<u></u>			
	ı					
						*
·						

Name:

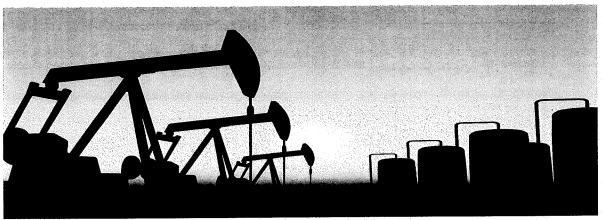
ECONOMIC INDICATORS The economy can be counted





SOURCE GNS, Indoor Mindoor Embodies, 12 July 2017





An **economic indicator** is a piece of economic data, usually of **macroeconomic** scale, that is used by analysts to interpret current or future investment possibilities or to judge the overall health of an economy. **Economic indicators** can be anything the investor chooses, but specific pieces of data released by government and non-profit organizations have become widely followed. (www.investopedia.com)

Task: economic indicators

Which economic indicators are used to assess the strength or weakness of an economy? List them below. (The pictures above might help you) $_{\rm s}$

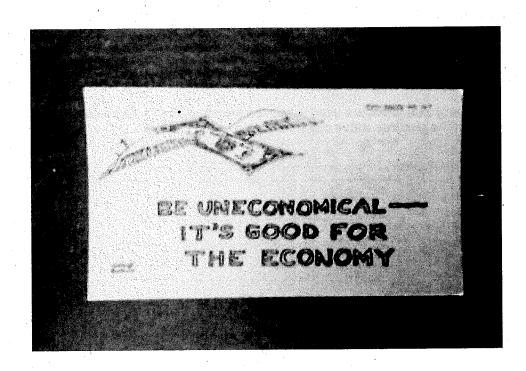
Language: derivatives²⁸ and inflections (economy)

economics economic economist/s economy/-ies economical economically

to economise/-ize

Fill the blanks with the right forms of the seven terms above:

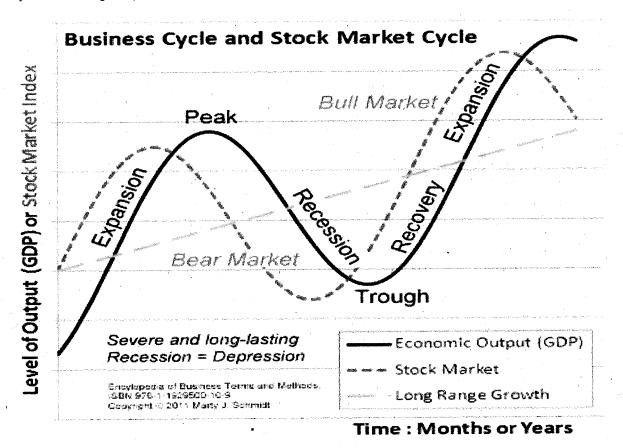
1.	Although the situation is improving, the has still not fully recovered.
2.	The new minister for affairs is being introduced to the professor from the University of Calcutta.
3.	He has decided to trade in his van for a more model.
4.	The present state of the leaves a lot to be desired.
5.	speaking, dismissing staff in an downturn is a brutal but sensible measure.
6.	If you are an and wish to cut costs, you must accordingly.
7.	We are not going to invest in new machines until things have stabilised. The old ones still work although they are not very
8.	The governments of capitalist allow the principle of supply and demand to be applied freely.
9.	Nigerians are supposed to be very people in the way they spend their money.
10.	The fundamentals of the German are based on the of free market principles.



²⁸ A **derivative** is a word formed from another word (e.g. preserve (V) - **preservation (N)**, whereas an **inflection** is a change in the word that occurs when it has a particular use (e.g. I go - she goes; big - bigger)

Macroeconomic measurements: The Business Cycle

Business cycles are the shift between strong economic growth, described as a boom or expansion, and periods of economic decline or stagnation. They are referred to as cycles of boom and bust. As economies grow and businesses do well, workers are able to demand wage rises and buy more of the goods they produce. This fuels the economy's boom. As more and more goods are sold, companies expand, hiring more workers to produce more goods. The new workers then have money to buy goods and the boom continues. Competition means that all companies will increase production until supply finally outstrips demand argued the famous Swiss thinker Sismondi 1773-1842. This forces companies to cut prices in order to attract custom, triggering falling profits, falling wages, and lay-offs among the workforce - in other words, an economic crash followed by a recession. Companies begin to recover once prices become cheap enough to stimulate demand and credit becomes more available starting the cycle all over again. (Source: Mohun, S (ed.) (2012) The Economics Book. London: DK publishers)



Language: Find the words in the text (in bold) which mean the following.

1. a want or a need	·
2. a period of high growth in the business cycle	•
3. availability, offer	
4. to give work or a job to (someone) in exchange for wages or a salary	
5. money that a worker is paid based on the number of hours, days, etc., that are worked _	<u></u> .
6. the act of ending the employment of a worker or group of workers	
7. two consecutive quarters of negative growth	
8. all the people engaged in work	
9. products that are made or grown in order to be sold	
10. to stop developing, progressing, moving, etc	

Language: describing graphs (adverbs)

otag Exercise 1: categorize these words (verbs) according to movement in the boxes below

to decre	ease to ren	nain stable	to increase	to rocket	to plumme	et to level off.
to fall	to improve	to stabilize	to drop	to recover	to improve	to reach a peak

	1	1		
Verbs				

Exercise 2: categorize these words (adverbs) according to speed and size) in the boxes below

sharply	marginally	quickly	significantly	substantially	gradually	slightly	steadily	

Speed		Size	•
	Speed	Speed	Speed Size

Exercise 3: choose one of the verb phrases to describe each graph.

grew rapidly fell slightly	increased sharply	levelled off	remained constant
peaked dramatically	increased gradually	improved	steadily
			• •

1. Turnover	2. Costs	3. Sales	4. Output
~~~		*	
<b>5.</b> Prices	6. Profits	7. Overheads	8. Demand
		, , , , , , , , , , , , , , , , , , ,	
	2	3	4
			,
5	6	7	8
,			
	<del></del>	(Source: Canel, W et al. (20:	12) Business Vocabulary In Practice. Collins)

### Discussion: overall trends

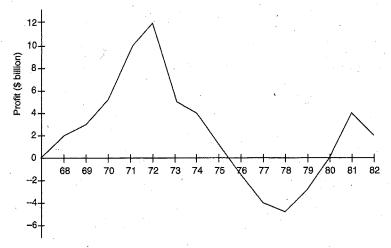
Discuss as groups. What have been the overall trends for the last few years in a country of your choice? (Google them if you don't know). Provide reasons for your answers.

- House prices
- Number of older and younger members of the population
- Unemployment
- Immigration
- Interest rates
- Price of commodities (oil, butter, gold, rice, etc.)

Language: fill-in-the-blanks with words from the exercises 1 & 2 on p.

50

GRAPH 1 Profits 1967-1982

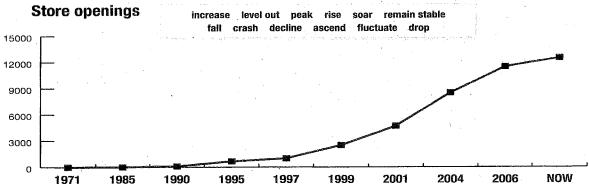


The company came out of the red in 1	1968 after which it improved (1) in profits every
four years. Profits reached a (2)	in 1972, but in 19073, the year of the oil crisis, there
was a (3) substantial	The downward trend in 1974 was smaller, but after that profits
continued to fall (5)	_ for four years. The company made a \$ 5 billion loss in 1978
after which the figures (6)	dramatically for three years before a short (7)
again in 1982. (Mackenzie, I. (2014) Financial Engli	ish, p. 91).

## Task: describing graphs.

In pairs describe the following graphs (Student A this page, Student B next page). First, take time to prepare what you are going to say. You will also have to describe the  $\underline{X}$ ,  $\underline{Y}$  axis to your partner BEFORE you start to describe the graph. As you describe your chart your partner will draw what you describe.





## INTERNATIONALE AND Global Marketing

		4	100	7.5	100	100
1145			32.50	25		3,15
Carl Sa	1.	7,022,035	32 TO 100	36 PM		4.35
24 635	a ener	43376	7.7	2位10万字	1月12日	1000
99	Harding.	1000	er Sans		44.20	1
	(F. 28227) MARS	24-0500363	A 20 Sept 440	Contract 2005	0.5059.40	1000

compound nouns • fixed phrases

- Study the words in box a.
  - 1 Match nouns in column 1 with nouns in column 2 to make compound nouns.
  - 2 Which word in each phrase has the stronger stress?
- Study the phrases in box b.
  - 1 Complete each phrase with one word.
  - 2 Is each phrase followed by:
    - a noun (including gerund)?
    - subject + verb?
    - an infinitive?
  - 3 How is each phrase used?
- Look at the pictures on the opposite page showing the international trade and finance cycle. What happens at each stage?
- Look at the extracts from a leaflet on the right.
  - 1 Read the sentences carefully.
  - 2 Match each extract (A-F) with a picture on the opposite page.
  - 3 Complete each sentence with a phrase from box b. You can use one phrase twice.
- Complete the Hadford University handout below using phrases from box c.

HADFORD University	
There are factors to	) (1) (4)
when deciding payment terms. For example, the	
relationship between the seller and purchaser.	
the bank, there is less financial risk	
where there is a strong trading partnership	
trust and integrity,	
other factors influence risk, including the type of good	ls
and the distance travelled. A shipment of perishable	
goods, if delayed, could mean the bank has to	
payment disputes and	
establish whose liability it is. econom	ic
or political problems in either country would also	
indicate potential financing risks.	-,57

credit exchange export financial guide payment political profit

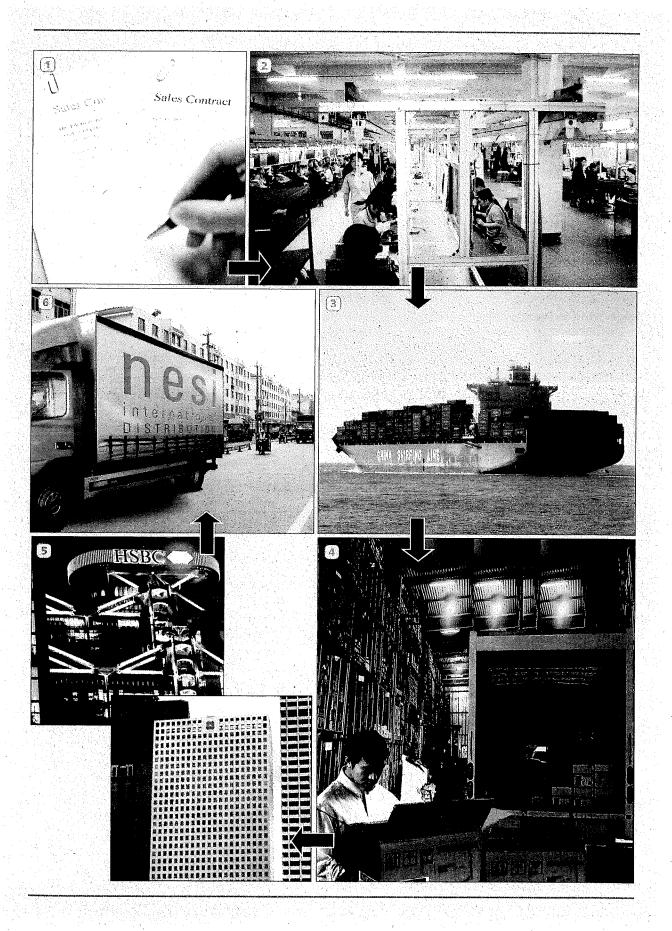
instruments lines margin market rate stability terms worthy

as shown ... as well ... in addition ... in order ... in such a way ... in the case ... known ... the end ... the use ...

#### International trade using open account terms

- Nesi International then distributes the computers to domestic retailers. April 20th marks _____ the cycle. for this order with the receipt of payment by Nesi International from the domestic retailers.
- A sales contract for 40 computers is signed between Nesi International, Hong Kong and Rainbow Corporation, Singapore (formerly _____ Rainbow Computer Corporation) on February 1st.
- Rainbow Corporation ships the computers to Nesi International in Hong Kong. ____ minimize costs, the computers are sent by sea.
- the checking process, Nesi International authorizes its bank to make payment to Rainbow Corporation's bank under open account terms. open account terms, because they offer the least security to the exporter, is only advisable _ an importer who is well known to and trusted by the exporter.)
- Nesi International checks the order to make sure it is correct. _____, the computers are checked to make sure they are not damaged.
- Rainbow Corporation buys computer chips from Letni Corporation in Japan _____ motherboards from India to complete the order.

a number of a variety of at the same time bear in mind based on deal with. from the point of view of the beginning of the development of



- A Look at the slide on the right. Write three questions you would like the lecture to answer.
- B Listen to Part 1 of the lecture.
  - What is the lecturer going to talk about today?
    Write yes, no or not given.
    international regulations
    international trade finance
    credibility of banks
    payment options
    currency fluctuations
  - 2 What does payment terms mean?
- Listen to Part 2 of the lecture.
  - 1 Make notes.
  - 2 What are two other words for *purchaser* in international trade?
  - **3** What four methods of payment in international trade are mentioned?
  - 4 Were your questions in Exercise A answered?
- Match each phrase (1–8) in the table on the right with the type of information that can follow.
- Listen to Part 3 of the lecture.
  - 1 Makes notes on the information that comes after the phrases in Exercise D,
  - 2 Were your questions in Exercise A answered?

	٦,	i.											÷	1				12	v i			Ä
ı.	٠.			_	_	i	•	_			ì		1.			T.	•	Ξ.	90			t
Ų	Ц	te	7	IJ	u	Į	ı	v	П	Ç	L	1	Ŋ	L	Li	K	ı	n	q		3	
												ċ							٠			
(	L	e	T	U	r	e		ı	1			i.						À	i,			

Lecture overview

The international trade process

HADFORD University

- International trade finance
- The role of banks

Fixed phrase	Followed by
1 An important concept (is)	a different way to think about the topic
2 What do I mean by?	an imaginary example
3 In financial terms,	a new idea or topic that the lecturer wants to discuss
4 Say	a comment about something visual (e.g., a diagram or lecture slide) OR a fact that has just been demonstrated
5 In this way	a general idea put into a financial context
6 Looking at it another way,	a key statement or idea
7 As you can see,	an explanation of a word or phrase
8 The point is	a concluding comment giving a result of something

- Listen for sentences 1-4 in Part 4 of the lecture. Which sentence (a or b) follows in each case? Why?
  - 1 The payment form most beneficial to the exporter is cash with order.
    - a With this type of payment, the importer pays for the goods pre-shipment.
    - **b** The importer pays for the goods pre-shipment with this type of payment.
  - 2 A letter of credit is the most common form of payment used in international trade.
    - a In this situation, the importer raises the letter of credit at the request of the exporter.
    - **b** The importer raises the letter of credit at the request of the exporter in this situation.
  - 3 Documentary collection offers less security than a letter of credit.
    - a In this case, a bill of exchange is raised by the exporter and signed by the importer.
    - **b** What happens here is the exporter's bank receives payment, or a bill of exchange, against the shipping documents.
  - 4 Cash on delivery terms are used only when the exporter is confident that there is no risk involved.
    - a Under these terms, the exporter ships the goods and sends the commercial documents directly to the buyer.
    - **b** What's different to the previous options is that the exporter ships the goods and sends the commercial documents directly to the buyer.
- This lecturer is not very well organized. What problems are there in the lecture?

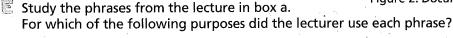
## 7.3 Éxitemdhorg skillis

stress within words • fixed phrases • giving sentences a special focus

A	Market Listen to	some stressed	syllables.	Identify	the word	below in e	ach case.	Number	each	word
	Example:			N	· ·	* .*				

You hear: 1 op /op/	You write:			
contributing	exchange		irrevocable	
criteria	financial		merchandise	
decision	fluctuation		optimal	
denreciation	instability	,	significant	

- Study the diagrams on the right.
  - 1 Complete the diagrams with arrows and stage numbers.
  - 2 So Listen again to two extracts from the lecture in Lesson 2 and check your ideas.
  - **3** Describe one of the flowcharts to your partner.
- Rewrite these sentences to give a special focus. Begin with the words in brackets.
  - 1 Cash with order terms are the most beneficial for the exporter. (/t)
  - 2 The letter of credit is the most common payment used in international trade. (It)
  - 3 With cash on delivery it is important that the exporter and the importer have a relationship of trust. (What)
  - 4 A bill of exchange is raised by the exporter and signed by the importer as payment is not received until after delivery of the goods. (*The reason*)
- Listen to the final part of the lecture.
  - 1 What is the main idea of this part?
  - 2 What research task(s) are you asked to do?
- Figure 2: Documentary collection



- to introduce a new topic
- to make a major point
- to add points
- to finish a list
- to give an example
- to restate

See Vocabulary bank and Skills bank

- Choose one section of the lecture. Refer to your notes and give a spoken summary. Use the fixed phrases and ways of giving special focus that you have looked at.
- Work with a partner.
  - 1 Make a flowchart for an activity, project or process.
  - 2 Present your chart to another pair. Practise using fixed phrases and ways of giving special focus.

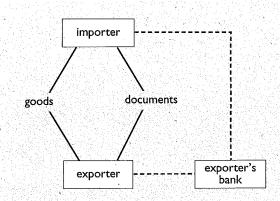
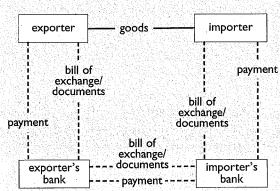


Figure 1: Cash with order



etcetera

I almost forgot to mention ...
In other words, ...
Let's take ...

Let me put it another way.

Not to mention the fact that ...

Plus there's the fact that ...

The fact of the matter is, ...

You've probably heard of ...

#### 74.4 Executionalizations

making effective contributions to a seminar

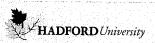
- A Look at the map on the opposite page.
  - 1 What does it show?
  - 2 Where is the company located?
  - 3 Where does the information come from?
- Work in groups. Answer the following questions about Rainbow Corporation's new markets using your world knowledge.
  - 1 Which is the least stable economically?
  - 2 Which is most at risk from currency devaluation?
  - 3 Which supply route is the longest?
- Listen to the first extract from a seminar about export orders.
  - 1 Why has the company decided to expand its international markets?
  - 2 Why has the company approached the bank?
- Listen to Extract 2 of the seminar. Are these statements true or false?
  - 1 In Indonesia, the legal processes for recovery of payment are good.
  - 2 The Mexican order is from a new client.
  - 3 The terms of payment should not be based on one factor only.
  - 4 An importer can pay for goods not yet manufactured.
  - 5 Costs are the main issue in choosing optimal financing terms.
- Study the uses in box a and the phrases in box b.
  - 1 Write A, B, C or D next to each phrase to show its use.
  - 2 & Listen to Part 2 again to check your answers.
- Work in groups of four. As a group, choose one of the following countries:
  - Belgium
- New Zealand
- Mexico

The aim is to research the optimal financing option for your country and situation.

- 1 Read the case study information on the opposite page.
- 2 Look at the assignment on the right and locate your payment terms information. Make brief notes.
- 3 Report back orally to your group. Use fixed phrases to ask for and give clarification.
- 4 As a group, reach a consensus on the best financing option.
- 5 Report to the class on your discussion, giving reasons for your decisions.

- A introducing
- B asking for clarification
- C agreeing/disagreeing
- **D** clarifying

#####################################	
I'd like to make two	
points First,	
Can you expand on that?	
The point is	
What's your second point?	
I was coming to that!	
Yes, but	
I don't agree with that because	
Sorry, but who/what are you/we	
talking about, exactly?	
We need to be clear here	
I'd just like to say that	
In what way?	
Can you give me an example?	
Look at it this way.	
What I'm trying to say is,	
Absolutely.	



## Optimal financing options A case study

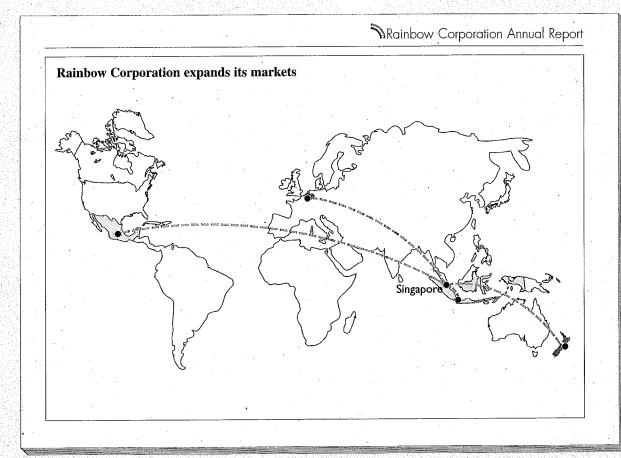
Read the information on page 59.

Student A: read **cash with order** on page 103.

Student B: read **letter of credit** on page 104.

Student C: read **documentary** collection on page 106.

Student D: read **cash on delivery** on page 106.



Cas	e stu	ιdy

Rainbow Corporation in Singapore is an aggressively expanding PC manufacturer. Initially 30% of its products were for the domestic market, with 70% exported to China. In order to double the volume of sales from 20,000 to 40,000 units per annum, the directors have decided to focus on developing further export markets, and the company has now taken orders from Indonesia, Belgium, New Zealand and Mexico. The directors are concerned about the company's ability to finance this growth in business. They have come to the bank to get advice on the optimal payment terms for financing the working capital required (i.e., manufacturing and shipping) for the orders.						
	Indonesia	Belgium	New Zealand	Mexico		
Order	10,000 units private company operating only in Indonesia	2,000 units subsidiary of a large corporation which is an existing client in Singapore	3,000 units New Zealand government	5,000 units private company operating in Mexico only (new client)		
Margin	25%	30%	15%	14%		
Notes	currently politically unstable very large order = high risk	subsidiary of large corporation; existing client in domestic market = low risk small order with large margin	government order stable economy; good international credit rating = risk free relatively small order	client unknown significant order		

#### MARKETING STRATEGIES

Product, Place, Price, Promotion

Marketing mix (n): The marketing mix refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. The 4Ps make up a typical marketing mix - **Product**, **Place**, **Price** and **Promotion**. However, nowadays, the marketing mix increasingly includes several other Ps like *Packaging*, *Positioning*, *People* and even *Politics* as vital mix elements (The Economic Times/India Times, 2017).

n the '4 Ps' of the		

1. Product

a) the cost to the buyer of goods and services

2. Price

b) informing customers about products and persuading them to buy them.

- 3. Promotion
- c) where goods and services are available

4. Place

d) goods or services that are sold

1. Product	2. Price	3. Promotion	4. Place
			ı

## The four Ps in practice

#### ZARA

The marketing mix of fashion chain Zara embodies' the **Four Ps**. Because of an emphasis on '**Place**' (distribution), new products are delivered twice a week, and there are only 10-15 days from the sketching of a new design to the item's arrival on the shop floor. Such a streamlined approach to '**Place**' means that '**Product**' reflects immediate trends; '**Promotion**' happens on the instant channel of the internet; and '**Price**' is kept low due to the emphasis on '**Place**' (Alkinson, S. (2014) The Business Book, DK).

	\$100 Table 1		1 - 1		
()	4			100	
	200	. +01	TOLLY	10	orande

List some of your favourite brands in the box below. Then choose one brand and a product and apply the principle of the 4 Ps to it. Finally, present your analysis to the class.

Mobile phones								
		• .						
Clothing brands								•
Soft drinks/alcohol							-	
Food (Restaurant chains)								
Website/App								

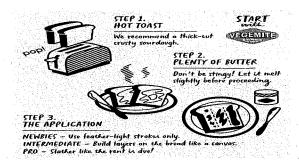
⁷ to embody sth: to represent (something) in a clear and obvious way





evian





**Evian's** "Roller Babies" video holds the official Guinness World Record for most viral video ad of all time. The company released a follow up late Friday that sticks with the baby theme. It has already racked up⁸ nearly 13 million views on YouTube. But viral success is not the same as sales success. After Roller Babies was released in 2009, sales of the water brand actually declined, according to Jonah Berger, an assistant professor of marketing at the Wharton School of the University of Pennsylvania. Forbes noted:

In the year the Evian "Roller Babies" video went viral and attracted 50 million views, the brand lost market share and sales dropped 25 percent. The brand continued to lose market share in the UK in 2012, according to SWNS.com. The Danone Group's water business is growing overall — it has many different brands — but the company does not mention Evian specifically in either its quarterly financials or its most recent investor presentation.

**Vegemite's** 'How do you love your Vegemite' (HDYLYV') campaign celebrated the unexpected ways that consumers use the product – not only on toast with butter. The primarily social media campaign was successful because it engaged fans and allowed them to share their own stories. *Marketing* talked to RMIT University researcher Angela Dobele about the campaign and the role of brands in viral marketing.

M: Although the campaign 'went viral' did it really make a difference to the company's bottom line?

**AD**: Yes, the results of the campaign were impressive. The data shows that there were over 262,000 hits to the 'HDYLYV' website during the campaign. Digital advertising impressions numbered over 31 million and on line searches for Vegemite went up 67%. The Vegemite Facebook site grew from 17,000 members to 45,000 passionate and engaged fans. In terms of the bottom line⁹, sales increased 5% over the previous best year, and repeat purchases, pack sizes, and margins were all up. In fact, major retailers around Australia reported that they were running out of Vegemite even though Kraft was shipping 1,000 tonnes per month – an all-time record. The campaign also lifted long-term prospects. For example, many Vegemite consumers reported that they smoothed out the sharp Vegemite taste by adding fattier products like cheese or avocado. This led Kraft to create an extension product 'Cheesy Bite', which leveraged¹⁰ existing products Vegemite and another Kraft brand, Philadelphia cream cheese.

## Discussion: viral marketing (Evian and Vegemite)

- 1. Why do you think **Vegemite's** campaign was such a success but not **Evian's**? What are the ingredients to making a viral video successful? "Viral success is not the same as sales success". How come?
- 2. Why do you think that 'word of web' now more powerful than 'word of mouth'?
- 3. How much is viral marketing specific to a **domestic market** (e.g. vegemite/Australia)? Can a viral video appeal to everyone around the world? If so, name some examples.

⁸ to rack up: to gain/to achieve

⁹ the bottom line: concerned with cost or profit

to leverage sth: to use (something valuable) to achieve a desired result; to raise in order to influence

Language: promotion and price Exercise 1: promotion Use the terms related to promotion in the box to complete the paragraph. internet sites word of mouth billboards campaign social media advertising agency advertised viral marketing Companies will often employ an (a) ______ or marketing consultancy to advise on and put together a marketing (b) ______. Traditionally, products and services were on TV and radio in commercials, in newspapers ads, and on (d) _____ by the side of the road or street. But increasingly companies are advertising on (e) One development has been (f) _____ where individuals pass adverts which they like, on to friends. This is very much like making (g) ______ recommendations. Currently, most companies communicate with their customers through the internet or (h) _____ such as Twitter or Facebook. The result of this is that communication has become a two way process with companies listening to their companies much more in the new marketplace. (Source: Capel, W et al (2012) Business Vocabulary In Practice. Collins) Exercise 2: price Read the short text on PRICE and use the words in bold to fill in the blanks of nos. 1-5. Prices can be <u>high</u> or <u>low</u>. If they are very low, they may be called <u>rock-bottom</u> prices. Prices may increase, prices rise and prices climb. If they go up fast, then we say that prices soar or skyrocket. Occasionally prices decrease and sometimes prices tumble or even collapse. Prices, normally, recover once the economic shock is over. If there is a price hike, then that means there is a sudden increase in the price. Sometimes, price fluctuation is caused by financial speculation. 1. In March 1998, computer chip prices were around \$150. In September 1998 they were \$850. In just six months prices 2. Oil prices have continued to ______ because of the instability Venezuela. 3. London share prices _____ every time there is political volatility in the Middle East. _ prices because there is so much competition. 4. Mobile phones are now selling at

One that cost A\$250 a year ago now costs only A\$70.

would ban them after 2025. They might never _____ again.

5. Diesel car prices

(Source: McCarthy and O'Dell (2013) English Collocations in Use. Cambridge)

last year by 30% after the government announced they

## Plain packaging cigarettes makes UK stance¹¹ clear (2017)

#### Read the following article and answer the questions.



Funfact: 'to vape' was the Oxford dictionary's word of the year in 2014.

FINANCIAL TIMES Advertising and branding on cigarette packs will be outlawed today, the latest step in a decades-long anti-tobacco campaign. The new rules will mean cigarettes can be sold only in mud-green boxes accompanied by graphic health warnings - another attempt to get Britons to kick the habit estimated to be responsible for one in 11 of all

deaths worldwide. The move follows bans in recent years on tobacco billboards and sponsorship as well as the ban on smoking in pubs. Smoking rates have been falling in the UK for decades but 19 per cent of adults still smoke, according to National Health Service data from 2014, the most recent available. Anti-tobacco initiatives have also not succeeded in deterring new generations from smoking: almost one in five secondary school pupils said they have tried it.

The introduction of plain packs will not make large numbers of smokers quit overnight but *Action on Smoking and Health*, a charity, said the benefits would become clear "once we have a generation of young people who haven't been exposed to marketing through the pack". The tobacco industry says the measure is heavy handed, will cause cigarette smuggling to rise and is driven not by evidence that it will work but by the "dogma of certain pressure groups". But while the tobacco companies may be worried about the impact of the measure on sales, they are undeniably in excellent financial health: their profits are more than twice the size of many other consumer goods businesses. Philip Morris, for example, has a global operating profit margin of 40 per cent, compared with 15 per cent for Unilever or 23 per cent for Coca-cola last year, according to analysts from Société Générale. BAT [British and American Tobacco] is the UK's fourth most valuable company by market capitalization.

Owen Bennett, tobacco analyst at Jefferies, the investment bank, said the plain packs could lead to "an erosion of brand equity" that could reduce the tobacco companies' ability to raise prices. Apart from this, the impact of the ban is unclear - in Australia, which brought in plain packs in 2012, there was a rise in illicit 12 cigarettes, while smokers traded down to cheaper brands, Mr. Bennett said, though both of those factors are already in evidence in the UK.

Also coming into force is a new "tax floor" on cigarettes designed to combat a pricing tactic. When taxes have been increased, cigarette companies have been keeping the retail price of cheap brands low and raising the price of premium brands by more than the tax rise. "They keep some products cheap to keep the poorest and most price-conscious smokers still hooked and also to have some brands that the young can afford", said Anne Gilmore, public health professor at Bath University (UK).

Plain packaging could also make tobacco companies to move into other, less harmful products. They have invested heavily in developing e-cigarettes that produce a nicotine vapour, as well as products that produce a vapour by heating rather than burning tobacco (FT) (UK) © All rights reserved).

## 

- 1. What has the UK government done so far to get people to stop smoking?
- 2. How effective has this been?
- 3. How have tobacco companies responded to these measures?
- 4. How have smokers adjusted?

¹¹ stance: position

¹² illicit: illegal

## lacktriangle Discuss these questions in groups

- 1. Why do you think smoking is popular in the 14 18 age group?
- 2. Why are governments so hard on tobacco companies but not so hard on alcohol companies? Can you think of any other product/brand that is so strictly controlled?
- 3. By banning branding on the boxes of cigarettes, isn't the government 'nannying' an entire population? Why not 'outlaw' branding on other unhealthy products such as Red Bull[®] drinks?
- 4. Despite all the anti-tobacco campaigns, why do tobacco companies continue to be so successful?



Language: present perfect and past simple (See Appendix)

P Exercise 1: Group activity

Create <u>four</u> true sentences and <u>two</u> false sentences for your group from this table. Then read the sentences to another group for them to guess which ones are true/false.

We Student 1 Student 2 Student 3	has has not have have not	never already just always	been seen spoken met had	? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ?
Student 3	nave not	uiwayo	done etc.	?

Exercise 2: past simple or present perfect

Complete the following	g extract by	choosing the	correct form	of the verb.
------------------------	--------------	--------------	--------------	--------------

Last year our company (a)	(report) a small increase in profits. This year we
(b)(see) continued improvement a	and our turnover (c) (rise) by 15 per cen
This is very good news in a difficult world market	et. In fact internationally, the market (d)
(fall). Naturally, our costs (e)	(increase) and so the rise in profits is not so great. It is
true that our domestic performance (f)	(be helped) by the collapse of the competitor
Zara, which (g) (declare) ba	nkruptcy last January.

Exercise 3: past simple or present perfect

Fill-in-the-blanks with	either present perfect of	r past simple forms (+ some preposition	IS)
1. l (me	et) her five years	at an international conference in U	Jganda.
2. Sales	(fall) dramatically	the end of last year.	
3. We	(do) business with them _	more than ten years when we	e were
located in Medina and	(expe	rience) no problems at all	_ that time.
4. We regret to say tha	t they	(have) to file for bankruptcy three days ag	0.
5. We	(study) practica	lly every unit in the book so far.	

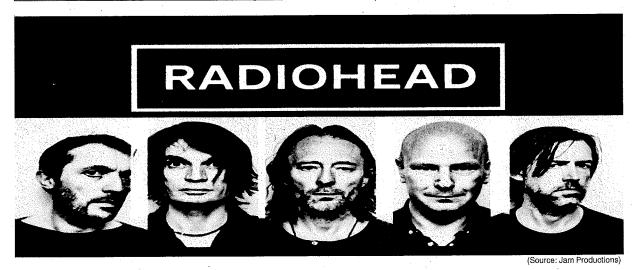
(never see) the Bombay Stock Exchange open on time.						
7. Several government ministers	ral government ministers (be) involved in the bribery scandal last year.					
8. The civil servants	(be) vague about who is to be the competent authority.					
9. Most of yesterday's papers in Bangko	k (comment) Thursday's budget.					
10. We're all very pleased that the Man	aging Director (decide) to retire soon.					
TED Talk: 3 ways to (usefully) lose	control of your brand.					



You are going to watch a **TED Talk**¹³ by Tim Leberecht called '3 ways to (usefully) lose control of your brand'. Do you ever make comments about companies or brands on social media? Do you think customers' comments can affect a brand's image?

Watching: While watching, try to write down as many companies and products Tim Leberecht mentions as you can.

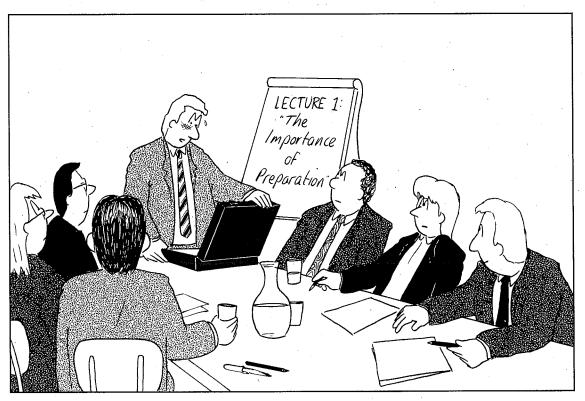
Company	Product
The band Radiohead	a new album
Anthon Berg	
	Outdoor clothing (jackets)
Nextpedtion	Travel services
	No product mentioned
Frog	



¹³ "**TED** (Technology, Education, Design) **Talks** are influential videos from expert speakers on education, business, science, tech and creativity, usually in the form of short, powerful talks (18 minutes or less)" (www.ted.com).

# Getting Started

How to make an immediate impact on your audience



"Could you talk amongst yourselves . . . . it looks as if I've left my notes in my hotel."

## Introductions

How you begin your presentation depends on how formal the situation is. Most audiences prefer a relatively informal approach.

#### TASK 1

Below you will find two alternative ways of introducing yourself and the subject of your presentation — one fairly formal, the other more friendly. At each stage choose the expression you would feel more comfortable using and highlight it.

FAIRLY	<b>FORMAL</b>
LUINEL	LOIMILLE

### MORE FRIENDLY

Erm, perhaps we should begin.

OK, let's get started.

Good morning, ladies and gentlemen.

Morning, everyone.

On behalf of ..., may I welcome you to ...

Thanks for coming.

My name's . . .

 $I^{\prime}m\,\ldots\,$ 

For those of you who don't know me already,

As you know, . . .

I'm responsible for . . .

I'm in charge of . . .

This morning I'd like to . . .

What I want to do this morning is . . .

discuss . . .

talk to you about ...

report on . . .

tell you about . . .

and present . . .

and show you . . .

If you have any questions you'd like to ask,

Feel free to ask any questions you like

I'll be happy to answer them.

as we go along.

or

Perhaps we can leave any questions you may have until the end of the presentation.

And don't worry, there'll be plenty of time left over for questions at the end.

How happy would you be taking questions a) during your presentation b) at the end?

## TASK 2

Now put together an introduction of your own using some of the expressions you chose above. Remember how important it is to be totally confident about this part of your presentation.

Don't waste a lot of time at the beginning of your presentation introducing yourself, your company and the subject of your talk. Get on with it!

## Stating Your Purpose 1

It is essential to state the purpose of your presentation near the beginning. To do this clearly and effectively you need a few simple presentation verbs:

take a look at, report on, give an overview of etc.

#### **TASK**

Below you will find a number of ways of stating the purpose of your presentation. Complete them using the words given. Combining the sentences with the number 1 will give you a complete introduction. Then do the same with those numbered 2 etc. The cassette provides a good model for you. Use it to check your answers after you have done the exercise.

OK, let's get started. Good morning, everyone. Thanks for coming. I'm (your name). This morning I'm going to be:

	showing	talking	taking	reporting	telling	
1	to you about	t the videop	hone pro	ject.		
2	you about th	ne collapse o	of the hou	sing market	in the early 90s.	
3	you how to	deal with la	te payers.			•
4	a look at the	e recent boo	m in virt	ual reality so	tware companie	:S.
5	on the resul	ts of the ma	rket study	we carried o	out in Austria.	
so, I'll begin l	by:			· · · · · · · · · · · · · · · · · · ·		
	making	outlining	bringi	ng giving	filling	
1	you in on th	ne backgrou	nd to the	project.		
2	a few observ	ations abou	it the eve	nts leading u	o to that collaps	e.
3	company po	olicy on bad	debt.			
4	you an over	view of the	history of	VR.	•	
5	you up-to-da	ate on the l	atest findi	ings of the st	ıdy.	
and then I'll	go on to:			, .		
	put	discuss	make	highlight	talk	
1	what I see a	s the main	advantage	es of the new	system.	
2	the situation	n into some	kind of p	erspective.		
3	you through	our basic d	lebt mana	gement proc	edure.	
4	detailed rec	ommendatio	ons regard	ling our own	R&D.	
5	in more dep	oth the impl	ications c	of the data in	the files in from	t of you.

Highlight all the verb phrases above, eg. talking to you about, making a few observations about. Notice it is not the verb alone, but the whole phrase you need to learn.

## **PRESENTATION**

Prepare to int	croduce and sta	te the purpose of a	presentation of	of your ov	wn by com	pleting the
notes below.	Then present y	our introduction.				

Perhaps we should begin.	or OK, let's get started.
Good morning / afternoon / eveni	ng, everyone.
Thanks for coming. I'm	And, as you know, I
This morning I'm going to be	– talking to you about
	– telling you
	– showing you
	– reporting on
	- taking a look at
So, I'll start off by	- filling you in on the background to
	<ul> <li>bringing you up-to-date on</li> </ul>
	- giving you an overview of
	<ul> <li>making a few observations about</li> </ul>
	- outlining
	H. 1971
And then I'll go on to	- highlight what I see as the main
	- put the situation into some kind of perspective
	- discuss in more depth the implications of
	– talk you through

- make detailed recommendations regarding

## Stating Your Purpose 2

When you give a presentation in English, clarity is very important, particularly if there are non-native speakers in your audience. It often helps if you state your purpose at each stage of your talk as well as at the beginning.

#### **TASK**

Cross out the verbs which do not fit in the following presentation extracts. The first one has been done for you as an example.

- 1. First of all, I'd like to preview / overview / outline the main points of my talk.
- 2. Perhaps I should start off by **pointing / stressing / reminding** that this is just a preliminary report. Nothing has been finalized as yet.
- 3. But later on I will, in fact, be putting forward / putting out / putting over several detailed proposals.
- 4. One thing I'll be dealing with / referring / regarding is the issue of a minimum wage.
- 5. And I'll also be asking / raising / putting the question of privatization.
- 6. So, what we're really **driving at / aiming at / looking at** are likely developments in the structure of the company over the next five to ten years.
- 7. If we could just **draw / focus / attract** our attention on the short-term objectives to begin with.
- 8. The eighteen-month plan, which by now you should've all had time to look at, outlines / reviews / sets out in detail our main recommendations.
- 9. Basically, what we're **suggesting / asking / reviewing** is a complete reorganization of staff and plant.
- 10. I'd now like to **turn / draw / focus** my attention to some of the difficulties we're likely to face.
- 11. I'm sure there's no need to draw out / spell out / think out what the main problem is going to be.
- 12. But we do need to seriously ask / answer / address the question of how we are going to overcome it.
- 13. The basic message I'm trying to get through / get across / get to here is simple. We can't rely on government support for much longer.
- 14. Disappointing end-of-year figures underline / undermine / underestimate the seriousness of the situation.
- 15. And the main conclusion we've **thought** / **got to** / **come to** is that massive corporate restructuring will be necessary before any privatization can go through.

## Effective Openings

Communications experts are all agreed that the first three minutes of a presentation are the most important. They talk about 'hooks' – simple techniques for getting the immediate attention of the audience. A good start makes you feel more confident. Here's how the experts suggest you 'hook' your audience:

- 1. Give them a problem to think about.
- 2. Give them some amazing facts.
- 3. Give them a story or personal anecdote.

## cass TASK

Look at the presentation openings below and divide them under three headings:

		STORIES
I PROBLEMS	AMAZING FACTS	

### What do you think each presentation was about?

- 1. Did you know that Japanese companies spend four times more on entertaining clients in a year than the entire GDP of Bulgaria? 40 billion dollars, to be precise. You know, that's twice Colombia's total foreign debt. You could buy General Motors for the same money.
- 2. **Suppose** your advertising budget was cut by 99% tomorrow. **How would you** go about promoting your product?
- 3. According to the latest study, by 2050 only one in every four people in Western Europe will be going to work. And two will be old age pensioners.
- 4. You know, R&D is 90% luck. When I think about creativity, I'm reminded of the man who invented the microwave oven. He spent years messing around with radar transmitters, then noticed the chocolate in his pocket was starting to melt!
- 5. Statistics show that in the last ten years more people have legally emigrated to the United States than to the rest of the world put together about half a million of them a year, in fact. Now, over ten years, that's roughly equivalent to the population of Greece.
- 6. Have you ever wondered why it is that Americans are easier to sell to than Europeans? And why nine out of ten sales gurus are American? You have? Well, if I could show you what stops Europeans buying, would you be interested?

- 7. I read somewhere the other day that the world's highest paid executive works for Disney and gets \$230 million a year. Now that's about \$2000 a minute! That means he's currently making more money than Volkswagen.
- 8. How many people here this morning hate going to meetings? Just about everybody, right? Well, imagine a company where there were never any meetings and everything ran smoothly. Do you think that's possible?
- 9. Have you ever been in the situation where you've had to negotiate with the Japanese? I remember when I was working in Nagoya and everybody had told me the Japanese don't like saying no. So in meetings I just kept saying yeah to everything. And they hated it. It turned out yeah sounds like no in Japanese!

#### **PRESENTATION**

Use the frames below to help you prepare effective openings, using the problem, amazing facts, or story technique. Whatever technique you choose, prepare your opening carefully. You should always know exactly how you are going to start.

PR	OBLEM TECHNIQUE
1.	Suppose
2.	Have you ever wondered why it is that
	Well, if I could show you ? You have?
3.	How many people here this morning / afternoon / evening
	Well, imagine
	Do you think that's possible?

AN	IAZING FACTS TECHNIQUE
	Did you know that
3.	Statistics show that

ST	ORY / ANECDOTE TECHNIQUE
1.	You know,
2.	Have you ever been in the situation where ?  I remember when

## Signposting

In a good presentation, what you say – the content – is much more important than anything else. But a clear structure helps. When you move on to your next point or change direction, tell the audience.

You can do this easily and effectively, using simple phrases as 'signposts' to guide the audience through your presentation:

To move on To expand on To digress To go back To recap

To conclude

To summarize

To turn to

To elaborate on

### TASK 1

Choose one of the 'signpost' expressions from the	box above for the following situations:
1. When you want to make your next point.	То
2. When you want to change direction.	То
3. When you want to refer to an earlier point.	То
4. When you want to repeat the main points.	То
5. When you want to give a wider perspective.	То
6. When you want to do a deeper analysis.	То
7. When you just want to give the basics.	То
8. When you want to depart from your plan.	То
9. When you want to finish your talk.	То

#### cass TASK 2

These nine basic signposts are all you need, but you have to remember them automatically. Listen to your cassette or your teacher. When you hear an instruction, for example, make your next point, write the correct phrase:

1.			٠		•	•	٠		•	٠	.•		٠						•			٠	•	٠	•	•		٠	•	•						•
1. 2.			٠	•								•			•		•	•			•					•		•								
3.				٠			. •			٠	٠	•			•		•						٠			٠		٠					•	•		
4.	٠	•			•		•					•	. •								•	٠	. •		•		٠		٠						•	•
5.		•			•					•		•			•	٠	•				•		٠	٠	٠	٠										٠
6.		•		٠	•	•									٠		•			٠	٠	. •	٠	•			•		•	٠						•
7.		•			•	٠	٠	•		•		٠	٠	٠			•		•	٠	٠	•		٠		٠	•		٠	•	•	•				
8.																																				
9.																																				

### cass TASK 3

Once you know the nine basic signposts, you can build them into the points you make to give direction and coherence to your presentation.

Complete the following signpost phrases and sentences using the notes to help you. Say them first. Then write them down. The first one has been done for you as an example.

1.	Moving on / question / the US market,  Moving on to the question of the US market,
2.	Expand / the figures / last year,
3.	I'd like / recap / the main points.
4.	Let's go back / question / clinical research methods.
5.	Digress / a moment, let's consider / alternatives.
6.	Going back / a moment / the situation last year,
7.	Let's turn now / our targets / the next five years.
8.	I'd like / turn now / our projections / year 2005.
9.	Go back / the main reason / our collaboration / the Germans,
10.	I'd like / expand / that / little, before we move on.
11.	Let's go back / a moment / what we were discussing earlier.
12.	Let me expand / some / the main points / our proposal.
13.	Elaborate / that / little / those of you / aren't familiar / Russian business practices,
14.	If I could just move on / some / the problems we face / Central / Latin America,
15.	$I'd\ like\ /\ conclude\ /\ I\ may\ /\ repeating\ what\ I\ said\ /\ the\ beginning\ /\ this\ presentation.$

Present the signpost sentences above until you feel comfortable saying them.

Neat, short signposts are more effective than long explanations of the structure of your presentation. Remember, the simplest way to signpost the end of one stage of your presentation and the beginning of the next is to say:

OK. So, ...

## Survival Tactics

Giving a presentation in a foreign language is a challenge. Concentrate too hard on the facts and you make language mistakes. Concentrate too hard on your English and you get your facts wrong.

#### TASK 1

If you have problems during your presentation, don't panic. Pause. Sort out the problem and continue. Here are the eight most common problems people face. Match what you think with what you say:

### WHAT YOU THINK

- 1. I've got my facts wrong!
- 2. Too fast! Go back.
- 3. I've forgotten to say something!
- 4. Too complicated! Make it simple.
- 5. I'm talking nonsense.
- 6. How do you say this in English?
- 7. Wrong! Try again.
- 8. I'm running out of time!

#### WHAT YOU SAY

- a. So, let's just recap on that.
- b. So, basically, what I'm saying is this . . .
- c. Sorry, what I meant is this . . .
- d. Sorry, I should just mention one thing.
- e. So, just to give you the main points here...
- f. Sorry, let me rephrase that.
- g. Sorry, what's the word / expression?
- h. Sorry, perhaps I didn't make that quite clear.

Notice how some of the words are stressed in each phrase. Repeat the phrases until you feel comfortable saying them.

## **MASK 2**

Knowing how to get out of difficulty in a presentation is essential. If you learn these expressions by heart, you will be able to do it automatically and, therefore, confidently. Listen to the following problems and use the correct survival phrase.

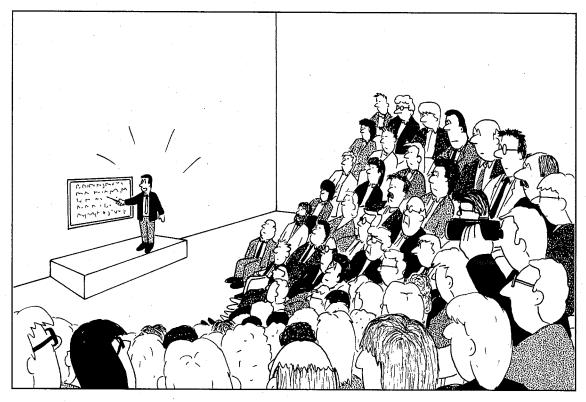
- 1. Facts wrong!
- 2. Too fast!
- 3. Forgotten something!
- 4. Too complicated!
- 5. Talking nonsense!
- 6. Don't know the English!
- 7. Sounds wrong!
- 8. No time!

- > Sorry, what . . . meant . . . . this.
- > So, let's . . . recap . . . that.
- > Sorry, .... should .... mention .... thing.
- > So, basically, . . . saying . . . this.
- > Sorry, perhaps . . . . didn't make . . . . clear.
- > Sorry, ... word ... looking for?
- > Sorry, let . . . rephrase . . . .
- > So, just . . . . give . . . . main . . . . here.

Repeat this activity several times until you can do it automatically.

# Exploiting Visuals

How to use visual aids to maximum effect



"I hope you can read this from the back."

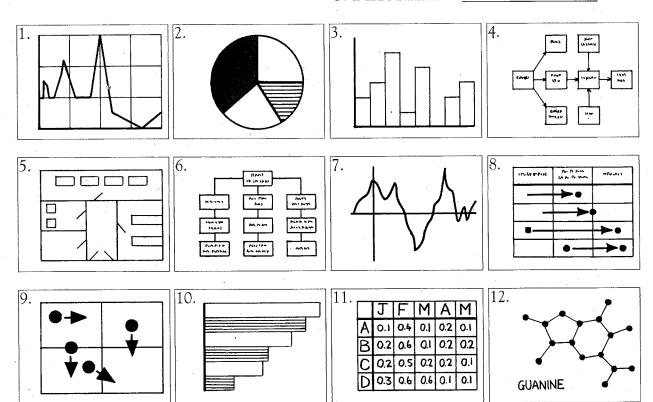
## Introducing Visuals

Visuals are important in any professional presentation. But when you give a presentation in a foreign language, they are even more important. Visual information is highly memorable and reduces the amount of talking you have to do. Good visuals speak for you.

### TASK 1

Divide the visuals below into three groups:

- 1. GRAPHS
- 2. CHARTS
- 3. DIAGRAMS



What sort of visuals do you regularly use in your job?

You don't need to know all the names of the different types of visual in order to present them. Simply say:

> Take a look at this. Have a look at this.

> > As you can see, here... and here... .

American English prefers take (take a look, take a shower, take a break).

British English prefers have (have a look, have a shower, have a break).

## **COSE TASK 2**

Effective presenters introduce and highlight visual information briefly and clearly. Remember to keep everything simple. Write out the following sentence fragments in the correct order to make complete presentation extracts. The cassette provides a good model for you. Use it to check your answers after you have done the exercise.

#### EXTRACT 1

see, it's a fairly typical growth Have a look at stages of its development. The vertical axis and the horizontal this graph. As you can shows turnover in millions of dollars curve for a young company in the early axis represents the years 1990 to 1996

#### EXTRACT 2

productivity of our European levels in the Netherlands, shown looking at very clearly plants, and gives you some The graph we're here, exceed the rest idea of how far production demonstrates the comparative

#### EXTRACT 3

products. Let's take a closer which shows the current growth sector I'd like you position of six of our leading movement in the high to look at this chart, look for a moment at product

,					
,					
		*			
	 <u> </u>				 
		•	4		
		*			

Now underline the most useful expressions used to introduce visuals and highlight key points.

## Commenting on Visuals

Visuals help you to give a lot of information in a short space of time. They are really 'quick snapshots' of situations, developments, events and processes which would take a long time to explain fully in words.

Good visuals speak for themselves and require little or no description, but you often need to draw your audience's attention to one or more key points before you discuss them in more detail:

1. Highlights

Which parts of the visual are most significant?

about

2. Comments

Why?

on

to

3. Interpretations What conclusions can you draw?

#### TASK 1

These expressions highlight important information in a visual. Complete them using the following words:

at

out

	us to look	1 this part of the graph in more detail.
	us to focus our attention	2 one particularly important feature.
I'd like	you to think	3 the significance of this figure here.
	to point	4 one or two interesting details.
,	to draw your attention	5 the upper half of the chart.

#### TASK 2

These expressions comment on important information in a visual. Complete them using the following words:

	lt	As	Whatever	Whichever	However
1 y	ou can	see, the	ere are several	surprising deve	elopments.
2 y	ou look	at it m	ore closely, yo	ou'll notice a co	ouple of apparent anomalies.
3 y	ou try t	o expla	in it, this is v	ery bad news.	
4 t	he reasc	ons for	this, the unde	rlying trend is	obvious.
5 v	ay you	löok at	it, these are	some of our bes	t results ever.

## TASK 3

These expressions interpret important information in a visual. Complete them using the following words:

lesson message	significance conclusio	ons implications
3	of this are	clear to all of us.
4	of this is	
5	here is	
	1	1 to be drawn from to be learned from

Now highlight all the useful expressions, eg. I'd like us to look at, I'd like us to focus our attention on etc.

## TASK 4

to all of us.

In the box below prepare a visual which is relevant to your work, company or interests. Present it several times, using the suggested expressions to help you.

Introduction and Explanation
Take a look at this / Let's have a look at this / I'd like you to look at this. Here we can see
Highlights and Comments
I'd like us to look at in more detail. As you can see, I'd also like to draw your attention to
Interpretations
I'm sure the implications of this / the conclusions to be drawn from this are clear

## Change and Development 1

In many professional presentations you need to talk about changes and developments. Usually a visual will explain these for you. But if you do not have a visual to illustrate a particular point, you need the specialized language of change and development.

### TASK 1

Here are the most important verbs used to talk about change and development. Complete them by adding the vowels a, e, i, o and u.





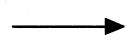






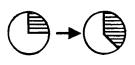


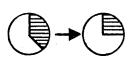












$$16.\ h_t _ l_w - 18.\ g\ r_w$$

11.p_ck _p 13.1_v_1 _ff

20. s h r 
$$_$$
 n k

## TASK 2

Now answer the following questions:

- 1. Which of these verbs are irregular (eg. rise rose risen)?
- 2. Which can be both a verb and a noun (eg. to rise a rise)?
- 3. Which can be changed into a noun (eg. fluctuate fluctuation)?

## Change and Development 2

Sometimes it is not enough to talk about increases and decreases. You may also want to draw your audience's attention to the scale and speed of the change and comment on its significance.

### TASK 1

Write the following adjectives in the correct space on the diagram below according to what kind of change they describe:

a(n)	substantial disastrous	rapid moderate	encouraging disappointing	slight steady	spectacular enormous	increase
	BIG	_	FAST	<u>`</u>	GOOD	>
	1	•	·		7	
	2	•	5		8	
	3	·	6		9	
	4	•			10	- 1
	SMALL	>	SLOW	7	BAD	

Which of the words above mean more or less the same as the following:

c. significant..... d. tremendous......

#### TASK 2

Cross out the word which does not fit in the following sentences:

- 1. Demand increased slightly / steadily / tremendously / disappointingly.
- 2. Interest rates rose sharply / considerably / keenly / marginally.
- 3. Profitability slumped moderately / disastrously / suddenly / rapidly.
- 4. The price of oil fluctuated enormously / wildly / gradually / dramatically.

Now re-write the sentences above using a noun instead of a verb:

- 1. There was a(n)......

## Change and Development 3

Except in complex technical and scientific presentations, you don't usually need to quote precise figures. It is better to include these in a handout or report given out before or after your talk.

It can be helpful, however, when describing very detailed visual aids, to mention *overall* trends and *approximate* figures.

### MSS TASK 1

Below you will find an extract from a presentation comparing stock market performance in four European countries. Complete it using the words given in the lists.

### PART 1

around at downs so upward o

First, let's have a look at this graph, which shows us the ups and 1) . . . . . . in the 'footsie' over the last three months. As you can see, the overall trend is (2) . . . . . with the index finishing up (3) . . . . . (4) . . . . . . 3,200 in mid-May. This trend, however, can't hide the fact that there was a fall (5) . . . . . some eighty points or (6) . . . . . . between the middle of February and the beginning of March. We'll be looking at the reasons for this unexpected dip in a moment.

#### LONDON

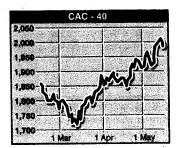


#### PART 2

at about of over to from

In Paris it's been the same story, with the CAC falling (1) . . . . . just (2) . . . . . 1850 in mid-February (3) . . . . . (4) . . . . . . 1720 three weeks later. Again, though, overall performance has been good, the CAC putting on roughly 120 points over the three-month period, peaking (5) . . . . . just short (6) . . . . . . 2020, give or take a point.

#### **PARIS**



#### PART 3

down between over of by downward

As you can see, the picture in Milan is rather different. The early trend was decidedly (1) . . . . . . In fact, the MIBTel had already fallen (2) . . . . . in excess (3) . . . . . . 1400 points by mid-March.

It then fluctuated (4) ........ 9700 and 9300 for the best part of a month, before partially recovering to end up well (5) ...... a hundred points (6) ...... on the figure for mid-February.

### MILAN

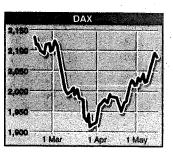


### PART 4

for in below near down up

If anything, the DAX has fared rather worse. In mid-February it was well (1) . . . . . at getting on (2) . . . . . . 2200 and looking strong. But by the end of March it was way (3) . . . . . the 1950 threshold and nowhere (4) . . . . . . where our forecasts had put it. And it's still well (5) . . . . . at somewhere (6) . . . . . the region of 2080.

#### **FRANKFURT**



## TASK 2

Now try to remember some of the phrases from the presentation which could be of use to you:

1 and downs	6. the overall
2. a rise of ten points	7. an unexpected
3. give or a point	8. in the of 1080
4. just of 2000	9. a couple of weeks
5. the part of a week	10. getting for 1800

## **PRESENTATION**

Complete the visuals below with information relevant to your work, company or interests. Make a few notes on each before you present them. You don't need to describe the visuals in detail. Give approximate figures and point out the overall trends and developments.

	notes
,	
	notes
	_
	notes
	,
LICELII MODDO AND EVDDECOLONIO	
USEFUL WORDS AND EXPRESSIONS just over just under	well over well under
about / around approximately	roughly more or less

just short of

nowhere near

in the region of

getting on for

## Cause, Effect and Purpose

As a presenter, your job is not just to present facts, but also to explain the reasons behind the facts and their likely causes and effects. English has a lot of expressions which are used to link cause, effect and purpose, but these are mostly used in written reports. The language used in presentations is often much simpler. Compare the following:

#### **REPORT**

TQM was introduced in order to increase efficiency. The introduction of TQM led to a 20% increase in efficiency. The 20% increase in efficiency was a result of the introduction of TQM.

1 TV assessment of the launch lad to a significant increase in our

#### **PRESENTATION**

We introduced TQM to increase efficiency. We introduced TQM and efficiency increased by 20%. Efficiency increased by 20% because we introduced TQM.

Notice also how noun phrases (the introduction of TQM, a 20% increase in efficiency) are more common in reports, and verb phrases (we introduced TQM, efficiency increased by 20%) are more common in speech.

#### TASK 1

Look at the following extracts from a report. Change them into what you might say in a presentation, using and, because and to. Remember to change noun phrases into verb phrases where possible. The first words are given:

Τ.	I v coverage of the fautich led to a significant increase in customer response rate.
	The launch
2.	There has been a dramatic fall in operating costs as a result of last year's efforts.
	Operating costs
3.	Product modifications may be needed in order to remain internationally competitive.
:	We
4.	Market entry was successful due to our competitive pricing strategy.
	We
5.	Investment was increased so as to take advantage of the upturn in the economy.
	We
6.	The slowdown in growth was caused by a loss of corporate confidence.
	Growth

TASK 2 Sort the following expressions:

thanks to	brought about	gave rise to	can be traced back to
accounts for	owing to	resulted in	is attributable to

CAUSE (because)	AUSE (because) EFFECT (and)	

#### **PRESENTATION**

Present the graph below. Don't worry about quoting precise dates and figures, but pay particular attention to the language of cause, effect and purpose. Remember, and, because and to are usually the only words you will need. The graph has labels to help you.

