

U17 - KEYS

Student's Book: p.89 – suggested answers to the questions

SUGGESTED ANSWERS

- 1 The 'tech bubble' is also often called the 'dot-com boom' or the 'dot-com bubble': the rapid, speculative rise and even more rapid fall of the price of internet company stocks between 1995 and 2001. A 'bubble' means prices which rise and fall a great deal in a short period of time.
- 2 'Boy' suggests youth and immaturity – after all, most of the people working in finance are adults – but also excessively competitive, testosterone-fuelled, masculine, 'alpha male' behaviour. (There is also an expression common in London, 'wide boy', meaning a working-class male who lives by his wits and wheeling and dealing, and a common prejudice – or a realization? – that the City is full of such people.)
- 3 This suggests that the entire industry of financial experts and analysts is trying to say clever-sounding things that actually have little meaning, in order to sound like specialists and thereby earn a living.
- 4 Shorting shares means borrowing shares from a fund or company that isn't planning to sell them in the short term, selling them, waiting for their price to fall, and then buying them back at a lower price and returning them to their original owner.
- 5 The investment banks had to encourage their analysts and brokers to spend more time working with hedge funds than with their traditional institutional clients because they make money from each transaction and the hedge funds were making many more transactions than traditional clients.

5.4 – Market Price Idioms (**WORKSHEET** of 29 March)

1a 2d 3c 4b 5c 6d 7d 8c 9c/d 10c/d 11c 12c/e 13c/e 14d 15a 16d 17b 18d 19a 20c 21d
22d 23e 24b 25a 26b 27a 28a 29d 30a/b

Translation practice:

Součástí kapitálového trhu mohou být primární nebo sekundární trhy. Na primárním trhu se objevují první emise cenných papírů od emitentů, kteří mají tuto fázi plně pod kontrolou a přesně ví, kteří investoři si kupují jejich cenné papíry, tedy vůči komu mají emitenti závazky. Nejčastějšími cennými papíry, se kterými se obchoduje na primárních trzích jsou vydané akcie. Emitent (akciová společnost) u této emise přesně ví, kdo jsou akcionáři, a hlavně kdo nese již zmíněné práva – právo na podíl na zisku, na řízení společnosti a na likvidačním zůstatku. Na sekundárním trhu se obchoduje s již emitovanými cennými papíry a emitenti ztrácejí vazbu mezi investory (majiteli cenných papírů), protože jakákoli změna majitelů a přeměna peněžních prostředků probíhá pouze mezi investory.

A possible version of the translation into English:

A capital market may include primary or secondary markets. In a primary market, there are initial share issues from issuers who take full control of this stage and know exactly

what (kinds) of investors purchase their shares, i.e. to whom the issuers are to meet their liabilities. The most frequently traded securities in primary markets are the (newly) issued securities. At an IPO, the issuer (a plc / an incorporated company) is well informed about who the shareholders are and, above all, who holds the mentioned rights – the right to a share of profits, management of the company, and liquidation balance. A secondary market trades securities that have already been issued and issuers lose a relation/rapport with investors (holders of securities) since any change in the ownership and conversion of funds only/solely takes place between investors.
