

## Types of shares

A share (in British English) or a stock (in American English) is a security representing a portion of the nominal capital of a company. (In Britain “stock” is used to refer to either a block of shares with a nominal value of £100, or various kinds of fixed-interest securities.)

Complete the following using the phrases in the box:

<b>barometer stocks</b>	<b>blue chips</b>	<b>defensive stock</b>	<b>equities</b>
<b>deferred shares</b>	<b>growth stock</b>	<b>preference shares or preferred stock</b>	
<b>mutual fund</b>	<b>ordinary shares</b>	<b>participation certificates</b>	

1. Another name for stocks and shares is \_\_\_\_\_, because all the stocks or shares of a company - or all those of a particular category - have an equal nominal value.
2. \_\_\_\_\_ (US: common stock) are often the only kind of shares with voting rights.
3. Some companies issue \_\_\_\_\_ which, like shares, grant their holders part of the ownership of a company, but usually without voting rights.
4. \_\_\_\_\_, as their name suggests, usually receive a fixed dividend, which must be paid in full before any dividend is paid on other shares. But because interest payments are tax deductible, and dividends are not, many companies now issue bonds instead.
5. \_\_\_\_\_ (or stock), again as the name suggests, do not receive a dividend until other categories of shares have had a dividend paid on them, but might earn a higher dividend if the company does well.
6. Securities in companies that are considered to be without risk are known as \_\_\_\_\_.
7. Widely-held stocks (e.g. blue chips or 20-year Treasury Bonds) that can be considered as indicators of present and future market performance are known as \_\_\_\_\_ (GB) or bellwether stocks (US).
8. A \_\_\_\_\_ or share is one that is expected to appreciate in capital value; it usually has a high purchasing price and a low current rate of return.
9. A \_\_\_\_\_ or income stock or share is one that offers a good yield but only a limited chance of a rise or decline in price (in an industry that is not much affected by cyclical trends).
10. A way of spreading risks is to invest in a unit trust (in Britain) or a \_\_\_\_\_ (in the US), organizations that invest small investors' money in a wide portfolio of securities.

## Market Price Idioms

Classify the following expressions according to whether you think they mean:

- (a) the price rose a little
- (b) the price rose a lot
- (c) the price fell a little
- (d) the price fell a lot
- (e) the price was almost unchanged.

1. After early losses, the Dow Jones rallied to finish ten points up.
2. Boeing shares plummeted after a door fell off a 747 taking off from Dulles International Airport and landed in the White House garden.
3. Chrysler continued to drift, finishing 75 cents down at 45 and a half.
4. CIBA-Geigy shares rocketed after the company announced the discovery of a drug that will cure people of wanting to make a fortune on the stock market.
5. Compaq stock suffered a small setback, losing \$2.25.
6. EuroDisney shares sank again to FF2.35 after Mickey got caught in a mousetrap.
7. Eurotunnel shares went through the floor, finishing at 0.14.
8. Gold slipped back a little to \$385.40.
9. Hill-I.ewis shares took a knock, after the news that company chairman Stuart Tipping had resigned.
10. IBM stocks suffered a drop after disappointing quarterly results were released.
11. In Frankfurt, the DAX index failed to halt its slide, finishing 6 points down.
12. In Lisbon, shares were slightly weaker in light trading.
13. In Milan, shares eased slightly in subdued trading.
14. In New York, the Japanese yen slumped to 123 to the dollar.
15. In Paris, the CAC-40 recovered slightly, finishing up by 0.32%.
16. In the Philippines, shares took a tumble in heavy late trading, with the Manila Index closing at 2507.33.
17. In Tokyo, shares rebounded, the Nikkei closing at 20677.83.
18. In Hong Kong, the Hang Seng Index plunged to 8269.44.
19. On Wall Street, most of the leading stocks were firmer.
20. Philip Morris also dipped, down 75 cents to \$52.75.
21. Shares fell sharply across the board in Jakarta this morning.
22. Shares of Tottenham Hotspur Football Club crashed to a record low of 16p after the team lost their fourteenth successive home game on Saturday.
23. Silver was steady at six hundred and thirty-five cents an ounce.
24. The Deutschmark jumped after the weekend's election results, finishing at 0.598 against the dollar.
25. The dollar was slightly stronger in active trading yesterday.
26. The Dutch guilder leapt to an all-time high after gold was discovered in the mountains outside Amsterdam.
27. The pound revived a little, finishing 2 pfennigs up.
28. The Swiss franc advanced a little to 2.14.
29. Thirty-five points were wiped off the Footsie as shares took a beating in London.
30. Volkswagen staged a comeback, finishing up 14.