BUILDING VOCABULARY 1
Circle the one correct answer

1. Discounts are sometimes offered as ...
   a) an interim
   b) an inventory
   c) an investment
   d) an incentive

2. After a period of recession the market usually ___.
   a) sets off
   b) picks out
   c) picks up
   d) sets out

3. Which of the following does not go with “production”?
   a) offshore
   b) outsourced
   c) local
   d) third

4. If you get rid of something, you ___.
   a) erase it
   b) found it
   c) invent it
   d) encourage it

5. The unemployment ___ is currently very high.
   a) grade
   b) rate
   c) degree
   d) roof

6. “Manifold interpretations” means having ...
   a) five meanings
   b) many meanings
   c) no meaning
   d) a human meaning

7. When there is a problem, you must ____.
   a) handle it
   b) meet it
   c) dissolve it
   d) affront it

8. Someone who is up-to-date ...
   a) needs improving
   b) is well informed
   c) is about to retire
   d) is old fashioned

9. IMF stands for International ____ Fund
   a) Management
   b) Migration
   c) Monetary
   d) Monument

10. Small businesses are often referred to as
    a) PMIs
    b) SMCs
    c) SMEs
    d) MSBs

11. The citizens of Finland are known as ...
    a) Finished
    b) Fines
    c) Finns
    d) Finlanders

12. Which of the following would you expect to find in an article about multicultural marketing?
    a) smuggling, trafficking, asylum
    b) advertising, children, pester power
    c) local appeal, culture, brand image
    d) promotion, new business, trade organisations.
BUILDING VOCABULARY 2  Circle the one correct answer

1. Which of the following does not mean “growing”?  
   a) escalating  
   b) increasing  
   c) rising  
   d) plunging

2. If you “discard” something you …  
   a) get rid of it  
   b) store it  
   c) receive it  
   d) return it

3. Which of the following cannot be used with “policy”?  
   a) domestic  
   b) national  
   c) foreign  
   d) abroad

4. A free ticket can also be defined as …  
   a) concessionary  
   b) gratuitous  
   c) liberal  
   d) complimentary

5. A text on foreign trade will probably include which of the following?  
   a) trend, fabrics, pattern, outlets  
   b) fairs, co-operation, policies, borders  
   c) local appeal, customs, culture, image  
   d) billboards, commercials, promotion, brands

6) When something is “outdated” it is …  
   a) avant-garde  
   b) well-informed  
   c) old-fashioned  
   d) past it’s sell-buy date

7. A concept which is “seldom defined” is …  
   a) clearly explained  
   b) rarely explained  
   c) frequently explained  
   d) indefinable

8. VAT stands for Value ____Tax.  
   a) applied  
   b) added  
   c) augmented  
   d) analysis

9. A skilled worker is someone who is …  
   a) highly trained  
   b) illiterate  
   c) uneducated  
   d) lazy

10. Local authorities give ___ to people in difficulty.  
    a) substantives  
    b) substances  
    c) subsidies  
    d) subsidiaries

11. The citizens of Denmark are known as …  
    a) Daners  
    b) Danes  
    c) Dutch  
    d) Danes

12. The opposite of alluring is …  
    a) attractive  
    b) enticing  
    c) repelling  
    d) appealing
Complete the text with the words below.
partner  competition  reforms  population  customs
provided  binding  promotes  assistance  investing

Generating broadly spread and sustainable economic growth is the single most important objective for Australia over the next ten years.
Growth-promoting (1) REFORMS need to be combined with the right policies to ensure that the poor are included in the benefits and opportunities (2) PROVIDED by growth.
In order to increase economic growth in (3) PARTNER countries, Australia is improving the policy and regulatory environment for private sector growth. The aid program (4) PROMOTES environments conducive to private sector development, including encouraging (5) COMPETITION and cutting red tape. This also includes promoting trade by offering (6) ASSISTANCE for trade analysis, trade policy and trade facilitation, such as by providing more efficient (7) CUSTOMS and quarantine services.
It also aims to support the drivers of growth by (8) INVESTING in infrastructure. Poor infrastructure is a (9) BINDING constraint to growth in Asia, while in the Pacific access to infrastructure in rural environments - where 80 per cent of the (10) POPULATION lives, is a priority.

Read the following sentences and decide if they are True or False

<table>
<thead>
<tr>
<th>Sentence</th>
<th>True</th>
<th>False</th>
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<tbody>
<tr>
<td>1. When sales plummet, a business increases its revenues.</td>
<td></td>
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<td>2. Anything of material value, or usefulness, that is owned by a person, or company, is known as an asset</td>
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<td>3. When a business is &quot;leveraged,&quot; it means that it has borrowed money to finance the purchase of assets.</td>
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<td>4. Empowerment is authority or power given to someone to do something.</td>
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<td>5. Equity can indicate equality among company employees.</td>
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<td>6. Company culture refers to the general knowledge of its employees.</td>
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<td>7. When you pinpoint something, you identify a specific position or detail.</td>
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<td>8. A commodity is a basic good or natural resource used in commerce.</td>
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<td>9. If your prices are low and your products are of good quality you probably have an uncompetitive edge.</td>
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<td></td>
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<td>10. Counterfeit products improve brand reputation.</td>
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</table>
Modify the words in brackets to complete the text correctly.
Cross culture is becoming increasingly important as the success of INTERNATIONAL (NATION) trade depends upon the smooth INTERACTION (INTERACT) of workers from different cultures and regions. A growing number of companies are devoting substantial resources toward training their workers to interact EFFECTIVELY (EFFECT) with those of companies in other cultures in an effort to cultivate a positive cross-cultural experience. In addition, cross culture can be experienced by an EMPLOYEE (EMPLOY) who is transferred to a location in another country. He or she must learn the COMMUNICATION (COMMUNICATE) styles and culture of those around him and vice-versa. Cross culture initiatives can be more difficult to implement if an worker is acting in a MANAGERIAL (MANAGER) capacity; someone in a LEADERSHIP (LEAD) position who cannot EFFECTIVELY (EFFECT) communicate with or understand his employees' actions can lose CREDIBILITY (CREDIBLE). In an ever-expanding global economy, cross culture and ADAPTABILITY (ADAPT) will continue to be important factors in the business world.

Corporate governance: Lessons from the financial crisis. Use the words in the table to complete the text.

<table>
<thead>
<tr>
<th>accountable</th>
<th>performance</th>
<th>Lack</th>
<th>rising</th>
<th>principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>executive</td>
<td>remuneration</td>
<td>Policymakers</td>
<td>monitoring</td>
<td>understandable</td>
</tr>
</tbody>
</table>

If there is one major lesson to draw from the financial crisis, it is that corporate governance matters. Directors, regulators and shareholders, but also POLICYMAKERS (1) and the general public, need to pay more attention to corporate governance. This tells us how firms operate, their motives and PRINCIPLES (2), their reporting lines, who they are ACCOUNTABLE (3) to, and how they manage profit, REMUNERATION (4) and, in the case of many financial firms, other people's money. When times were good, too many people stopped MONITORING (5) the situation and now we see the consequences. The public outcry has been loud and UNDERSTANDABLE (6), not least in relation to EXECUTIVE (7) pay. And even some of these have now admitted the LACK (8) of relationship between pay and PERFORMANCE (9) and called for a salaries shake-up. We now realise that constantly RISING (10) share prices is not necessarily a sign of good corporate governance. In fact, as recent history shows, it could actually be the opposite.

GRAMMAR: Choose the one correct answer.
The 2007 financial crisis is the breakdown of trust within the financial system. It was caused by the subprime mortgage crisis, (1) who/what/which/ itself was caused by the (2) use/using/uses/ of derivatives. It began (3) in/in the/on/ 2007 with a crisis in the subprime mortgage market in the US, and (4) had/have/was/developed into a full-blown international (5) banks/banking/bankers/ crisis with the collapse of the investment bank Lehman Brothers on September 15, 2008. Excessive risk-taking (6) of/by/for/ banks such as Lehman Brothers helped to magnify the financial impact globally. Massive bail-outs of financial institutions and other palliative monetary and fiscal policies (7) employed/were employed/have employed/ to prevent a possible collapse of the world financial system. The crisis was (8) despite/neverless/h owever/
followed by a global (9) economics/economic/economical/ downturn, the Great Recession. (10) That/The/- --/ European debt crisis, a crisis in the bank system of the European countries using the euro, followed later. High mortgage approval rates (11) lead/led/leading/ to a large pool of homebuyers, which drove (12) on/up/out/ housing prices. This appreciation in value caused large numbers of homeowners (subprime or not) to borrow against their homes (13) like/as/how/ an apparent windfall. This "bubble" would be burst by a rising single-family residential mortgages delinquency rate (14) began/beginning/begun/ in August 2006 and peaking in the first quarter, 2010]
The high delinquency rates (15) have brought/had brought/brought/ a rapid devaluation of financial instruments (mortgage-backed securities including bundled loan portfolios, derivatives and credit default swaps). As the value of these assets plummeted, the market (buyers) for these securities evaporated and banks who were heavily invested in these assets began to experience a liquidity crisis.