

READING

3 What sort of information do you expect to find in the business pages of a newspaper/on a news website?

4a Read the stories. Which are 'business bites' and which are 'economic bites'?

A _____ Paradise Place, the struggling luxury travel group, is seeking a substantial cash injection to avoid almost certain bankruptcy after recording further plunging profits this year. Any potential investor would be taking on \$56 million of debt. According to a spokesperson, the company could go into administration within weeks unless a buyer is found.

B _____ Trade in counterfeit goods in the UK has escalated. New figures show that the trade in pirate DVDs, fake designer goods and other aspects of the underground economy may have cost the government up to £1.5 billion in lost tax revenue in the past year. With tax revenues decreasing due to the economic slump, there is a real threat to future public spending, a spokesperson announced.

C _____ Still Beautiful, the make-up and beauty products giant, continues to go from strength to strength in a fiercely competitive market. Turnover and profits are well up on this time last year, particularly for its War Paint range. It has just announced a further expansion of its workforce with the creation of 2,000 new jobs and the opening of 350 new retail outlets across Europe over the next two years.

D _____ The Japanese stock market remains volatile. Yesterday was another day of heavy trading with share prices falling again. Although there was a slight recovery towards the end of the day, the forecast is bleak as market confidence remains low due to the effects of the global recession.

E _____ Business is booming for leading internet company Bubble and its subsidiaries in Australia and Southeast Asia. Pre-tax profits rose by 23 percent, according to interim results released this week, and sustained growth is forecast for the rest of the year, which will please shareholders. The reported acquisition of the poorly performing instant messaging app Chat Up could be completed by the end of next month. More good news is that the company's tax liability issues in the UK have now been resolved.

F _____ Another surge in Spanish unemployment figures has been announced today. Predictions are that they will reach a peak in the next three months. There are further gloomy forecasts that industry will be hit hard by the economic slump. Manufacturing output will drop sharply in the next quarter, say analysts, while capital investment by firms will plummet. Meanwhile the inflation rate continues to climb, edging towards 2.5 percent.

G _____ In the USA, falls in the exchange rate have led to a much more positive balance of trade. The trade deficit has been reduced significantly and the government hopes that this will stimulate growth and lead to a small surplus by early next year. There has been further speculation about the introduction of import tariffs and quotas to help the badly hit car industry.

4b Match the headings (1–7) with the stories (A–G).

- 1 Black market boom
- 2 Investment fears
- 3 Paradise lost?
- 4 Optimistic trade outlook
- 5 Takeover follows growth
- 6 Economy suffers downturn
- 7 Cosmetics firm expands

4c Read the stories again and answer the questions.

- 1 Which companies are doing well/badly?
- 2 Which economies are doing well/badly?

5 Find words or phrases in the stories with these meanings.

- 1 the failure of a business
- 2 not genuine/original products
- 3 money earned from sales during a particular period of time
- 4 shops
- 5 a period of negative growth
- 6 companies owned or controlled by a larger company
- 7 when one company buys another company (or part of one)
- 8 the general rise in prices
- 9 the difference between the value of a country's imports and exports
- 10 a negative balance of trade

6a Find words and phrases in the stories which refer to trends. Do they refer to an upward trend (↑), a downward trend (↓) or another type of trend?

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6b What other phrases referring to trends can you add to the list?

SPEAKING

7a **Deciding and justifying priorities**
You are responsible for the distribution of the public spending budget for your country (i.e. the income from taxes, loans, etc.). Think about the different areas of spending in the table on page 164 and follow these steps.

- 1 Fill in the budget for this year to show what you imagine the current situation is.
- 2 Decide on your priorities for next year.
- 3 Fill in the budget for next year.

7b Work in groups and present your ideas.

WRITING

8 Write a short summary of the main points of your budget.