

Economics - money and banks

Answer key and audioscript

A - Vocabulary

- | | |
|--------------------|-------------------------|
| 1. holds its value | 8. is taken for granted |
| 2. swap | 9. represent |
| 3. rare | 10. intrinsic |
| 4. currency | 11. liquidity |
| 5. barter | 12. commodity money |
| 6. guarantee | 13. Fiat money |
| 7. cash | |

B - Comprehension

- | | |
|-------------------------------|-----------------|
| 1. convenient | 6. everyone |
| 2. hold value | 7. circulate |
| 3. copper/ bronze/ gold/ salt | 8. coins/ notes |
| 4. copper/ bronze/ gold/ salt | 9. coins/ notes |
| 5. value | 10. guaranteed |

C - Listening

One of the earliest kinds of money that we know about was shells called cowries. Over 3,000 years ago, the people who lived around the Pacific and Indian Oceans started to use cowries as a kind of fiat money. They were still being used until quite recently in some societies. The first modern coins appeared about 2,500 years ago around the Mediterranean, in what is now Turkey. At first they were just lumps of silver, but someone, somewhere made a round, flat coin and the design stayed! It took a long time for paper money to appear. It was invented by the Chinese about 1,200 years ago, probably because there wasn't enough metal available for coins. It took many more centuries before the idea reached the rest of the world. For example, the first paper notes in Europe appeared in the 17th century in Sweden.

D - Vocabulary

- | | |
|---------------|------------------|
| 1. security | 6. transfer |
| 2. sensible | 7. ATM |
| 3. compensate | 8. make a living |
| 4. reliable | 9. deposit |
| 5. Accessible | 10. withdrawal |

E - Comprehension

1. It's safe and your money doesn't lose value. (paras. 1,2)
2. They are reliable. (para. 2)
3. They make their money accessible/ offer financial services like credit cards, cash transfers etc. (para. 3)
4. They charge interest on loans. (para. 4)
5. The central bank/The government (para. 6)

F - Listening

Fortunately it's very hard to make counterfeit money these days. However, there are a few fake notes out there, so how can you understand that a ten-pound note, for example, is the real thing.

First of all, just feel the note with your fingers. The paper is very good quality. It should not feel too thin or waxy. If you run your finger over the word Bank of England you can feel the letters are raised.

Second, look for the strip of metal that goes through the middle of the note. There is also a watermark. A watermark is a very, very light text or drawing on the paper. You can only see a watermark if you hold the note up to the light. On a ten-pound note, the watermark shows a picture of the Queen's head.

There's also a hologram. That's a special 3D picture made with lasers. The hologram on a ten-pound note shows Britannia, the Roman goddess. But if you tilt the note slightly, the hologram changes and shows the number ten.

If you look at the pound sign on the note with a magnifying glass, you'll see that it is not drawn with lines. It is drawn with tiny, tiny words that say: ten. This is called microlettering and it is very hard to copy.

Finally, if you put the note under a fluorescent light a hidden number ten, written in bright red and green, will appear. You often see shop assistants checking for this at supermarket checkouts when you hand them notes.

All of these features make modern banknotes very hard to forge, so you can be sure of what you've got in your wallet.

- | | |
|--------------------|------------------|
| 1. good quality | 5. Roman goddess |
| 2. Bank of England | 6. number 10 |
| 3. metal | 7. ten |
| 4. Queen's head | 8. red and green |

H - Writing

TRUE Bank

Join us today – Britain's most popular bank.

Who are we?

At TRUE Bank we have been providing our customers with quality service for over 30 years. We started with two branches in New York, and today we have 200 branches all over the country. So come into a branch and talk to us today.

Our quality service

We offer a wide range of accounts to suit all our customers. When you open a current account with 500 euros, we'll give you 50 euros to help you start out.

And that's not all – our regular savings account offers an interest rate of 3.4%. That's the highest you'll find today. Or choose our flexi-account which we can 'design' to suit your particular needs.

Our special schemes

We also have the best savings schemes on offer. We know it's important to plan for the future. You can trust our Pensions-4-U scheme – it is linked to inflation and offers bonus payments to long-term savers. For investors we offer our Super Investment Plan – and we personally guarantee that your money will grow. And don't forget – all our services are available online or on our internet site.

Contact us

So visit any of our branches today. Phone free-phone 0800 40000 for the address of your nearest branch. Our friendly staff will be glad to help you 24 hrs a day.

You can also email us at: truebank@mymail.com

Or visit our website: www.truebank.com