

Vocabulary of banking and finance

What do you know?

Choose the best answer. Then look at the text and check your answers.

- 1 Which country produced the world's first banknote?
a. England b. China c. Greece
- 2 Where is the world's oldest bank?
a. Greece b. Spain c. Italy
- 3 Which company produced the world's first traveller's cheques?
a. Thomas Cook b. Lloyds c. American Express
- 4 When was the world's first credit card issued?
a. 1950 b. 1960 c. 1970
- 5 Which company issued the world's first credit card?
a. American Express b. Visa c. Diner's Club
- 6 Where was the world's first cash-point machine (ATM)?
a. the USA b. the UK c. Switzerland

Banking has a rich and varied history. The word *bank* itself is related to the word *bench* and, historically, banks were simply individual moneylenders sitting on benches in the street. In the earliest times coins made of gold, silver and other metals were the only form of money. There are many examples of coins from Egypt, Ancient Greece and Rome in museums around the world. The world's first banknote appeared in China in the 14th century and the world's oldest bank, Banca Monte dei Paschi di Siena, opened in Italy in 1472. This bank is still in operation today and has branches throughout Italy.

Although it is believed that the first cheques were used in Ancient Rome around 350 BC, they did not come into general use until the 16th century, when traders in Amsterdam began to use them as a form of payment. The first traveller's cheques were introduced by American Express in 1891 and are still used as a safe way of taking money abroad. Credit cards were first introduced in 1950 as a means of paying restaurant bills by an American club called Diner's Club. Now billions of credit card transactions are made every day and other forms of payment, such as cheques, are beginning to die out.

Many people today get their cash from cash-points (or Automatic Teller Machines as they are called in the USA). The world's first cash-point machine was installed in Barclays Bank, Enfield, North London in June 1967. Things have come a long way since the first gold coins!

Vocabulary of banking and
finance

Jobs, tasks and responsibilities

Match the words on the left with the activities on the right.

- | | |
|--------------------------|--|
| 1 an accountant | a. gives expert advice to investors |
| 2 an auditor | b. is responsible for a branch of a bank |
| 3 a cashier | c. analyzes the financial performance of companies |
| 4 a bank manager | d. invests money in the stock market |
| 5 a financial consultant | e. inspects a company's accounts once a year |
| 6 an investor | f. works at a cash desk in a bank |
| 7 a stockbroker | g. prepares financial records for a company |
| 8 a customer | h. deposits money in a bank to earn interest |
| 9 a financial analyst | i. buys and sells shares in companies |
| 10 a saver | j. owes money |
| 11 a creditor | k. is a general word for a person who uses a bank |
| 12 a debtor | l. is owed money by another person or company |

Vocabulary of banking and finance**Key words**

Fill the gaps using words derived from the verbs in bold.

invest

- ① A person or organisation that invests money is called an _____.
- ② The money invested by a person or organisation is called an _____.

advise

- ③ A financial _____ is someone who advises clients where to invest their money.
- ④ Clients have to pay for this _____.

save

- ⑤ A _____ is a person who saves money.
- ⑥ The money that a person saves is known as their _____.

lend

- ⑦ The money lent by a bank to a client is called a _____.
- ⑧ A _____ is a bank or a financial institution from which a person or organisation borrows money.

bank

- ⑨ A _____ draft is a document used to transfer a large amount of money from one company to another, often to another country.
- ⑩ If you are _____, you officially admit that you have no money and you cannot pay your debts.

borrow

- ⑪ The cost of _____ increases when interest rates go up.
- ⑫ In the UK there are more _____ than investors.

Vocabulary of banking and finance

Key verbs

Fill the gaps with the correct form of a verb with the opposite meaning of the one in brackets. Choose from this list. The first one has been done for you.

simplify rise borrow spend withdraw refuse
receive encourage distrust reduce prefer agree

- ① She went to the bank to withdraw some money. [DEPOSIT]
- ② He _____ £100,000 from the bank. [LEND]
- ③ Interest rates _____ by 1% last week. [FALL]
- ④ The bank has decided to _____ its charges. [INCREASE]
- ⑤ She decided to _____ all her money. [SAVE]
- ⑥ High interest rates usually _____ small investors. [DISCOURAGE]
- ⑦ Electronic banking has _____ banking transactions. [COMPLICATE]
- ⑧ Most experts _____ that the stock market will rise again soon. [DISAGREE]
- ⑨ The bank manager _____ her request for a loan. [ACCEPT]
- ⑩ Many customers _____ internet banking. [TRUST]
- ⑪ Customers usually _____ a bank statement every month. [SEND]
- ⑫ Most customers _____ a personal interview with their bank manager. [DISLIKE]

In the bank

Complete these common questions heard in a bank.

ask sign like see fill confirm

- ① Can I _____ your passport, please?
- ② Could you _____ in this form?
- ③ Can I _____ you some security questions?
- ④ Could you _____ this cheque?
- ⑤ Could you _____ your name and address?
- ⑥ How would you _____ your money?

Vocabulary of banking and finance

Pronunciation

1 Match the words or prefixes in the left-hand column with those in the right-hand column to make banking and finance terms.

- | | |
|---------------|--------------|
| 1. exchange | a. manager |
| 2. cheque | b. advisor |
| 3. credit | c. interest |
| 4. bank | d. statement |
| 5. cash-point | e. rate |
| 6. monthly | f. book |
| 7. annual | g. machine |
| 8. financial | h. card |

2 Now decide which element in each expression carries the main stress. For example, **INTER**est rate

3 Match these banking terms to one of these two stress patterns:

1) ● ● ●

2) ● ● ●

- | | | | |
|------------|------------|-------------|------------|
| investment | financial | manager | adviser |
| auditor | accountant | transaction | deposit |
| customer | currency | insurance | withdrawal |