

# Financial English I

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ESPOCH

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## PROLOGUE

“Financial English I” is a work that aims to contribute to the academic field of English Teaching in the financial area providing very teachable and interesting activities to students from Finance career as it gives them the language, information, and skills they need to start their career or work towards an international company

With this work, the authors intend to encourage English language learning with technical vocabulary and basic financial practices for first-level students. As English teachers, we have always been interested in researching new strategies, techniques, and supporting materials. Fortunately, the years of experience in education have allowed us to prepare this financial book for beginners to be an instrument to support students’ study and training in finance by practicing with the target language in real-life situations and using the specific vocabulary on every page.

The trajectory of the authors as university professors allows this work to be relevant because it has a significant educational contribution to the Escuela Superior Politécnica de Chimborazo - ESPOCH.

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## INTRODUCTION

For many decades, English has been positioned as the common language which connects people from all over the world, cultures, and countries. By default, it is becoming essential in almost every field and aspect of our lives. Being fluent in this language could help people to become even more successful. This is where English training comes into play.

Business companies are becoming international, and English is listed as a required skill for jobs, especially in Finance. This competitive situation demands proper language training. It is known as “language for specific purpose” (Sakineh Mohammadzadeh, 2015). Aside from the obvious communication benefits of improving the English skills, having specialized and appropriate material will enhance the opportunities to get a much better-remunerated job.

In this regard, this book, “Financial English I” offers real context language and topics by providing a variety of activities involving receptive and productive skills (Reading, Listening, Writing, Speaking), along with basic financial vocabulary and grammar exercises. Combining these elements will encourage the students to learn this foreign language differently than they used to be taught.

The communicative approach represented the pedagogical method that focuses on the production and practice of the English language in the four linguistic skills in order to motivate a real success in communication and interaction in a foreign language scenery in all the lessons developed in this book.

This book pretends to be an innovative resource in the English language teaching-learning process addressed to the financial career students. It will offer a current way to acquire the language and transmit specific information by improving technical learning, helping students understand topics like basic concepts of Finance, Financial Terms, and Valuation of future cash flow. In addition, it will contribute with practical exercises for better understanding.

Moreover, it presents reports, articles, and papers based on specific financial content with exercises that use technical vocabulary; thus, students will get a real benefit for their future professions. The language applied in this book is comprehensible and relatively easy to follow. The level of this English book is based on

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B1 level following the Common European Framework (hereafter, CEFR) applied in Ecuador; the CEFR represents a reference for foreign languages being this the international standard that determines the linguistic skills in English students. Based on the (Common European Framework, 2001), students at level B1 should be competent to read elemental texts by finding specific and predictable information that this book is designed by finance students of the first semester who are using English grammar stipulated for the first level in accordance with the syllable in force in 2021 for the subject of English at Escuela Superior Politécnica de Chimborazo.

The organization of the contents has been divided into four chapters and ten lessons in each one, starting with a reading that will count with vocabulary exercises moving on to the other language skills. Likewise, In the different chapters of this work, you will find images, tables, illustrations, and texts used as original didactic resources that the authors have created. The listening activities were adapted according to the necessities for this book.

Chapter I: Here, students will have three lessons that are focused on introducing them to the topics: Value of Money Over the Time, exact time-approximate time, and common interest. Different exercises for all the language skills will be found for all the language skills, to illustrate some: There are some dialogues, group activities, and discussion questions about the readings provided to enhance speaking skills. In addition, it has been defined activities such as listening and vocabulary strategies identified as DOTS chart (an activity in which students will fill in a chart using words from A to Z), synonyms, and antonyms, etc.). Besides, students will find writing and grammar activities with the simple present tense in affirmative, negative, and interrogative form.

Chapter II: In the following chapter, students will continue learning about financial topics like discount banks, personal Finance, and capitalization factors. Students will have the opportunity to practice their vocabulary about banking, financial services. In the grammar set activities, it will provide information's questions exercises based on the simple present, prepositions of time and place, the modal verb should make suggestions and give advice, for the speaking skill, the activities are designed motivate the interaction between them, with interviews between each other allowing them to produce the oral production in the English language putting into practice all the information gained in this chapter.

Chapter III: Here, students will learn how economic crises have affected local and international markets by practicing with specific vocabulary related to the economic cycles; additionally, students will listen to a short history about “The Great Depression” to complete some comprehension questions and later move on to new topics of financial services and banking where students have to work in activities such as cooperative learning strategies (workgroups), speaking activities, grammar exercises with simple past tense and Information Questions.

## **GUIDELINE**

“Financial English I” presents a genuine perspective of language and themes by providing a variety of activities involving some receptive and productive skills, with financial vocabulary based on English for Specific Purposes and grammar exercises.

This book has three chapters with three lessons each. The four English skills are developed (Listening, reading, speaking, and writing). A QR code is used to solve listening exercises; it needs to be scanned using a phone app like a QR scanner. Also, there is a link to listen the audios in each instruction.

The time for each lesson depends on the lesson planning of the professor. Finally, at the end of the book there is an answer sheet section.

<p><b>CHAPTER I</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Practice vocabulary related to money by learning definitions.</li> <li>• Listen activities about Money, showing their understanding by completing True/False and completion activities.</li> <li>• Apply Simple Present Tense answering information questions.</li> <li>• Read and understand about The Value of Money vs the time in finance area.</li> <li>• Record a survey based on money, applying the vocabulary and grammar learned.</li> </ul>
<p><b>MONEY</b></p>	<p style="text-align: center;"><b>LESSON 1</b></p> <p style="text-align: center;"><b>INTRODUCTION VALUE MONEY OVER TIME</b></p> <div style="text-align: center;">  </div> <p><b>Discuss:</b>  <b>Students will ask each other the following questions:</b></p> <ul style="list-style-type: none"> <li>• What do you think is the value of money?</li> <li>• What does the expression “The Time Value of Money” mean?</li> <li>• Where does money come from?</li> </ul>

## CHAPTER I. MONEY

### LESSON N° 1

#### Reading for thinking: The Value of Money Over Time

##### Pre reading activity:

- Check the title of the reading in the lesson No. 1 and discuss with your partner about the possible content of the whole reading passage.
- Think about the value of Money.
- Tell your teacher what the relation between Money and time is.

##### While reading activity:

- Read the following article about “The Value of Money Over Time” and complete the activities described below.

In this lesson, the time value of money is studied to have a better understanding of interest (Brealey, R. A., Myers, S. C., & Marcus, A. J., 1996). Making decisions in the economic field whether, in the short-term or long-term, the study of interest is crucial; this lesson aims to provide basic definitions that provide an understanding of interest rates.

Time value of money means that some people prefer to have cash at present than in the future. This principle can help guide investment decisions. Simple interest and Compound interest are significant in this stage. The first one focuses on calculating interest according to the capital based on a principal value, while compound interest is a value-added to each period's capital (Mena, 2017).

It is well known that money is more valuable in the present than in the future. For instance, if you could choose between these two options: one decides to have 2.000 dollars today or \$ 2.000 at the end of the year. Your first answer probably will be number one; however, if you as an investor do not understand the time of money, you might believe the two options are equal. However, the \$ 2.000 payout is better because it has a higher present value in the present than the second.

### **The Value of Money vs the time in finance area**

One of the most effective methods is discounted cash flow analysis, which is used to value investment opportunities, and this is where the time value of money comes from. It is also part of financial planning and risk management activities. For example, pension fund managers need to ensure enough funds to provide their account holders with the necessary funds for their retirement. In other words, all financial areas are influenced by the time value of money (Fernando, Jason, 2021).

Consumption, risk, and inflation are determining factors for the time value of money to exist. In this context, it can analyze that people prefer present consumption to future consumption. On the other hand, there is the risk that by increasing it, cash flows will be reduced in the future. And finally, the purchasing power of money reduces inflation, so inflationary periods are essential to compensate for the loss of purchasing power.

This lesson will answer the following questions: What is the present value? What is future value? Identify the formulas that represent the current value and future of a given quantity.

According to (Rankia, 2020), knowing the present value and future value of a certain amount of investment can help us see the amount we should save to have sufficient capital for our retirement or the money we should save to apply for a mortgage loan.

**Future Value:** It is the quantity of money that an investment may earn at a future date by earning interest at a compound rate. In conformity with (Gitman, 2003), **Present Value:** It is the way of valuing assets, whose calculation is to dis-

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count the future flow based on a rate of return offered by comparable investment alternatives, called cost of capital or minimum rate and Future Value: It is the quantity of money that an investment may earn at a future date by earning interest at a compound rate.

The definition of the value of money is vital for business decision-making since companies rely on the time value of money when investing in new products, equipment, or facilities and studying the credit conditions to sell their products. A formula can be used for calculating the future value of money so that it can be compared to the present value:

$$FV = PV \times [1 + (i / n)]^{(n \times t)}$$

**Where:**

**FV** = the future value of money

**PV** = the present value

**i** = the interest rate or other return that can be earned on the money

**t** = the number of years to take into consideration

**n** = the number of compounding periods of interest per year

**Time Value of Money Examples**

Assume a sum of \$15,000 is invested for one year at 10% interest. The future value of that money is:

$$FV = \$15,000 \times [1 + (10\% / 1)]^{(1 \times 1)} = \$16,000$$

Finally, to obtain future returns is significant to understand the value of time, as this explains why some people would give up current consumption in favor of future investment. Understanding that savings and investment have advantages allows some of them to stop large-scale consumption from accumulating benefits for the amount saved or invested (Barbara, 2015).

**Post reading activity:**

1. Complete the following vocabulary activity based on the topic Money.

**Vocabulary: Money**

**1. Match the words (a-1) with the correct definitions.**

- |             |             |                  |
|-------------|-------------|------------------|
| a) money    | b) discount | c) supply        |
| d) services | e) earn     | f) demand        |
| g) value    | h) to buy   | i) interest rate |
| j) consumer | k) to sell  | l) goods         |

1. \_\_\_\_\_ objects for sale, or the things that belong to you.
2. \_\_\_\_\_ to decrease the value of something.
3. \_\_\_\_\_ somebody who buys supplies or essential services for their own use.
4. \_\_\_\_\_ cash or currency which can be used to purchase things.
5. \_\_\_\_\_ getting an income as compensation for something you do.
6. \_\_\_\_\_ to provide other people something that is wanted or needed.

- 
7. \_\_\_\_\_ to offer something in coming back for money.
  8. \_\_\_\_\_ the quantity of money taken for something.
  9. \_\_\_\_\_ the percent an organization charged you for a loan.
  10. \_\_\_\_\_ a requirement for supplies or services that clients want to buy.
  11. \_\_\_\_\_ something you offer.
  12. \_\_\_\_\_ to have something by giving money for it.

### Listening: Money



Figure 1: Money  
Source: Authors

1. Scan the QR code to have access to the listening part or click on the following link “[Money](#)”, then circle T if it is True or F if it is False.

- |  |   |   |
|--|---|---|
| 1. The world turns on money.                               | T | F |
| 2. Without money the world would not function financially. | T | F |
| 3. Currency does not make people kill and steal.           | T | F |
| 4. Money can buy joyful.                                   | T | F |
| 5. People would be happy without money.                    | T | F |

**2. Listen again and write the correct option in the blank space to complete the statement.**

1. Money makes the   b   go round.  
a) word      b) world      c) won      d) work
2. If you have \_\_\_\_\_, the world goes round very gently.  
a) currency    b) money gram    c) monopoly    d) money
3. Money makes people kill and \_\_\_\_\_.  
a) steal      b) still      c) until      d) steel
4. Greed means there are things in the world like \_\_\_\_\_.  
a) correct    b) corrupt      c) corruption    d) country
5. If I had \_\_\_\_\_ of money I would be happy.  
a) loan      b) load      c) laundry      d) loads

This listening was adapted from (Banville, 2017-2018)

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## Reading for thinking: What is the Time Value of Money?

### Pre reading activity:

- Prepare two ideas about basic financial topic
- Share your criteria in the class
- Answer your partners questions about the topic of the reading

### While reading activity:

- Read the text and complete the information below and answer the following activities

The time value of money is a basic financial concept that holds that money in the present is worth more than the same sum of money to be received in the future. This is true because money that you have right now can be invested and earn a return, thus creating a larger amount of money in the future. (Also, with future money, there is the additional risk that the money may never actually be received, for one reason or another.) The time value of money is sometimes referred to as the net present value (NPV) of money (CFI Education Inc, 2020).

### How the Time Value of Money Works

A simple example can be used to show the time value of money. Assume that someone offers to pay you one of two ways for some work you are doing for them: They will either pay you \$1,000 now or \$1,100 one year from now. Which payment option should you take? It depends on what kind of investment return you can earn on the money at the present time. Since \$1,100 is 110% of \$1,000, then if you believe you can make more than a 10% return on the money by investing it over the next year, you should opt to take the \$1,000 now. On the other hand, if

you do not think you could earn more than 9% in the next year by investing the money, then you should take the future payment of \$1,100 – as long as you trust the person to pay you then (CFI Education Inc, 2020).

### **Time Value and Purchasing Power**

The time value of money is also related to the concepts of inflation and purchasing power. Both factors need to be taken into consideration along with whatever rate of return may be realized by investing the money. Why is this important? Because of inflation constantly increase the value, and therefore the purchasing power, of money. It is best exemplified by the prices of commodities such as gas or food. If, for example, you were given a certificate for \$100 of free gasoline in 1990, you could have bought a lot more gallons of gas than you could have if you were given \$100 of free gas a decade later (CFI Education Inc, 2020).

### **Time value and purchasing power of money**

Inflation and purchasing power must be factored in when you invest money because to calculate your real return on an investment, you must subtract the rate of inflation from whatever percentage return you earn on your money. If the rate of inflation is higher than the rate of your investment return, then even though your investment shows a nominal positive return, you are losing money in terms of purchasing power. For example, if you earn a 10% on investments, but the rate of inflation is 15%, you are losing 5% in purchasing power each year ( $10\% - 15\% = -5\%$ ). This reading was taken from (CFI Education Inc, 2020).

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**Post reading activity:**

**1. Read the sentences and pick the option that has the same meaning to the underlined word.**

1. The time value of money is a basic financial concept.
  - a) The time value of currency is a basic financial concept.
  - b) The time value of bills is a basic financial concept.
  - c) The time value of assets is a basic financial concept.

**2. If you do not think you could earn more than 9 % in the next year by investing the money.**

- a) If you do not think you could win more than 9 %.
- b) If you do not think you could make more than 9 %.
- c) If you do not think you could gain more than 9 %.

**3. Inflation constantly increases the value.**

- a) Deflation constantly increases the value.
- b) Decrease constantly increases the value.
- c) Build up constantly increases the value.

**4. The rate of inflation is higher than the rate of your investment return.**

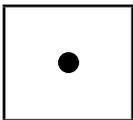
- a) The rate of inflation is higher than the rate of your interest return.
- b) The rate of inflation is higher than the rate of your cash injection return.
- c) The rate of inflation is higher than the rate of your rate return.

Speaking Activity

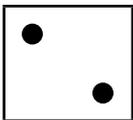
1. Answer the following questions. To this activity your professor will use a die to pick the question you must answer.

Example 0. What do you understand by inflation?

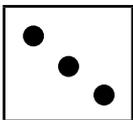
Inflation is the increase in the price of a product.



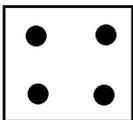
What is the Time Value of Money?



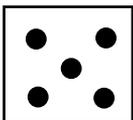
Why is Time Value and Purchasing Power important?



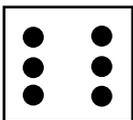
What happen if the rate of inflation is higher than the rate of your investment return?



Explain the next phrase “Why if you earn a 10 % on investments, but the rate of inflation is 15 %, you’re actually losing 5 %”



How is best exemplified the Time Value and Purchasing?



What is your opinion about the reading?

---

## Grammar: Simple Present Tense

The Simple Present Tense is used to talk about routines and general actions. In other words, the activities that are performed every day.

### How to form the simple present

#### Affirmative Sentences, Structure Verb to Be

##### SUBJECT + AM/IS /ARE + COMPLEMENT

- I am happy to learn English through Finance.
- He/ She is in a new course learning about Investments.
- You/We/They are exacting because the interest rate in that bank is low.

#### Contractions

- I'm at the new bank requesting a loan.
- She's the new cashier here.
- They're in the office analyzing the interest rate.

#### Affirmative Sentence's Structure Other Verbs

##### SUBJECT + VERB+ COMPLEMENT

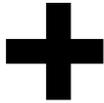
If the subject, is I – We- You- They the verb keeps the base form.

I

We

You

They



earn more than 10% when the credit is more than ten months.

If the verb is singular add s-es-ies to the verb, but if the subject is plural keep the verb in the base form.

**S** Add “s” to most of the verbs. (works, reads, listens etc.)

**ES** Add “es” if the verb ends in x-ss-sh-ch-o (watches, fixes, washes)

**IES** Add “ies” if the verb ends in y and the previous letter is a consonant. (study-studies). Drop the y and add ies.

### Examples

- The income tax increases each year.
- She transfers me a significant amount of money.
- He applies for the new credit card.

### 1. Complete the sentences with the correct form of the verb in simple present.

1. Omar’s business \_\_\_\_\_(**need**) money so he \_\_\_\_\_(**borrow**) to the bank all the time.

- 
2. I still \_\_\_\_\_(**owe**) \$10,000 to my boss.
  
  3. My executive \_\_\_\_\_(**lent**) me money every month. He knows I need it.
  
  4. We low some prices of the products when people cannot \_\_\_\_\_(**afford**) them.
  
  5. Patrick \_\_\_\_\_ (**not/borrow**) your money if you cannot pay him back on time.
  
  6. They \_\_\_\_\_(**invoice**) goods in the most important companies.
  
  7. Super Maxi company \_\_\_\_\_ (**owe**) over \$100,000 to the employees.
  
  8. Daniel \_\_\_\_\_(**lend**) her a lot of money before she gets a new house.
  
  9. The president \_\_\_\_\_(**make**) a fast buck selling these shares.
  
  10. I \_\_\_\_\_(**be broke**) because I \_\_\_\_\_(**spend**)too much money every day.

Writing

2. Go back to the reading “What is the Time Value of Money”, and identify sentences in simple present tense, then write down here.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_

8. \_\_\_\_\_

9. \_\_\_\_\_

10. \_\_\_\_\_

**1. Complete the sentences with the expressions from the box.**

It's out of the question	pull your weight	hands are tied
dropped the ball	I don't see eye to eye	

My supervisor always says <sup>1</sup> \_\_\_\_\_ when someone needs permission to be absent in the office.

Ximena, your classmates are complaining that you are lazy doing your job. You cannot do that; you must <sup>2</sup> \_\_\_\_\_.

My coworker knows my manager does not like their decision and they wish they could change it, but their <sup>3</sup> \_\_\_\_\_

<sup>4</sup> \_\_\_\_\_ I told him the wrong answer in the test.

<sup>5</sup> \_\_\_\_\_ what I should do after. I believe I must tell my mother about my problem.

**2. In a few lines, write a summary applying the present simple tense about "What do you like about in this chapter"?**

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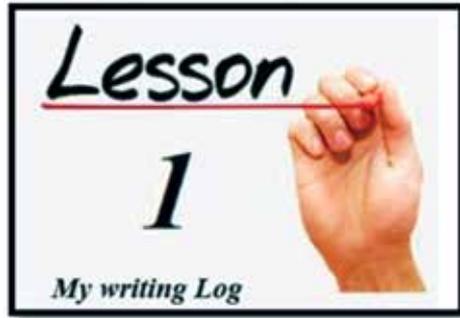
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New Words Learned	What is the Time Value of Money?	Write sentences in simple present tense with the new words learned.



**1. According to the following questions, complete this survey with a partner and share it in class.**

1. How do you consider yourself a saver or a spender?
2. Do you waste money on unnecessary things?
3. Do you often buy luxury purchases?
4. How much money do you spend per month?
5. Do you usually borrow money?

<p><b>CHAPTER I</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Calculate the exact time and approximate time through by using simple exercises and present simple tense.</li> <li>• Answer information questions by listening a short podcast “Paying a bill”.</li> <li>• Acquire vocabulary about Interest.</li> <li>• Practice negative sentences using Simple Present Tense</li> <li>• Interact using vocabulary referring to wire transfer.</li> </ul>
<p><b>MONEY</b></p>	<p style="text-align: center;"><b>LESSON 2</b></p> <div style="text-align: center;">  <p style="font-size: 2em; font-weight: bold; margin: 0;"><b>EXACT AND APPROXIMATE TIME</b></p> </div> <p><b>Discuss:</b>  <b>Students will ask each other the following questions:</b></p> <ul style="list-style-type: none"> <li>• What comes to your mind with the expression “exact time”?</li> <li>• What is Approximate Time?</li> <li>• What kind of interest do you think the banks use?</li> </ul>

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## LESSON N° 2

### **Pre reading activity:**

- According to the headline of the reading, try to guess the story of this chapter and tell all the class your prediction.
- Find 5 new words based on the new vocabulary.

### **While reading activity:**

- Below it is found some activities based from the reading “Time, Exact and Approximate Time”

### **Reading for thinking: Time, Exact and Approximate Time**

There are financial problems in which interest rates are used to calculate the time between two given dates since loans can be in years, months, days, years and months, months and days, and years with months and days.

Considering the irregularities of the calendar as this influences the calculation of interest since the different months do not contain the same number of days, consequently, there are other ways to determine the interest according to the time.

According to (Torrecilla & Rodríguez, 2017), in finance, one of the main fundamentals is the classification of interest, by which the calculation of time can be classified in two ways: exact or approximate. It is also known as commercial or banking calendar and exact calendar. The first case is based on years of 360 days

and months of 30 days, while the exact calendar is based on years of 365 days or 366 in leap years.

The debtor must pay interest after a specific time for the use of the money borrowed. Therefore, it is crucial to determine the length of time between two dates and the total number of days in a year.

Consideration should be given to determine the period of duration between two dates that excludes the first day and includes the last day. However, in some operations and countries, both are included. It depends on the agreement or payment commitment of the final date.

Note that the use of the called business year (360 days) does not necessarily imply damage to the debtor. An entity can legally opt for a calculation basis of 360 days if it maintains the fiction when computing the time elapsed at this point. Not surprisingly, the 360/360 method is widely used in mortgage loan contracts. Unjustified harm to the consumer occurs when a financial entity uses base 360 but applies, in the opposite sense, the calendar year for the computation of the elapsed days, a practice that occurs throughout the life of a loan (Llamas, 2014).

For all the reasons exposed before, it must be clear that an accounting year is typically twelve months. However, an accounting year does not have to coincide with the start and end dates of a calendar year. Therefore, organizations can choose when their accounting years begin and end. In a company, the start and end dates of the accounting year will depend on the country in which it is located. Most countries start their accounting year from January 1 to December 31; in developed countries such as the United States, several companies start their accounting year on October 1 and end it on September 30 of the following year (Hornngren, 2003).

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**Post reading activity:**

**1. Answer the questions and complete the statements according to the reading above. (Choose the correct option)**

1. What are the two forms to calculate the time?

- a) Exact or approximate time.
- b) Time and money
- c) No one is correct

2. What does the debtor must pay after a specif time?

- a) Some money
- b) Some time
- c) Interest

3. <sup>1</sup>\_\_\_\_\_ (**aproximate/approximate/aproximative**) time is based on years of 360 days and months of 30 days, while the <sup>2</sup>\_\_\_\_\_ (**exact/good/sort**) time is based on years of 365 days or 366 in leap years.

4. How many days have the bussines year?

- a) 360
- b) 150
- c) 365

5. What is an accounting year?
- a) An accounting year is typically twelve months
  - b) An accounting year is typically one month
  - c) An accounting year is typically ten months
6. According to the reading when does the accounting year start in the different countries?
- a) From January 1 to December 31
  - b) From January 15 to December 15
  - c) From January 10 to December 10
7. Why is important to calculate the time at the moment to give a loan?
- a) To calculate the interest
  - b) To calculate capital
  - c) To calculate coins
8. When does unjustified harm to the consumer occur?
- a) When a financial entity uses base 0 but applies, in the opposite sense
  - b) When a financial entity uses base 360 but applies, in the opposite sense
  - c) When a financial entity uses base 1 but applies, in the opposite sense
9. What do you understand about the time?
- a) In financial terms time is a period where the period is financial
  - b) In financial terms time is a period where the interest is calculated
  - c) In financial terms time is a period where the interest is not calculated

- **Exact Time**

**To calculate the exact time, the next table is necessary.**

DAY	ENE	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DIC	DAY
1	1	32	60	91	121	152	182	213	244	274	305	335	1
2	2	33	61	92	122	153	183	214	245	275	306	336	2
3	3	34	62	93	123	154	184	215	246	276	307	337	3
4	4	35	63	94	124	155	185	216	247	277	308	338	4
5	5	36	64	95	125	156	186	217	248	278	309	339	5
6	6	37	65	96	126	157	187	218	249	279	310	340	6
7	7	38	66	97	127	158	188	219	250	280	311	341	7
8	8	39	67	98	128	159	189	220	251	281	312	342	8
9	9	40	66	99	129	160	190	221	252	282	313	343	9
10	10	41	69	100	130	161	191	222	253	283	314	344	10
11	11	42	70	101	131	162	192	223	254	284	315	345	11
12	12	43	71	102	132	163	193	224	255	285	316	346	12
13	13	44	72	109	133	164	194	225	256	286	317	347	13
14	14	45	73	104	134	165	195	226	257	287	318	348	14
15	15	46	74	105	135	166	196	227	258	288	319	349	15
16	16	47	75	106	136	167	197	228	259	289	320	350	16
17	17	48	76	107	137	168	198	229	260	290	321	351	17
18	18	49	77	108	138	169	199	230	261	291	322	352	18
19	19	50	78	109	139	170	200	231	262	292	323	353	19
20	20	51	79	110	140	171	201	232	263	293	324	354	20
21	21	52	80	111	141	172	202	233	264	294	325	355	21
22	22	53	81	112	142	173	203	234	265	295	326	356	22
23	23	54	82	113	143	174	204	235	266	296	327	357	23
24	24	55	83	114	144	175	205	236	267	297	328	358	24
25	25	56	84	115	145	176	206	237	268	298	329	359	25
26	26	57	85	116	146	177	207	238	269	299	330	360	26
27	27	58	86	117	147	178	208	239	270	300	331	361	27
28	28	59	87	118	148	179	209	240	271	301	332	362	28
29	29		88	119	149	180	210	241	272	302	333	363	29
30	30		89	120	150	181	211	242	273	303	334	364	30
31	31		90		151		212	243		304		365	31

Table 1: Time

Source: : (Nieves, 2019)

The exact time is used to precise the number of days in a loan (credit) or investment. In the exact time every year has 360 days. It means, the correct numbers of days for each month are used.

Month	Days
January	31
February	28/29(leap year)
March	31
April	30
May	31
June	30
July	31
August	31
September	30
October	31
November	30
December	31

Table 2: Months and Days

Source: : Authors

- Do not forget when the year is leap, a day is added since March 1st

### How to find the EXACT TIME

1. Look at the table 1 Time above to understand the following chart.

- February 12th to August 12th, 2019

Day	Number of days according to the month.	
	Initial Month(date)	Final month(date)
12	43	224

### Step 1: Subtract

<b>Final Date</b>	224
<b>Initial Date</b>	43
<b>Exact Time</b>	181 days

### Approximate time

Assumes that every year has 360 days, and every month has 30 days.

Month	Days
January	30
February	30
March	30
April	30
May	30
June	30
July	30
August	30
September	30
October	30
November	30
December	30

Table 3: Approximate Times

Source: : Authors

- How to calculate the APPROXIMATE TIME

Find the approximate time between:

February 12th to August 12th, 2019

**Step 1:** Use the following box and subtract, starting with the final date.

	Year	Month	Day
<b>Final Date</b>	2019	08	12
<b>Initial Date</b>	2019	02	12
	0	06	0

**Step 2:** Multiply the month result per 30 days.

**Approximate time:  $6 \times 30 = 180$  days**

March 19th, 2015, to November 17th, 2019.

1. Use the next box and then subtract the final and initial date.

	Year	Month	Day
<b>Final Date</b>	2019	11	19
<b>Initial Date</b>	2015	04	17
	4	7	02

- The answer is 4 years 7 months 2 days.

---

## How to calculate the days (Approximate Time)

### Step 1: Multiply

$$4(\text{years}) \times 360 + 7(\text{months}) \times 30 + 2$$
$$1,440 + 210 + 2 = 1,655$$

Approximate Time: 1,652 days



### 1. Find the Exact Time and the Approximate Time between:

#### Example

0. January 6<sup>th</sup> to December 6<sup>th</sup>, 2021.

Exact Time	334
Approximate Time	330

1. January 5<sup>th</sup> to December 5<sup>th</sup>, 2018

Exact Time	
Approximate Time	

2. March 22<sup>nd</sup> to May 22<sup>nd</sup>, 2021

Exact Time	
Approximate Time	

3. April 20<sup>th</sup> to November 20<sup>th</sup>, 2017

Exact Time	
Approximate Time	

4. March 22<sup>nd</sup> to June 22<sup>nd</sup>, 2021

Exact Time	
Approximate Time	

5. January 5<sup>th</sup> to August 5<sup>th</sup>, 2010

Exact Time	
Approximate Time	

6. November 13<sup>th</sup> to December 13<sup>th</sup>, 1986

Exact Time	
Approximate Time	

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7. March 30<sup>th</sup> to April 30<sup>th</sup>, 2021

Exact Time	
Approximate Time	

8. September 1<sup>st</sup> to December 1<sup>st</sup>, 2021

Exact Time	
Approximate Time	

9. November 1<sup>st</sup> to December 1<sup>st</sup>, 2021

Exact Time	
Approximate Time	

10. January 17<sup>th</sup>, 2021 to December 17<sup>th</sup>, 2021

Exact Time	
Approximate Time	

11. February 2<sup>nd</sup>, to November 2<sup>nd</sup>, 2018

Exact Time	
Approximate Time	

Listening: Paying a Bill



Figure 2: Paying a bill  
Source: Authors

1. Scan the QR code to have access to the listening part or click on the following link [“Paying a bill”](#), then, answer the following questions.



---

1. How much is the client's phone bill?

---

2. Is the customer on time to pay for the phone bill?

---

3. When are they closing?

---

4. When is the customer due date?

---

5. Does the customer need to pay every month?

---

6. How does the customer can send his bill?

---

7. Is more convenient to pay by a bank? Why?

---

**2. Listen again and complete the dialogue.**

Cashier: Hello. What can I do for you?

Customer: Hi. I'd like to pay my telephone bill for this past month. Is this the last day for paying my phone bill without a <sup>1</sup> \_\_\_\_\_?

Cashier: You're just <sup>2</sup> \_\_\_\_\_. We're closing in <sup>3</sup> \_\_\_\_\_. Your <sup>4</sup> \_\_\_\_\_ date is <sup>5</sup> \_\_\_\_\_.

Customer: Good, I'll pay now.

Cashier: Will that be <sup>6</sup> \_\_\_\_\_ or <sup>7</sup> \_\_\_\_\_?

Customer: <sup>8</sup> \_\_\_\_\_.

Cashier: That's \$ <sup>9</sup> \_\_\_\_\_ from \$60.00. Here's your <sup>10</sup> \_\_\_\_\_ and your <sup>11</sup> \_\_\_\_\_.

Customer: Do I have to come here to pay my bill every month?

Cashier: <sup>12</sup> \_\_\_\_\_, you have other <sup>13</sup> \_\_\_\_\_. You can send in your bill with a cheque by <sup>14</sup> \_\_\_\_\_ or pay your bill through your <sup>15</sup> \_\_\_\_\_ for a <sup>16</sup> \_\_\_\_\_.

Customer: Oh. Since I hate writing cheques, I think I'd much rather pay it through my <sup>17</sup> \_\_\_\_\_. It's more <sup>18</sup> \_\_\_\_\_. Thanks a lot. Bye!

This listening was taken from (College, 2004)

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## Grammar: Simple Present Negative Form

DO NOT (don't)	DOES NOT (doesn't)
Use this auxiliary with plural nouns (we - you - they) and (I).	Use this auxiliary with singular nouns. (he-she-it)
I do not have any cash on me now.	
We do not have an annual fee in the company.	She does not make a new loan.
He does not have a joint account.	
IS NOT (isn't)	ARE NOT (aren't)
Your bank balance is not zero.	
	There are not new credit cards.
CANNOT (can't)	He cannot make a deferred payment for his electricity bill.

Table 4: Simple Present negative auxiliaries

Source: : Authors

Remember: A contraction is a combination of two words for example don't or doesn't However, contractions are inappropriate in formal and legal writing.

### 1. Change the following sentences into negative use simple present.

1. I make a withdrawal of \$ 900.
-

2. This shop accepts cash.

---

3. Customers need to submit a report for their credit card charges.

---

4. They are out of cash.

---

5. The bank teller says all the information regarding transactions.

---

6. He deposits \$500 into his savings account every month.

---

7. I know the current exchange rate.

---

---

8. We need to get a new loan from the Central bank.

---

9. He needs to send a wire transfer to his wife.

---

10. She makes deposit into her current account.

---

**Speaking: Wire Transfer**

**1. Work with a partner to practice the dialogue**



**Student A: Customer**

**Student B: Bank teller**

Student A: Good afternoon, what can I do for you today?

Student B: Hello. I'd like to make a wire transfer from my mom's bank account to this number, please.

Student B: Sure. Can you give me your I.D. and your mom's? It's for security.

Student A: Yes, here it is.

Student B: All your information is right. But, to do the transaction there is a \$4.50 charge for wire transfers.

Student A: that's fine with me.

Student B: Great! Here is your copy of the wire transfer.

Student A: Thank you, good-bye.

Student B: It's a pleasure.

**Vocabulary: Bank and Finance**

- In the next activity called DOTS CHART pick one letter from each square and write a vocabulary word you learned from the lessons studied in this chapter, later write a negative sentence as shown in the example.**

A-B	C-D	E-F	G-H
<p><u>B</u>roker</p> <p>I don't work as a broker.</p>			

I-J	K-L	M-N	O-P
Q-R	S-T	U-V-W	X-Y-Z
		<u>Wire transfer</u> I do not need a wire transfer.	

Table 5: Dots Chart

Source: : Authors

### Writing: Synonym and Antonym

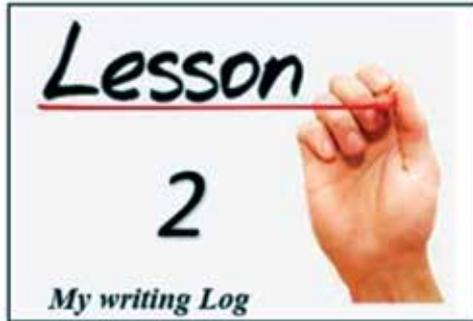
2. Write a synonym and antonym of the following words. Then, write an example using the first word in the box.

WORD	SYNONYM	ANTONYM	EXAMPLE
Taxes	Fee	Subsidy	I must pay taxes on my bills.
Loan			

Transfer			
Withdraw			
Debt			
Income			
Shares			
Bonus			
Wage			
Broker			

Table 6: Synonym and Antonym

Source: : Authors



<p>What I know already about bank and Finance</p>	<p>New concept or idea</p>	<p>Something important to remember</p>
<p>Picture it or give an example about bank and finance</p>	<p>Something you were not sure in this lesson was .....</p>	<p>How could I apply the knowledge acquired in this lesson?</p>

<p><b>CHAPTER I</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Learn useful vocabulary about Bank Phrases.</li> <li>• Develop their listening skill through a conversation about someone depositing money.</li> <li>• Answer Yes- No questions in Simple Present. To review the use of “So” and “Because”.</li> <li>• Recognize Approximate Interest by applying exercises explained in the reading.</li> <li>• Produce dialogues associated to Opening an Account, Withdrawing Money, and Depositing Money.</li> </ul>
<p><b>MONEY</b></p>	<p style="text-align: center;"><b>LESSON 3</b></p> <div style="text-align: center;">  </div> <p><b>Discuss:</b>  <b>Students will ask each other the following questions:</b></p> <ul style="list-style-type: none"> <li>• What is interest?</li> <li>• What kind of interest do you know?</li> <li>• What is the simple interest rate?</li> </ul>

**Reading for thinking: Interest**

**Pre reading activity:**

- Check the title of the reading in the lesson No.3 and write a brainstorming about it.
- Do you think interest rate at banks is correct?
- Discuss with a partner about the interest rate in different financial institutions and share your ideas in class.

**While reading activity:**

- Read the following passage about “Interest” and complete the activities described below.

As a first stage, it is important to start with some definitions about the most common words applied in this chapter:

**Interest**

- The cost of borrowing money

**Principal**

- The money borrowed

**Rate of interest**

- Stated as a percentage and is based on a certain time.

The system of productive factors has its remuneration based on the creation and production of goods and services. For example, the land is remunerated with rent, labor with wages, and capital with interest. With this premise, money for its

use is known as interest. The main objective is that the capital has a price, which is called interest, and its calculation is associated with the time of use and the established cost, which is called the interest rate (Fernández Navarrete, 2017).

According to (Datos Macro, 2021) , it is necessary to show the evolution of interest rates in Latin America and some countries. First, in Ecuador, interest rates have raised their interest rates 0.16 points, from 8.12% to 8.28% annually. Interest rates are among essential tools used by central banks to carry out their monetary policy. A rise in interest rates serves to curb inflation and protect the currency. In other countries, in 2021, the interest rate is 2,96% in Bolivia, in Brazil 2.75%, in Canada 0,25 %. And one of the highest interest rates is in Venezuela, with 58,67%.

It is the interest rate at which banks can borrow money from the central bank. Central banks use it to guide monetary policy as examples of the current interest rates.

The interest rate is classified in two ways: simple interest rate and compound interest rate. However, this lesson is about simple interest.

### **What is interest?**

According to (Izaguirre, 2020), interest is the price of money over time. It is always calculated based on the principal or capital value; therefore, its behavior is linear in time. One of its main applications is in bank discount operations. Interest is the price of money over time. It is always calculated on the principal or principal value; therefore, its behavior is linear in time. One of its main applications is in bank discount operations.

As a starting point in financial operations, it must be considered that the cost of interest and time must be hand in hand. It means that the rate is annual. Furthermore, the time must be expressed in years since interest rates are assumed annually in the markets.

With the Simple Interest method, interest is always calculated based on the initial value with the capital with which it is invested. In this way, in each period, the interest is equal to the initial value multiplied by the interest rate.

There are mainly two forms of simple interest: ordinary and exact. These two terms use the same principle for solving the simple interest, but they diverge on

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using the time. Ordinary interest is a simple interest that employs 360 days as the equivalent number of days in a year. Otherwise, exact simple interest is a simple interest that uses exact number of days in a year it means 365 or 366 if it is a leap year. These two kinds of simple interest are only pertinent if the unit of time used is in days (PracticeMath, 2021).

**Post reading activity:**

**1. Answer the questions according to the previous reading about Interest.  
(choose the correct answer)**

1. According to Fernández Navarrete What is interest?
  - a) Money for its use is known as interest.
  - b) Money for its use is known as cash.
  - c) Money for its use is not known as interest.
  
2. How does an increase in interest rates help?
  - a) To curb inflation and protect the currency
  - b) To curb protect the cash
  - c) To flat inflation and protect nothing
  
3. Which country has one of the highest interest rates?
  - a) Venezuela
  - b) Ecuador
  - c) Australia

4. Is the Interest classified in two forms? Which ones?
  - a) Simple interest and Compound interest
  - b) Complex interest and Compound interest
  - c) Mix interest and low interest
  
5. Who said, “The interest is the price of money over time”?
  - a) Izaguirre
  - b) Columbus
  - c) Mario Bross
  
6. Why must the time be expressed in years?
  - a) Because interest rates are assumed annually in the supermarkets.
  - b) Because interest rates are assumed annually in the store.
  - c) Because interest rates are assumed annually in the markets.
  
7. What are the two mainly forms of simple interest?
  - a) Ordinary and Exact Simple Interest.
  - b) Regular and Exact Simple Interest.
  - c) Simple and Exact Ordinary Interest.
  
8. What is the Ordinary and Exact Interest?
  - a) Ordinary interest is a simple interest that employs 360 days. Exact simple interest is a simple interest that uses exact number of days in a year it means 365 or 366 if it is a leap year.

- 
- b) Ordinary interest is simple, Exact simple interest is a complex
  - c) Ordinary and Exact simple interest is the same

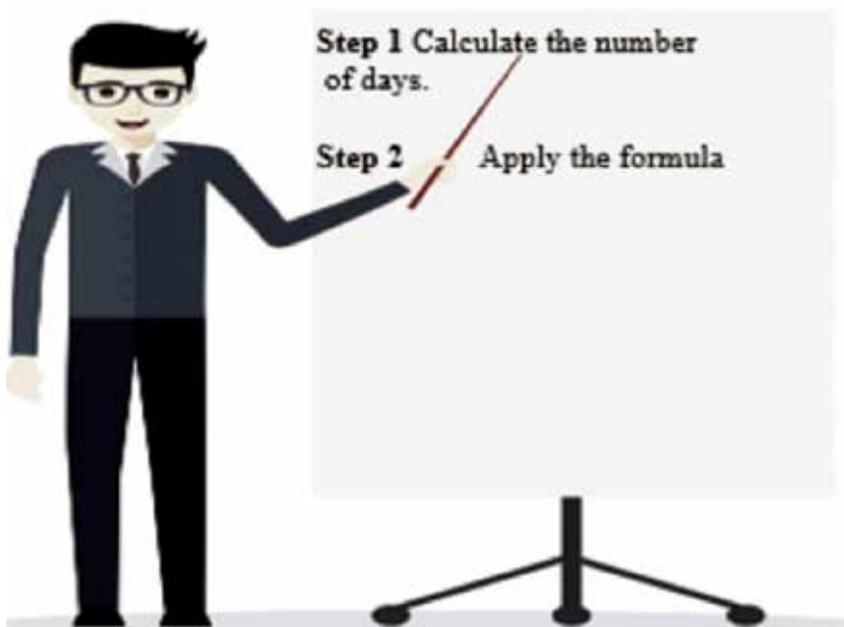
### 1. Let's Practice how to calculate the Ordinary Interest (360 days)

#### Example 1

What is the ordinary simple interest to be paid?

On March 30, 2013, a farmer loans \$15,000 in the bank for the expansion of his Farm. It was agreed that he will pay the amount with 6% rate of interest on September 10, 2013.

**Answer:** \$410



**Step 1** Calculate the number of days between March 30 to September 10, 2013.

Month	Remaining days of the month
March	1
April	30
May	31
June	30
July	31
August	31
September	10
Total days	164

**Note:** Due to March 30th is the beginning date, it is not included in counting

**Knuckles Tip**

Start on the left hand.

- On the knuckle (31 days)
- Between the knuckles (30 days)
- Exemption - February

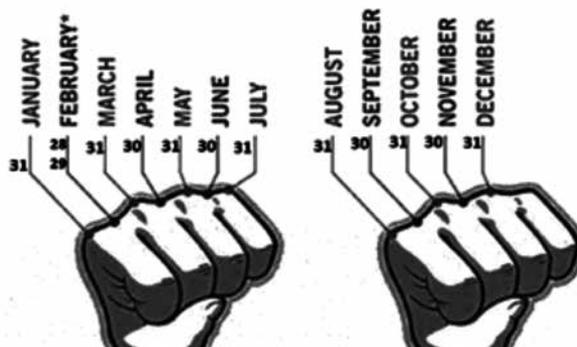


Table 7: Knuckles Tip

Source: Authors

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**Step 2** Formula to calculate the ordinary interest.

**INFORMATION DATA**

Principal	(p)		p = 15,000	
Rate	(r)	$I = \frac{P * t * r}{36,000}$	r = 6 %	$I = \frac{15,000 * 164 * 6}{36,000}$
Days	(t)		t = 164	
Interest	(I)		I = 410	

**Answer:** The farmer will pay \$410 interest.i =

**2. Let's Practice how to calculate the Exact Interest (365 days)**

**Example 1:** Find the exact simple interest to be paid by Albert.

Albert borrowed \$1800 from her cousin last December 25, 2010. He will pay her cousin on February 14, 2011, at 8% interest.

**Answer:** \$20.12

**Step 1** Calculate the number of days between December 25, 2010, to February 14, 2011.

Month	Remaining days of the month
December	6
January	31
February	14
Total days	51

Step 2 Formula to calculate the ordinary interest.

INFORMATION DATA

Principal (p)		p = 1,800	
Rate (r)		r = 8%	
Days (t)	$I = \frac{p * t * r}{36,500}$	t= 51	$I = \frac{1,800 * 51 * 8}{36,500}$
Interest (I)		I= 20.12	

**Answer:** Albert will pay \$20.12 interest.

**3. Let's Practice how to calculate the Exact Simple Interest with a leap year (366 days)**

A leap year is when a day is added to February.

Leap Years List

2004, 2008, 2012, 2016, 2020, 2024, 2028, 2032, 2036, 2040, 2044, 2048, 2052, 2056, 2060, 2064, 2068, 2072, 2076, 2080, 2084, 2088, 2092, 2096.

**Example 1:** Find the exact simple interest to be paid by Betty.

---

Betty borrowed \$1900 from her sister on March 15, 2012. She will pay her sister on December 14, 2012, at 10% interest.

**Answer:** \$142,24



**Step 1** Calculate the number of days between March 15, 2012, to December 14, 2012.

Month	Remaining days of the month
March	16
April	30
May	31
June	30
July	31
August	31
September	30
October	31
November	30
December	14
<b>Total days</b>	<b>274</b>

**Step 2** Formula to calculate the ordinary interest.

INFORMATION DATA

Principal	(p)		p = 1,900	
Rate	(r)		r = 10%	
Days	(t)	$I = \frac{p * t * r}{36,600}$	t = 274	$I = \frac{1,900 * 274 * 10}{36,500}$
Interest	(I)		I = 142,24	

**Answer:** Betty will pay \$142,24

• **TIME TO PRACTICE**

**1. Calculate how many days are in the following examples.**

1. How many days are there from January 18th to November 2nd?

Solution:

2. How many days are there from March 25th to December 6th?

Solution:

3. How many days are there from April 9th to September 5th?

Solution:

---

## 2. Calculate the Ordinary Interest (360 days)

On January 21, 2011, a professor loans \$5,000 in the bank to buy a new car. It was agreed that he will pay the amount with 7% rate of interest on December 10, 2011. What is the ordinary simple interest to be paid?

**Answer:** \$

On February 27, 2005, a carpenter loans \$10,000 in the bank for the growth of his business. It was agreed that he will pay the amount with 10% rate of interest on April 18, 2005. What is the ordinary simple interest to be paid?

**Answer:** \$

## 3. Calculate the Exact Simple Interest (365 days)

Dennis borrowed \$800 to me on July 5th, 2021. He will pay me back on August 16th, 2021, at 5% interest. Find the exact simple interest to be paid by Dennis.

**Answer:** \$

Ramiro loans in the bank \$80,000 on February 14th, 2013. He will pay it back on December 28th, 2013 at 9% interest. Find the exact simple interest to be paid by Ramiro.

**Answer:** \$

## 4. Calculate the Exact Simple Interest (366 days - Leap year)

Natty borrowed \$100 from her mother on February 15th, 2008. She will pay her mother on April 14, 2008, at 12% interest. Find the exact simple interest to be paid by Natty.

**Answer:** \$

Kathy borrowed \$300 from her brother on January 18th, 2024. She will pay her brother on May 29, 2024, at 10% interest. Find the exact simple interest to be paid by Kathy.

Answer: \$

Vocabulary: The bank

Write sentences about the pictures. Use a phrase from the box (a) and a verb from the box (b). Use the phrase “I would like to...” If you consider necessary or you can use have to.

A
To take money out   a savings account   penalty fee when my check bounced these checks   the tax on cellphones   my bank balance   her a check for \$200.

B
want   open   pay   deposit   put up   check   write



I would like to take money out.  
\_\_\_\_\_



Example Definitions for Savings Account

Date	Deposits	Withdrawals	Interest	Balance
11/01/2021	\$ 200			\$ 200
01/01/2022			\$ 1.00	\$ 201
3/01/2022	\$ 100		1.01	\$ 302.01
5/01/2022			1.01	\$303.04

---



Listening: At the Bank



Figure 3: At the bank  
Source: Authors

1. Scan the QR code to have access to the listening part or click on the following link “[At the Bank](#)” then order the conversation.

1. Depositing Money

- a) Customer: Yes, thank you.
- b) Bank clerk: How may I help you?
- c) Bank clerk: \$1200.50. Will that be all?
- d) Customer: I would like to deposit this check and \$100 cash.
- e) Customer: No, thank you. What is my balance account?
- f) Bank clerk: Please sign the back of the check, ma'am.
- g) Do you want any money back?

1	
2	
3	
4	
5	
6	

## 2. Withdrawing Money

**Listen complete the missing information and then write the phrase in the correct column.**

1. Hello, I would like to withdraw \$\_\_\_\_\_ from my\_\_\_\_\_.
2. Ok, ma'am. How do you want your \_\_\_\_\_?
3. I would like it in 20s and 10 \_\_\_\_\_.
4. Here you go. Your new \_\_\_\_\_ is \$\_\_\_\_\_.

CUSTOMER	BANK CLERK
I would like it in 20s and 10 please.	

## 3. Opening an Account

**Listen again and complete the information**

Bank clerk: Welcome to <sup>1</sup>\_\_\_\_\_ of America! Do you have an <sup>2</sup>\_\_\_\_\_ us?

Customer: No, I do not. I would like to <sup>3</sup>\_\_\_\_\_ a <sup>4</sup>\_\_\_\_\_ account.

Bank clerk: Great. There is a <sup>5</sup>\_\_\_\_\_ of \$<sup>6</sup>\_\_\_\_\_. You can also open a <sup>7</sup>\_\_\_\_\_ with no minimum <sup>8</sup>\_\_\_\_\_.

Customer: May I have <sup>9</sup>\_\_\_\_\_ on the types of <sup>10</sup>\_\_\_\_\_?  
I am a student, and I would like to avoid <sup>11</sup>\_\_\_\_\_.

Bank clerk: Here's a <sup>12</sup> \_\_\_\_\_ with all the <sup>13</sup> \_\_\_\_\_. I can answer any <sup>14</sup> \_\_\_\_\_ as well.

Customer: <sup>15</sup> \_\_\_\_\_.

This listening was taken from (Common English Phrases, 2011)

### Grammar: Yes – No questions Simple Present

Yes/No questions in Simple Present are questions which can be answered by a yes or no. The following structure is used for them:

#### Examples with the Verb To be

Is the ATM here?

Yes, it is. No, it isn't

Are there

Are there any payments tickets on the desk?

Yes, there are. No, there aren't

Do/ Does + subject + verb + complement?

Use "Do" with the subjects I / WE/YOU/THEY and "DOES" with HE/SHE/ IT.

Do you earn a lot of money?

Yes, I do No, I don't

Does he have a penalty fee?

Yes, he does No, he doesn't

---

## Grammar: Because and so

Use “Because” to connect a reason with as a result in a specific situation, and you can use “So” to give the reason for a regular situation or an event.

1. I want to take money out (reason), so I need an ATM (result).
2. Please, sign the back of the check (result), because I need your authorization (reason).

### Complete the exercises with so or because.

1. My teacher is an expert in finance \_\_\_\_\_ she studied for ten years.
2. who work in banks know about finance \_\_\_\_\_ they have experience in economic?
3. She is on the business committee \_\_\_\_\_ she is the biggest investor.
4. That bank has loans at only 3% interest \_\_\_\_\_ it means they have good liquidity.
5. It's \_\_\_\_\_ expensive to borrow from finance companies \_\_\_\_\_ the interest is very high.

### Write three sentences down using so and three using because.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

### Speaking: Bank situation



### PAIR ACTIVITY

#### 1. BRAINSTORMING: Choose a situation and think about it

1. Opening an Account.
2. Withdrawing Money.
3. Depositing Money.

#### 2. ORGANIZATION: Create a dialogue with the situation you chose before. Use Simple Present asking Yes-No questions and use the connectors because and so.

---

**3. SPEAKING SET:** According to the activity Brain storming, choose the topic and practice a simple dialogue with your partner, after that share your dialogue with the class. This activity will not be so long, it is recommended to use the vocabulary practiced in this chapter.

**4. EXTRA ACTIVITY**

**For a better understanding, after you have performed your speaking activity, it is recommended to complete the following SELF-ASSESSMENT**

YES	NO	SELF-ASSESSMENT
		I was able to speak easily about the topic.
		I worked with my partner in harmony to create the dialogue.
		I used Yes-No questions in simple present, because and so in the dialogue.
		I used vocabulary from the lesson.
		I used eye contact, pause, and tone of voice during the dialogue.

Table 8: Self-Assessment

Source: Authors

**Writing: What did you learn in this lesson?**

**Discuss the question with a partner and write your and his-her answer.**

**I**

---

---

---

---

---

---

---

---

---

---

**My partner**

---

---

---

---

---

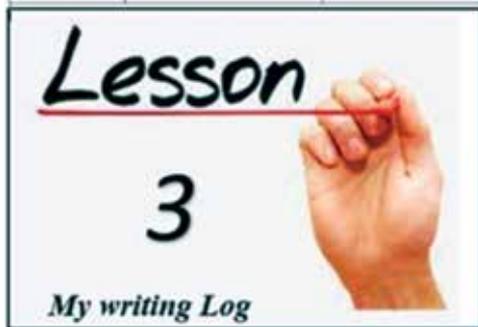
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<b>What was known in this lesson?</b>	<b>What did I learn?</b>	<b>How can I apply what I have learned?</b>

<p><b>CHAPTER II</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Write sentences using vocabulary about Banking.</li> <li>• Listen about What is bitcoin? and prove their understanding through different exercises.</li> <li>• Ask questions in Simple present by using Information Questions.</li> <li>• Learn about Bank discounts through a short reading.</li> <li>• Perform a role play “Requesting a Loan” using the vocabulary and grammar learned in the lesson</li> </ul>
<p><b>BANKING</b></p>	<p style="text-align: center;"><b>LESSON 4</b></p> <p style="text-align: center;"><b>BANK DISCOUNT</b></p> <div style="text-align: center;">  </div> <p><b>Discuss:</b>  <b>Students will ask each other the following questions:</b></p> <ul style="list-style-type: none"> <li>• What kind of bank discounts do you know?</li> </ul>

---

## CHAPTER II. BANKING

### LESSON N° 4

#### Reading for thinking: Bank Discount

##### Pre reading activity:

- What do the words in the article down here in bold mean?
- In your opinion, what is discounting?

##### While reading activity:

0. Read the following article about “What is discounting?” and complete the activities described below.

##### What is discounting?



There are different kinds of discounts, such as rational discounts, bank discounts, cash discounts, and series or chain discounts. However, in this lesson you will learn about a bank discount.

In the banking sector, a credit operation is known as discounting. Due to its characteristics, the bank receives negotiable documents such as checks, bills of exchange, or promissory notes from whose nominal value an amount equivalent to the interest that the document would accrue between the date on which it is received and the date of due is discounted. In other words, it is the value that the creditor must pay to collect a debt before it is due (Boullosa Torrecilla & Ríos Rodríguez, L. R., 2017).

We can interpret it as the simple interest on a debt, which is paid in advance. For the banker, the word discount means simple interest paid in advance. Banks use this type of discount because it provides an advantage.

According to (Calvo & Flores, 2016), A simple discount is a financial operation that consists of obtaining an advance payment; an advance payment of Securities: bills, promissory notes, among others that are general credit documents receivable. The bank pays the amount of the document deducting interest in advance, for the time remaining for the expiration of the obligations.

The discount made by the bank constitutes that difference between the amount of debt at maturity, and the amount received in advance to the present, the value that finally, it implies a profit in favor of the bank. In usual practice, these operations are due to the need of creditors to anticipate collections pending, to have fresh money (liquidity).

In other words, a bank discount is an interest paid on loan in advance. For instance, if the credit is \$1200 and the interest is 15% for ten months, the interest to be paid would be \$150, so the liquid money to receive is 1.050 due to the bank charged the interest on the credit in advance. Notice that simple interest rate is applied.

---

**Post reading activity:**

**1. Read and answer the questions below. (Choose the correct option)**

**1. What is a discount?**

- a) An interest paid on loan in advance
- b) A name of a bank
- c) It is time

**2. What does the word discount for a banker mean?**

- a) Simple interest paid in advance
- b) Capital paid with taxes
- c) Nothing at all

**3. Mention three kinds of discounts**

- a) Rational discounts, Bank discounts, Cash discounts
- b) Taxes, fees, more money
- c) Pay rent, pay bills, pay money

**4. What is Simple Discount?**

- a) It is a financial operation that consists of obtaining an advance payment.
- b) It is more money to pay
- c) It is difficult to explain.

**5. What do you understand about fresh money?**

- a) Fresh money is to have liquidity.
- b) Fresh money represents no money.
- c) Fresh money is new.

**2. Find words in the text which mean the same as the following.**

1. A tax deduction from the regular price of something.

(Paragraph 6) \_\_\_\_\_

2. A certificate that promises an amount of payment to a person.

(Paragraph 3) \_\_\_\_\_

3. A person whose job is to give financial advice to clients.

**Vocabulary: Banking**

1. Find the words in the letter soup. Then write a sentence with each word in simple present, there are 16 words in the chart.

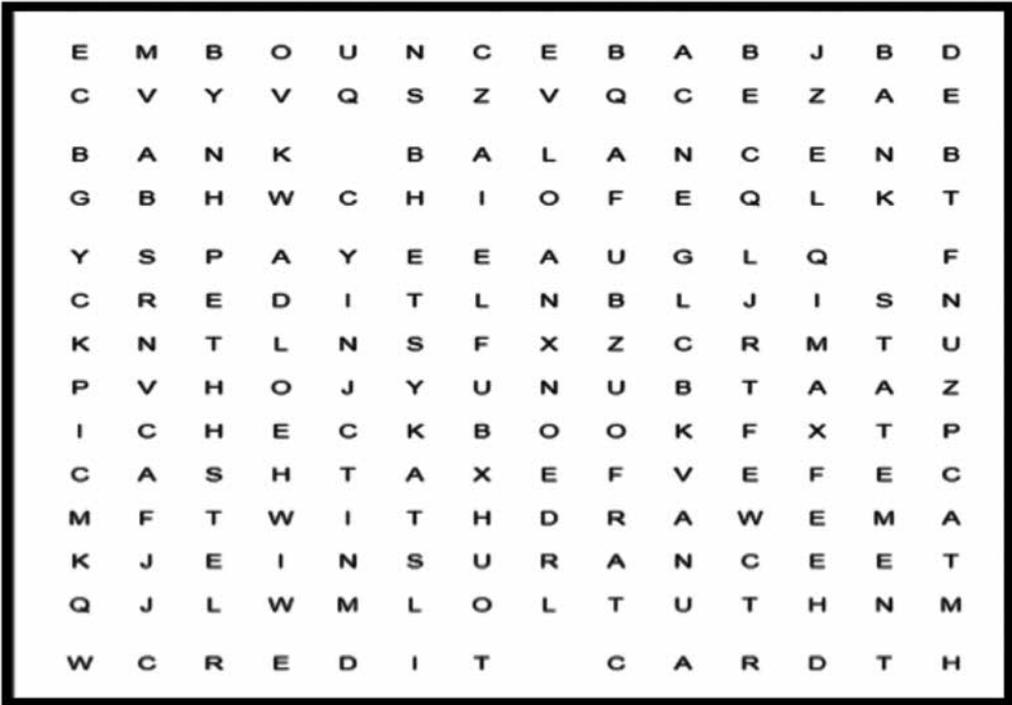


Figure 4: Banking Letter Soup

Source: Authors

1. ATM    There is an ATM at the mall. It is next to the pet shop.
  
2. NSF \_\_\_\_\_
  
3. Bank balance \_\_\_\_\_
  
4. Bank Statement \_\_\_\_\_
  
5. Bounce \_\_\_\_\_
  
6. Cash \_\_\_\_\_
  
7. Checkbook \_\_\_\_\_
  
8. Credit \_\_\_\_\_
  
9. Credit card \_\_\_\_\_
  
10. Debit \_\_\_\_\_
  
11. Insurance \_\_\_\_\_
  
12. Loan \_\_\_\_\_

---

13. Payee \_\_\_\_\_

14. Statement \_\_\_\_\_

15. Tax \_\_\_\_\_

16. Withdraw \_\_\_\_\_

**2. With the following words provide, find the correct place in order to complete the definitions**

- a) Credit Card            b) Debit Card            c) Charge Card  
d) Check                e) Traveler's Check    f) Charge Account

1. \_\_\_\_\_ is a document which transfers money from your account to other account.
2. \_\_\_\_\_ normally operated by a chain of shops.
3. \_\_\_\_\_ money deducted from the bank account basically immediately.
4. \_\_\_\_\_ this can be exchanged for foreign money.
5. \_\_\_\_\_ let you pay it back in one payment or more if you wish.
6. \_\_\_\_\_ you owe the retailer money.

**Listening: What is Bitcoin?**



Figure 5: What is Bitcoin?

Source: Authors

**1. Scan the QR code to have access to the listening part or click on the following link “[What is Bitcoin](#)”? Then listen to the audio and choose the correct option. True or False.**

- |   |      |       |
|---|------|-------|
| 1. Bitcoin is not the first decentralized digital currency.     | True | False |
| 2. Bitcoin is changing finance as the web changed publishing.   | True | False |
| 3. There are not prerequisites or arbitrary limits.             | True | False |
| 4. You cannot use them in every country.                        | True | False |
| 5. The Bitcoin network is secured by individuals called miners. | True | False |

---

2. Listen again and put the dialogue in correct order.



1. Bitcoins are transferred directly from person to person via the net without going to the bank or clearing houses.	
2. Bitcoins are digital coins you can send through the internet.	
3. Bitcoin is the first decentralized digital currency.	
4. Your bitcoins are kept in your digital wallet on your computer or mobile device.	
5. Your account cannot be frozen.	
6. Compared to other alternatives, bitcoins have several advantages.	
7. Let's look at how it works, several currency exchanges exist where you can buy and sell bitcoins for dollars euros and more.	
8. You can use them in every country.	
9. It means that the fees are much lower.	
10. There are not prerequisites or arbitrary limits.	

**3. Listen one more time and answer the questions, it is recommended to write in a full sentence.**

1. Could you use bitcoin in any country?

---

2. What is Bitcoin?

---

3. Are Bitcoins transferred directly from person to person?

---

4. What is Bitcoin changing?

---

5. Who are Miners?

---

---

6. Where are bitcoins keep?

---

7. Is sending bitcoins as simple as sending an email?

---

8. Can your account be freezing?

---

9. What does bitcoin open?

---

10. Are bitcoins a great way for business? Why?

---

This listening was taken from (Fluentize, 2021)

**4. Represent the Bitcoin system with a graphic organizer.**

**Grammar: Simple Present Information Questions.**

When you required more information about something, WH questions: what, where, when, why, who, how much and how many are used.

**Look at the chart.**

WH QUESTIONS	ANSWERS
WHAT	OBJECT ACTION
WHERE	PLACE
WHEN	TIME
WHY	REASON
WHO	SUBJECT
HOW MUCH	UNCOUNTABLE NOUNS
HOW MANY	COUNTABLE NOUNS

Table 9: Wh – Questions

Source: Authors

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## How to form Wh- Questions

### 1. Structure with What (Object)

What + Auxiliary (Do-Does) + Subject + Verb (Base Form) + Complement?

#### Example:

- Entrepreneurs have immediate liquidity.

What do the entrepreneurs have? immediate liquidity. (object)

### 2. Structure with What (Action)

What + Auxiliary (Do-Does) + Subject + Do + Complement?

- The financial institution gives the client the amount that remains after discounting the nominal amount.

What does the financial institution do?

- The financial institution gives the client the amount that remains after discounting the nominal amount (action).

### 3. Structure with Where (Place)

- CDVF lawyers offers a personalized service in Madrid, Granada and Almería.

Where+ Auxiliary (Do-Does) + Subject + Verb (Base Form) + Complement?

**Example:**

**Where does CDVF lawyers offer a personalized service?**

**Answer:**

CDVF lawyers offer personalized service in **Madrid, Granada and Almería.** (place)

### 4. Structure with When (Time)

When+ Auxiliary (Do-Does) + Subject + Verb (Base Form) + Complement?

- The bank collects both interest and expenses in advance in a short time.

**Example:**

**When does the bank collect both interest and expenses?**

---

**Answer:**

The bank collects both interest and expenses in a short time (time).

### **5. Structure with Why (Reason)**

Why+ Auxiliary (Do-Does) + Subject + Verb (Base Form) + Complement?

**Example:**

Why does the discount reduce at the beginning of the loan period  
instead of adding it at the end?

**Answer:**

Because the bank uses the simple interest and discount rate for short  
periods, maximum up to three or five years.

### **6. Who (Subject)**

Who+ Verb (Base Form) + Complement?

**Example:**

Companies with the commercial discount get a quick and easy way  
of financing.

Who get a quick and easy way of financing?

**Answer:**

Companies with the commercial (Subject)

### 7. How Much (Uncountable Nouns)

How much + noun+ Auxiliary (Do-Does) + Subject + Verb (Base Form) +  
Complement?

**Example:**

- A merchant receives a sales check for a boat for \$40 000.

How much money does a merchant receive for a boat?

**Answer:**

A merchant receives for a boat **\$40000**.

---

## 8. How Many (Countable Nouns)

How many + noun+ Auxiliary (Do-Does) + Subject + Verb (Base Form)  
+ Complement?

**Example:**

- The bank sends 20 credit cards to its costumes every day.

**How many** credit cards does the bank send to its costumes every day?

Answer:

The bank sends to its costumes **20 credit cards** every day.

- There are some payrolls at the secretary office.

**Example:**

**How many** payrolls are there at the secretary office?

Answer:

**There are some** at the secretary office

Time to Practice

1. Write a question according to the underlined words.

1. \_\_\_\_\_

A credit operation is a discounting.

2. \_\_\_\_\_

The bank receives negotiable documents such as checks.

3. \_\_\_\_\_

The word discount means simple interest paid in advance.

4. \_\_\_\_\_

Banks use this type of discount because it provides an advantage.

5. \_\_\_\_\_

A simple discount is a financial operation.

6. \_\_\_\_\_

---

If the credit is \$1200 and the interest is 15% for ten months, **the interest is \$150.**

7. \_\_\_\_\_

**There are five kinds of discounts,** such as rational discounts, bank discounts, cash discounts, and series or chain discounts.

8. \_\_\_\_\_

The bank **pays the amount of the document deducting interest in advance.**

9. \_\_\_\_\_

You can use Bitcoins **in every country.**

10. \_\_\_\_\_

**Samuel** borrows \$ 9000 for 9 months at a simple interest rate of 15% per year.

11. \_\_\_\_\_

**Writing Set: Check Register**

**1. Calculate the balance (Bank reconciliation) using the following information to complete the box.**

**January 15:** write beginning balance of \$930.70.

**January 17:** write check #109 to Mrs. Flor. You pay the first payment on your new vehicle

**payment:** \$355.00.

**January 25:** make a check card payment to Santa María Market. You pay \$52.70 for groceries.

**February 1:** write check #110 to Banco del Pacífico. You make a car payment of \$235.73.

**February 2:** write check #111 to CNT Internet Service for \$30.77.

**February 2:** use your ATM card to withdraw \$30.00.

**February 15:** you deposit your paycheck for \$555.00 (Deposit).

**March 2:** use your ATM card to withdraw \$200.00.

**March 15:** write check #112 to EMAPAR Water Service for \$ 20.50

Check No.	Date	Description	Transaction Amount	Deposit Amount	Balance
	01/15				930.70
109	01/17	Mrs. Flor payment new vehicle	355.00		575,70

Table 10: Balance Box  
Source: Authors

2. According to the information from the box above, answer the following questions

1. What was your account balance on January 25?

\_\_\_\_\_

2. There is a new car brand. It costs \$21,000. the payments are \$ 600 per month. Can you afford to buy it on after February 15?

\_\_\_\_\_

3. You find a new phone on sale for \$289.00. Can you afford to buy the phone on February 2nd?

\_\_\_\_\_

4. What will your account balance be if you do? (February 2nd)

\_\_\_\_\_

5. What was the amount of check #111? Who was it payable to?

\_\_\_\_\_

3. Write your own check register in the box below.

Check No.	Date	Description	Transaction Amount	Deposit Amount	Balance

Table 11: Studets Check Register

Source: Authors



Write the information questions that you remember	Choose if the following words are nouns or verbs	Noun	Verb	What comes to your mind with this word "Bitcoin"
	Credit	X		
	Loan			
	Pay			
	Account			
	Accrue			
	Interest			
	Checkbook			

## Speaking: Requesting a Loan

### 1. Instructions “Role Play”

- Work in groups of three or four.
- Choose a type of interest. (Ordinary/Simple Interest)
- Prepare at least six questions to ask the other members of your group about a loan and the interest.
- Use the useful expressions below.
- Three questions must be with Wh- Questions and three must be yes / no questions.
- The group will present a role play about the situation in no more than 10 minutes.

### Useful language

- I would like to have a ... because I want to ...
- This loan.....you need.....
- I like .....
- The loan depends on.....
- This loan will help me to.....
- For me, the interest is .....
- How much interest do this bank charge on loans?
- You can get \_\_\_\_\_% interest.
- We paid \_\_\_\_\_% interest on the loan

- 
- I come here to apply for a loan.
  - What is the procedure for it?
  - What are your terms and conditions?
  - A customer needs a \$ 20,000 loan, you must explain the interest options.

<p><b>CHAPTER II</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Identify Financial Services by learning definitions.</li> <li>• Listen about how to Open a Bank account.</li> <li>• Apply prepositions of place and the modal verb should in short texts.</li> <li>• Read about Banking and answer questions about it.</li> <li>• Practice pronunciation using a short dialogue.</li> </ul>
<p><b>BANKING</b></p>	<p style="text-align: center;"><b>LESSON 5</b></p> <p style="text-align: center;"><b>PERSONAL FINANCE</b></p> <div data-bbox="407 765 1150 1245" data-label="Image"> </div> <p><b>Discuss:</b>  <b>Students will ask each other the following questions:</b>  <b>How many ways can you_____?</b></p> <ol style="list-style-type: none"> <li>1. Save money</li> <li>2. Borrow money</li> <li>3. Pay your bills</li> <li>4. Pay for food in the store</li> </ol>

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## LESSON 5

### Pre reading activity:

- Guess the story of the chapter according to the headline.
- Underline the unknown words and discuss them with the class.

### While reading activity:

- Read the following passage about “What is Personal Finance?” and complete the activities described below.

### Reading for thinking: What is Personal Finance?

Talking about Finance encompasses a world of investments and decisions. To summarize, personal finances are budgets or financial plans. However, personal Finance begins with planning personal financial activities highlighting income generation, spending, saving, investment, and protection.

According to (Keown, 2019) there are 10 principles of Finance. First, The Best Protection is Knowledge, Second; Nothing Happens Without a Plan, Third: The Time Value of Money; fourth: Taxes Affect Personal Finance Decisions, Fifth: Stuff Happens, or the Importance of Liquidity, Sixth: Waste Not, Want Not—Smart Spending Matters, seventh, Protect Yourself against Major Catastrophes, eight, Risk and Return Go Hand in Hand, ninth, Mind Games, Your Financial Personality, and Your Money, and tenth, Just Do It!. Those principles are fundamental to understand how to manage personal Finance because they analyze essential aspects of personal financial management.

Popular wisdom tells us that money is the root of all evil, while the best things in life are free. However, money is necessary to fulfill many of the goals and ambitions that people have, and it puts a value on things that may clash with our own broader values. Personal finances are the economic management of a person or family at the time of making the distribution of money to intelligently distribute their income, whether for housing, food, health, education, transportation, clothing, luxury, insurance, etc. In addition, expenses must be considered because there are future financial risks such as checks, bank accounts, credit cards, and loans (Aguirre, 2017).

Based on Aguirre's definition, personal finances are the basis for managing money correctly both now and in the future. If you have good knowledge and financial decisions, you can use this wisdom for your own benefit by exercising management adequate personal finance.

According to ( Villada Duque, López Lezama, & Muñoz Galeano, 2020), personal finances have a supremely high degree of importance since there are several investment alternatives, including the Internet that combined with an excellent financial culture, will allow people to make successful and responsible investments that generate profits and productive life on the financial issue.

**Post reading activity:**

**1. Look at these sentences about What is Personal Finance? Choose True or False**

- |  |   |   |
|--|---|---|
| 1. Planning personal financial activities begins with Personal Finance.  | T | F |
| 2. According to Keown finances are the basis for managing money.   | T | F |
| 3. Currency is necessary to achieve many of the goals and ambitions.   | T | F |
| 4. Personal finances does not have a particularly high degree of importance even though they have several investment alternatives. | T | F |

- 
- |  |   |   |
|--|---|---|
| 5. Checks, bank accounts, credit cards, and loans are considered financial risks | T | F |
| 6. There are a few principles to understand Finance to be specific five.         | T | F |
| 7. Personal finances are the economic management                                 | T | F |
| 8. The Internet is considered as part of financial culture.                      | T | F |
| 9. The Time Value of Money is the second principle of Finance.                   | T | F |
| 10. The banks analyze essential aspects of personal financial management.        | T | F |

### Vocabulary: Financial Services

1. Complete the sentences with the information from the box.

a) cash machine	b) Credit/debit card	c) bank loan
d) online account	e) rental contract	f) deposit account
g) insure policy	h) mortgage	i) overdraft facility
	j) risk	

1. You usually should check your \_\_\_\_\_
2. I must sign a \_\_\_\_\_ before to move to that house.
3. I need to get a \_\_\_\_\_ to buy a new house.
4. The bank credit advisor told me to check my \_\_\_\_\_
5. I get a new \_\_\_\_\_ each year.

6. I take out money from a \_\_\_\_\_
7. Pichincha's bank has an excellent \_\_\_\_\_
8. I must to pay a \_\_\_\_\_ for 10 years.
9. I lost my \_\_\_\_\_ in the train, I took this morning.
10. \_\_\_\_\_ is a situation which involves exposure to danger.

### Writing: Definitions

#### 2. Look up the definition of the following words:

**To borrow.**- To take and use something that belongs to somebody else and return it to them later (oxford learners dictionaries, 2020).

1. To take out

---

2. To spend

---

3. To save

---

---

4. To buy

---

5. To protect

---

5. To manage

---

6. To pay

---

7. To expand

---

3. According to the information provided from exercises 1 and 2, complete the sentences using the expression “You can use”.

**Example**

0. You can use a cash machine to take out money from your account.
  
1. \_\_\_\_\_ your car against accidents.
  
2. \_\_\_\_\_ money to buy a house.
  
3. \_\_\_\_\_ more than you have in your account.
  
4. \_\_\_\_\_ money and earn interest on it.
  
5. \_\_\_\_\_ your bills automatically.
  
6. \_\_\_\_\_ all your accounts at home.
  
7. \_\_\_\_\_ things in a store.
  
8. \_\_\_\_\_ a house and pay monthly.
  
9. \_\_\_\_\_ your business.

- 
5. How many bank services on exercise 1 you or your relatives mostly use?  
With the information acquired, ask a partner and write his/her answer.

**Example:**

- I use a cash machine every day. I always withdraw money there.

Me \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Partner \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**5. Underline the correct answer**

1. The word “purchase” is the same as \_\_\_\_\_.
- a) Invest in
  - b) Sell
  - c) Merchandise

2. A synonym of money is \_\_\_\_\_.
- a) Currency
  - b) Coins
  - c) Dollars
3. Which sentences express the same “As well as the local branches that are in most cities”
- a) As well as the community locals that are in some cities.
  - b) As well as the regional departments that are in most towns.
  - c) As well as the small locals that are in most states.
4. The opposite word of authorize is \_\_\_\_\_
- a) Allow
  - b) Consent to
  - c) Disallow
5. A bank manager is \_\_\_\_\_
- a) A person responsible for handling cash in a bank.
  - b) A person who purchases goods or services.
  - c) A person who directs a company or business.

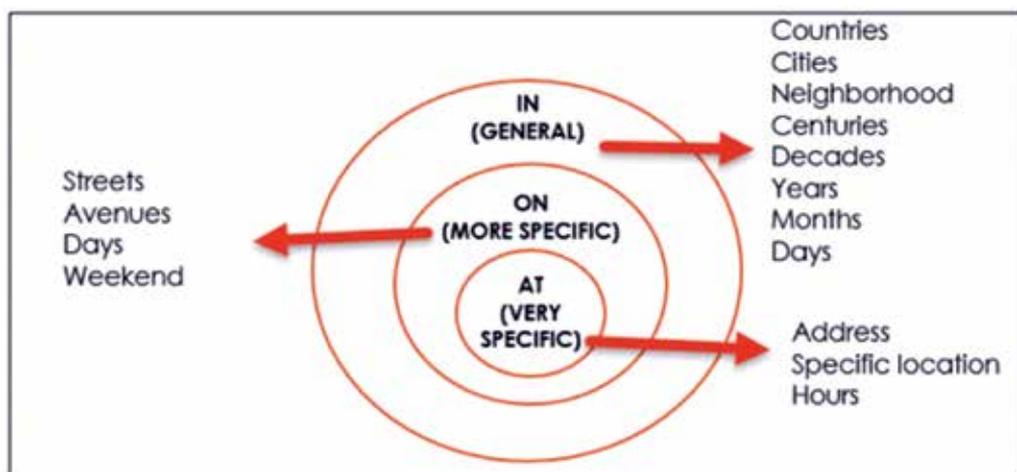


Figure 6: Preposition

Source: Authors

**1. Read the advertisement from “Banco Pichincha” and talk about its services. Then, complete the text with the prepositions in, on, at or from.**

Banco Pichincha is the largest private bank <sup>1</sup>\_\_\_\_Ecuador, it also has a presence <sup>2</sup>\_\_\_\_Colombia, Spain, Panama, and Peru.

The objective is to ensure that Banco Pichincha continues to lead the microfinance market <sup>3</sup>\_\_\_\_Ecuador, in a much more competitive environment due to the growth <sup>4</sup>\_\_\_\_\_ the strengthening of the cooperative sector.

Telephone Banking is available 24 hours a day, 365 days a year. Call us <sup>5</sup>\_\_\_\_PBX: (02) 2999-999 to obtain more information about our products, services, rates, and conditions. If you have an emergency, check option 1. At “Banco Pichincha” you can count <sup>6</sup>\_\_\_\_\_ services such as life insurance, Bank transfers, Payments, Sending abroad - Remittances, International transfers, Reactivation of accounts, Service channels.

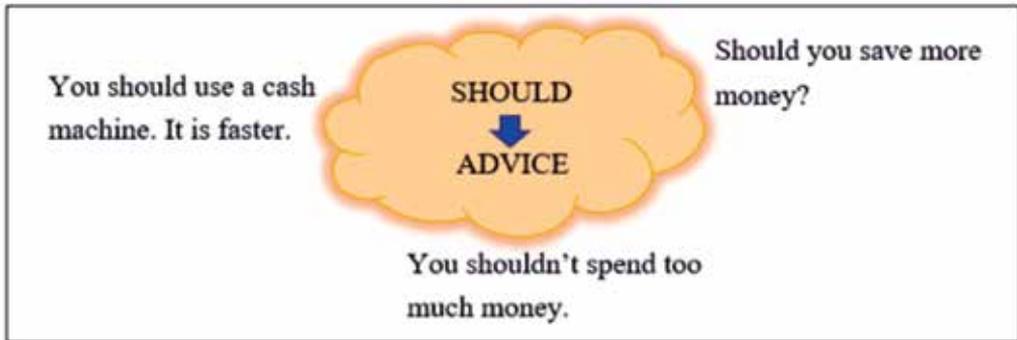


Figure 7: Should

Source: Authors

Should (not) is a modal verb used to give an advice or suggestions. After should use the verb in base form.

S + SHOULD + VERB (BASE FORM) + C.

### Examples:

- You should try to open a new account.
- He should save more money.

#### 1. Examples of suggestions or giving Advice:

1. I think you should save money.
2. Why don't you open an online account?
3. You'd better borrow money to buy a new house.

- 
4. Let's go to the bank.
  5. What about saving money in a deposit account?
  6. How about investing your money in policies?
  7. Don't you think it would be a good idea to expand your business.
  8. If I were you, I'd pay my bills by standing order.
  9. You may want to take out money from a cash machine.
  10. Perhaps you could pay your bills online.
  11. I strongly advise you to check your account.
  12. It's better for you to save money.

## 2. Accepting or Refusing suggestions

ACCEPTING SUGGESTIONS	REFUSING SUGGESTIONS
Thanks, I'll do it.	No, I'd rather not.
It sounds good.	I don't think so.
That sounds like a good idea.	I don't feel like it.
Thanks. It's a good suggestion.	No, I don't think it's a good idea.
I think you're right.	What a bad idea!
Why didn't I think of that?	
OK, I'll think about it	

Table 12: Suggestions

Source: Authors

**1. Complete the phrases with should / shouldn't using financial vocabulary in your own words.**

1. We \_\_\_\_\_ . That sounds like a good idea.

2. \_\_\_\_\_ ?. No, I don't think it's a good idea.

3. I think you should \_\_\_\_\_

4. What a bad idea! \_\_\_\_\_ investing on that.

5. He \_\_\_\_\_ . I agree with that.

**2. You will withdraw \$ 50.000 from your account. What should and shouldn't you do? Write three examples of each one.**

1. I should call the police before to take out the money.

2. I shouldn't talk with people who I don't know.

3. \_\_\_\_\_

4. \_\_\_\_\_

---

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_

8. \_\_\_\_\_

9. \_\_\_\_\_

**Speaking: Dialogue (bank employer / customer)**

1. Work with a partner and practice pronunciation with the dialogue below.

A=Bank employee

B= Customer

A= Thanks for coming to this meeting, Sr. Ricaurte. Right away, I'd like to start with spending. I see you usually withdraw money at the counter in the office as well as using the cash machines.

B= Well it depends, I normally get money from the cashier when it's more than three hundred dollars.

A= Sr. do you have a Pacific cheque book and a debit card?

B= Sure, I do. I still have to write some cheques a couple of times.

A= I got it, what about your credit card?

B= I have a credit card, but not with this bank. I use Discover credit card because it gives me cash back on my shopping.

A= Great. What about paying fees? Do you use standing orders and direct debits?

B= To be honest, I don't know the difference!

A= Ok. I will explain you. You use a standing order to pay the same amount every month, and direct debit means that you pay a bill automatically.

B= Oh yes, I use direct debit for my phone and water bills, but I don't have any standing orders. I didn't know about it.

A= I realize you have a deposit account with Pacific bank, but you don't have an online account an overdraft arrangement.

B= Yes, around 5 years ago I got the first account.

A= What about a loan from the bank do you have anyone?

B= No, apart from the mortgage on my new house, which I set up here two years ago.

A= All right, I think that's all-Sr. Flor. I appreciate your patience.

B= Your welcome. Have a good day.

---

## Listening: Open a bank account



Figure 8: Opening a Bank Account

Source: Authors

Scan the QR code to have access to the listening part or click on the following link [“Opening a Bank Account”](#). Then listen to the audio and complete the information required.

### OPENING A BANK ACCOUNT



**1. Click on the link above. Listen the conversation and complete the blank spaces.**

I thought that I'd first say a few words to help orientate you round the <sup>1</sup> \_\_\_\_\_. As new arrivals, one of the first things you'll want to do is <sup>2</sup> \_\_\_\_\_ a <sup>3</sup> \_\_\_\_\_. This will allow you to receive your money transfers, <sup>4</sup> \_\_\_\_\_ your <sup>5</sup> \_\_\_\_\_ by <sup>6</sup> \_\_\_\_\_ and all sorts of other things that will make your life easier. More seriously, you should look at the sort of <sup>7</sup> \_\_\_\_\_ the <sup>8</sup> \_\_\_\_\_ will offer you, both if you need an <sup>9</sup> \_\_\_\_\_ or <sup>10</sup> \_\_\_\_\_ or if you're hoping to get some <sup>11</sup> \_\_\_\_\_ on your <sup>12</sup> \_\_\_\_\_.

**2. Listen again and match.**

- a Bank charges
- b Evergreen
- c International Union
- d Money safe and Northern Star
- e Great Western
- f Money safe
- g Northern Star
- h A bank account


- 1 offers a laptop to people who keep a balance of more than £5,000
- 2 will lend money at a lower percentage on higher education courses.
- 3 are not all the same.
- 4 You'll get a phone when you open your first account

- 
- 5 offers the highest rate of interest to savers.
  - 6 actually, says that if you're in credit, your account won't cost a thing
  - 7 offer mountain bikes or vacuum cleaners
  - 8 allows you to receive your money transfers

This listening was taken from (mini-ielts, 2021)

### **Reading for thinking: Banking**

The world is constantly changing, so Banks and Banking are essential for functioning because money would not work without banks. They help people borrow money, pay for different things, or save money with ease and security. There are many banks in each country in the world, and all of them have branches in other cities, and some of them are multinational banks. If people need certain services, they have a bank just around the corner.

In a lot of cities, you can find local branches and a head office. The principal office is where all central tasks are performed that let the local branch function. To help the customers, the banks have a bank manager, the person in charge, tellers who work behind the bank counter. Also, there are security guards who protect customers, workers, and money.

Most customers see the cashiers in certain situations, like paying money into their account as check or cash. However, if they want to open an account, request an overdraft, get a loan, or borrow money, they might need to talk with the bank manager to approve their application.

Banks have excellent services to offer to their customers; for example, they can pay their things using cash or checks in any part of the world. Also, banks have convenient methods to use a credit or debit card, and the best thing is these cards are easy to use, and customers can pay for everything with them. To authorize them, you must sign a receipt or enter a PIN to confirm the purchase (Jolyon Dodgson, 2020).

**1. Read and answer the questions**

1. What is the objective of the head office of a bank?

---

2. What are the functions of the banks?

---

3. What do bank cashiers do?

---

4. What do banks allow people to do?

---

5. What do banks have around the world?

---

---

6. Where are all the central tasks performed?

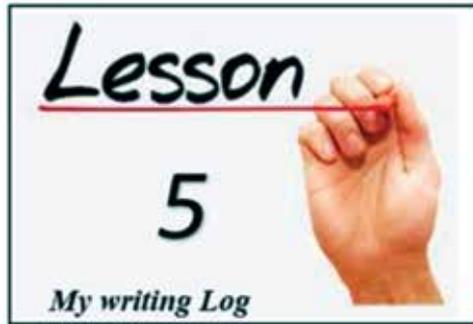
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7. What kind of services does a bank offer?

---

**2. Read again and Circle True or False. If it is false, write the correct answer.**

- |   |      |       |
|---|------|-------|
| 1. Most customers see the bank manager to put their money into an account.  | True | False |
| 2. The bank manager is on charge to authorize a loan.   | True | False |
| 3. The principal office is where all central tasks are performed.   | True | False |
| 4. The principal office is where all central tasks are performed.   | True | False |
| 5. Banks don't have convenient methods to use a credit card.  | True | False |
| 6. Security Guards protect customers, workers, and money  | True | False |
| 7. Debit cards are easy to use, and cashiers can pay for everything with them.  | True | False |
| 8. The purpose of the head office of a bank is to help the customers.   | True | False |
| 9. If bank customer spends more currency than they have in their account, the bank is not allowed to borrow more money. | True | False |
| 10. The bank manager is the person who is in charge to help customers   | True | False |



Time spent in this lesson	Activities performed	Comments
	<p align="center"><b>Straights you acquire in this lesson</b></p>	

<p><b>CHAPTER II</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Acquire vocabulary about economy by learning synonyms.</li> <li>• Listen about The U.S. Recession and complete sentences.</li> <li>• Practice adjectives (words position) by recognizing mistakes on the sentences.</li> <li>• Read about Economic Indicators and answer questions.</li> <li>• Ask questions about economic indicators.</li> </ul>
<p><b>BANKING</b></p>	<p style="text-align: center;"><b>LESSON 6</b></p> <p style="text-align: center;"><b>ECONOMIC INDICATORS</b></p> <p><b>Discuss:</b>  <b>Look at the picture. What do you think those people are talking about? Share your opinion with the class.</b></p> 

LESSON N° 6

**Pre reading activity:**

- Talk about the photo in the Economic Indicators article. Can you suggest five words related to it?
- Discuss with a partner what is your previous knowledge about Economic Indicators

**While reading activity:**

- Read the following passage about “Economic Indicators” and complete the activities described below

**Reading for thinking: Economic Indicators**



---

Indicator or index allows to know the economic reality in a quantitative way, with a statistical base, enable a study of the situation, performance and estimation of the economy, its focuses are on the past, present, or future time of the economic cycle, with various criteria for its classification and with different methodologies for its calculation.

An economic indicator is a variety of statistical data on the economy that analyze the situation and the economy's performance, both past, and present. In many cases, it is used to make predictions about the evolution of the economy. Indicators like (GNP) Gross National Product and Gross Domestic Product (GDP) are used to measure economic growth. In economic terms, the Gross Domestic Product is the value of all final goods and public services which a country generated in a certain period.

Types of indicators, depending on the economic field.

Depending on the financial area, we can classify the indicators as follows:

Labor market indicators: unemployment rate, active population, activity rate, among others.

Indicators of the economic situation and economic growth: gross domestic product (GDP), among other related ones.

Price indicators and purchasing power: Consumer Price Index (CPI), inflation, among other indicators.

Financial and account status indicators: ROE, ROI, IRR, NPV, among other indicators.

Indicators of trade operations abroad: trade balance, the balance of payments, among other indicators.

According to (Coll Morales, 2020) among the most important economic indicators, the following are the most relevant:

1. Gross domestic product or GDP
2. Unemployment rate or unemployment rate
3. Type of interest

4. M2
5. Risk premium
6. Inflation
7. Consumer Price Index (CPI)
8. Exchange rate
9. Balance of payments
10. Level of debt and deficit
11. Confidence of the entrepreneur and the consumer

### **Main Economic Indicators**

1. Gross Domestic Product GDP

It is the sum of all the market values, all the final products for the labor and capital of a country's economy.

2. Unemployment or Unemployment Rate

It refers to the % of the workforce who can work and are looking for work.

3. Inflation

It measures the general increase in the prices of products, goods, and services in a country.

4. The Consumer Price Index CPI

It determines the evolution of the rates of the products consumed by the population in homes.

5. Exchange rate

Price of a country's currency.

6. Rate or Interest Rate

---

Price of the use of money.

7. Risk premium

It refers to the difference in rates between countries when financing.

8. Balance of payments

Number of payments that a country receives from foreigners and payments that the country makes abroad in a year.

Economic and financial indicators allow us to Measure and record the behavior of economic agents, analyze the economic or financial evolution of a country, a company, a family, etc., make comparisons with the economic situation of other regions or countries or with the financial condition of another company, guide the economic and financial policy of the countries.

At the beginning of the first decade of the 21st century in Latin America, it has shown findings on the level of the economic well-being of the economies that comprise it, a policy mechanism government policy adopted to improve family income emerge from studies of GDP per capita, taxes, and significantly expenses influencing the quality of life of the inhabitants (Sánchez, 2006).

In Ecuador, the issue of family income tries to maintain the threshold of satisfaction of needs such as food, health, education, and clothing. The basic basket is made up for more than 359 items, including goods and services, considering the Consumer Price Index.

(El Universo, 2021) According to the report of the World Bank, the COVID-19 pandemic caused a substantial impact 4.7 million people from the middle class in Latin America and the Caribbean have moved into vulnerability or poverty. Therefore, during the pandemic year, the population of Latin America and the Caribbean decreased to 37.3% of the population, the vulnerable class grew to 38.5% and the poor represented 21.8%.

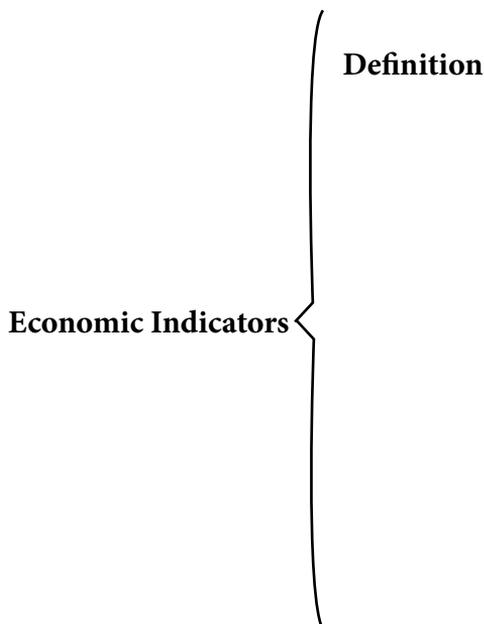
In comparison, the Economic Commission for Latin America, and the Caribbean (ECLAC) estimated this Tuesday, August 31, 2021, a growth of 3% for the Ecuadorian economy this year and 2.6% for 2022. In contrast, the estimate of This year's growth is slightly below that projected by the Central Bank of Ecuador (ECB), which estimates that Ecuador's Gross Domestic Product will increase by 3.02% this year and by 3.4% in 2022. And, according to the new ECLAC projec-

tions, Latin America and the Caribbean will grow 2.9% in 2022, which implies a slowdown compared to the 2021 rebound. There is nothing to anticipate that the low growth dynamics prior to 2020 will change. The structural problems that limited the region's growth before the pandemic have worsened and will have a negative impact on the recovery of economic activity and labor markets beyond the rebound in growth of 2021 -2022.

In conclusion, economic indicators are the main variables or signals that mark the index on the current trends or behavior of the market, the macroeconomy, and the economy of a country. In other words, they are those statistical tools or instruments that allow indicating, predicting, diagnose and providing information on the state of health of an economy and its condition in a specific time (Pineda, 2021).

**Post reading activity:**

- 1. Complete the mind map with the most important facts in the reading to summarize**



---

**2. What facts do you know about the economy in Ecuador? Work in pairs and make notes based on your answers.**

1. How many people live in Ecuador?

---

2. What is happening to the prices in the supermarkets?

---

3. How many citizens have no employment?

---

4. Is Ecuador's economy growing or declining?

---

5. How much interest do people pay on bank loans?

---

## Vocabulary: Economy

1. Matching the words from column A to the definition from column B

	COLUMN A
1	Exchange rate
2	Inflation
3	Unemployment rate
4	Balance of trade
5	Gross domestic product
6	Interest rates
7	Population

	COLUMN B	
A	the movement of prices in the economy	
B	the cost of borrowing money from a bank	
C	the relation between imports and exports	
D	the value of a country's money compared with other currencies	
E	the number of people who live in a country	
F	the number of people with no job	
G	the total size of an economy	

**2. Search on the web to complete the missing information from the table below. Then answer the questions.**

<b>Economic Indicators 2020-2021</b>	<b>China</b>	<b>United States</b>
Population	1.411.780.000.	
Gross domestic product		\$22.785 trillion
Growth rate	7.9%	
Interest rates		1.75%
Unemployment rate	5.3%	
Inflation		4,1%
Exchange rate	1 USD = 6,4564 CNY	
Balance of trade		\$-71.2B

Table 13: Economic Indicators

Source: Authors

1. Which country has a better economy?

---

2. Which country has the high-ranking growth rate?

---

3. Which has the worse inflation rate?

---

4. Which has the better interest rates for borrowers?

---

5. Do you see any risks for the financial system from the indicators?

---

3. Look at the trend in each text. What does it say? Mark the correct letter A, B or C in the answer box.

Example

0. Forecast that costs could rise by a further 7% between now and next two years		
<input checked="" type="radio"/> A	<input type="radio"/> B	<input type="radio"/> C

- A. The costs might climb by a further 7% between the next years.
- B. The costs must grow by a further 7% between the next years
- C. The costs could fall by closer 7% between the next years

1. Economists predict prices are falling again.		
<input type="radio"/> A	<input type="radio"/> B	<input type="radio"/> C

- A. Economic experts forecast rates are increasing again.
- B. Economic experts calculate costs are declining again.
- C. Economic experts distrust prices are going up again.

2. Prices have dropped down by 20%.		
<input type="radio"/> A	<input type="radio"/> B	<input type="radio"/> C

- A. Fees have fallen moderately.
- B. Fees have raised sharply.
- C. Prices have declined significantly.

3. The pound has decreased against the euro.

A	B	C
---	---	---

- A. The pound has enfeebled against the euro.
- B. The pound has strengthened against the euro.
- C. The pound has raised against the euro.

4. The graph shows a decline in the number of Finance books sold.

A	B	C
---	---	---

- A. The sold of Finance books had shown an increase.
- B. The sold of Finance books had gone up.
- C. The sold of Finance books had shown a decrease.

5. The Euro plummeted against the US Dollar.

A	B	C
---	---	---

- A. The Euro has decreased slightly against the US Dollar
- B. The Euro has fallen steeply against the US Dollar
- C. The Euro has gone down slowly against the US Dollar

- 
4. Go back to the exercise 1 and underline the verbs from the exercise 1 to 5. Use blue if the indicator goes up (*climb*) and green if it goes down (*fall*). Then complete the chart writing the verb in infinitive.

Example

↑	↓
To climb	To fall

## Vocabulary: Word Order

### 1. From verbs to Nouns

Verb	Noun
To drop	Drop
To fall	Fall
To rise	Rise
To grow	growth
To improve	improvement
To fluctuate	fluctuation
To vary	variation
To reduce	reduction
To lose	a loss

Table 14: From verbs to nouns

Source: Authors

Note: When you describe a change, you can be more specific by putting an adverb after the verb to show a big, small, or continuous change over time.

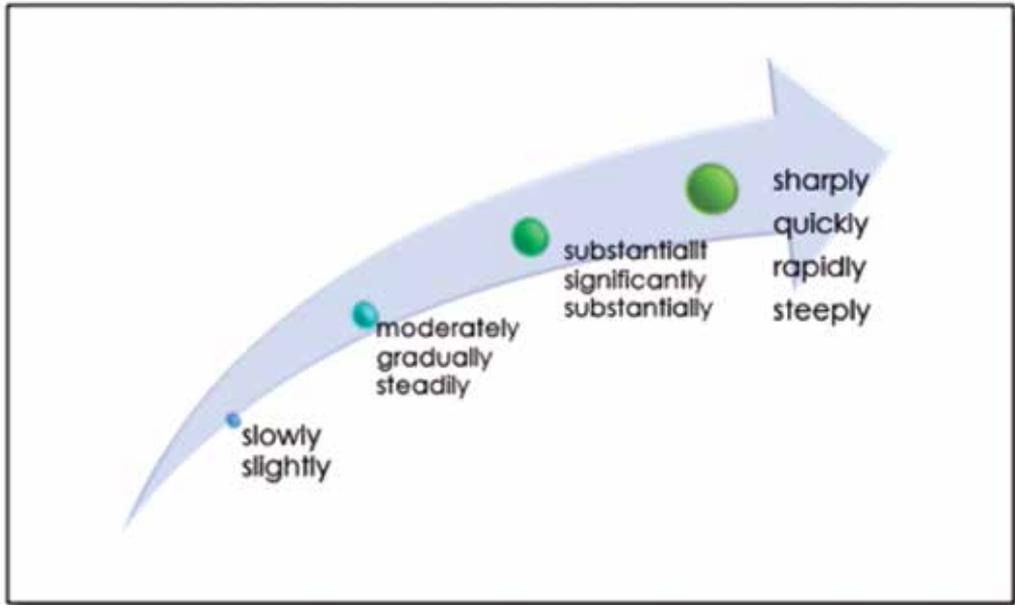


Figure 9: Adverbs

Source: Authors

- The number of shops in the city increased significantly between 2018 and 2019.
- In 2021, Company profits decreased moderately as was expected.
- The number of cars sold has dropped considerably.

1. Describing Trends – Word Order

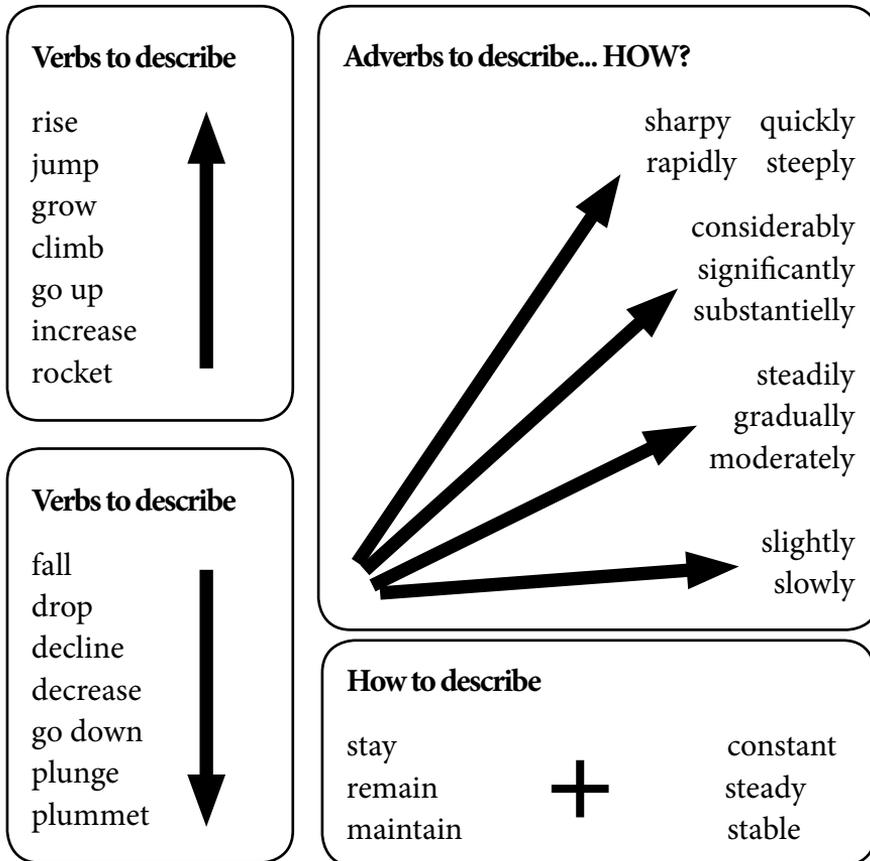


Figure 10: Trends  
Source: Woodward English

Trends that contain a verb + adverb.

**Example:**

Garage sales fell slightly.

**1. Adjective + Noun**

If you use an adjective + noun to describe a trend, you often use:

There + is/are/was/were/will be + the article before the adjective and noun.

**Examples:**

- There is a slight increase in transactions.
- There was a dramatic drop in the rate of oil.
- There will be a steady decline in the number of emergency kits sold in 2020.

**2. Nouns + Prepositions**

Use “IN” after nouns, increase, decrease, rise, and fall when we do NOT specify a number.

**Example:**

- There was a rise in sales after appearing on internet.

---

When there is a specify, a number use the preposition “OF” after the noun increase or decrease.

- There was an increase of 80% in sales of emergency kits sold in 2020.

Increase “FROM” X (the first amount) “TO” Y (the final amount).

**Example:**

- Sales increased from 50 to 80 units.

When you use a percentage instead of another number, the preposition “BY” is optional.

**Example:**

- Sales increased by 30%. ... or
- Sales increased 30%. (Both are right)

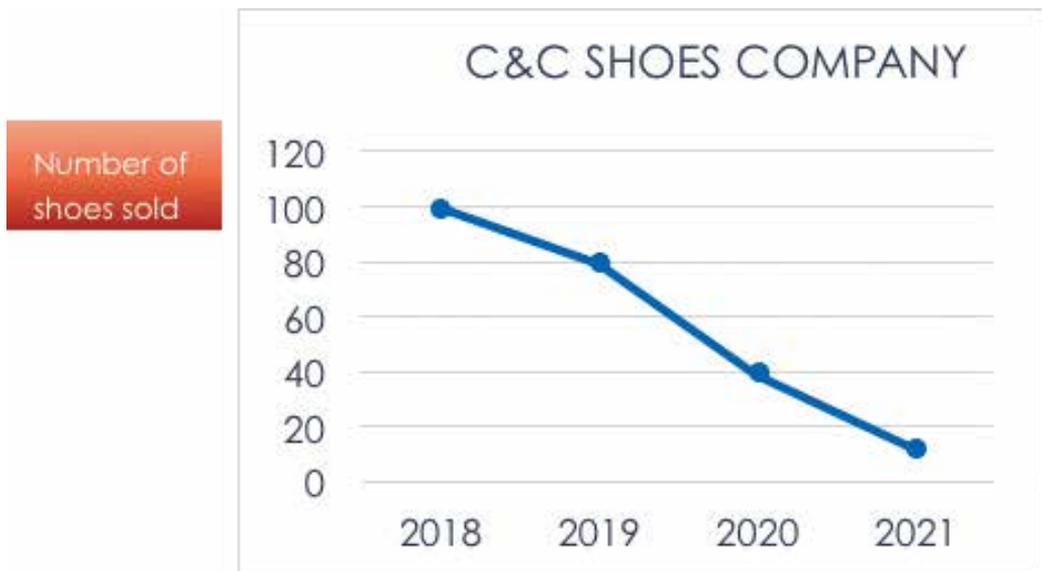
You also have a peak (which is the highest point). Peak is a noun, and it is used with the verb reach.

- Reach a peak which means it goes up to arrive at its highest point.
- The opposite of peak is the lowest point or lowest amount.

## Writing: Describing Trends

1. Look at the charts and write two similar sentences with the vocabulary learned.

## Example

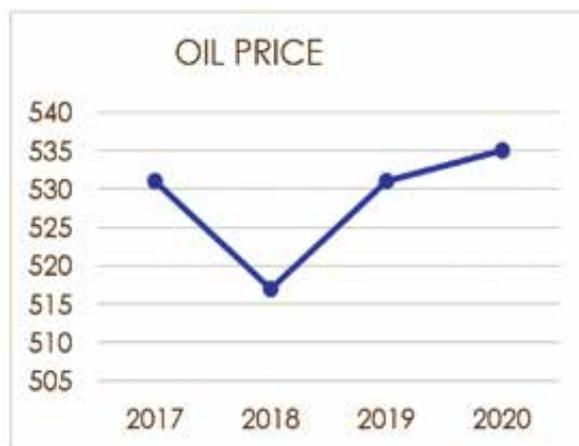


- The graph shows the number of shoes sold has dropped significantly.
- The graph shows a drop in the number of shoes sold.



• \_\_\_\_\_

• \_\_\_\_\_



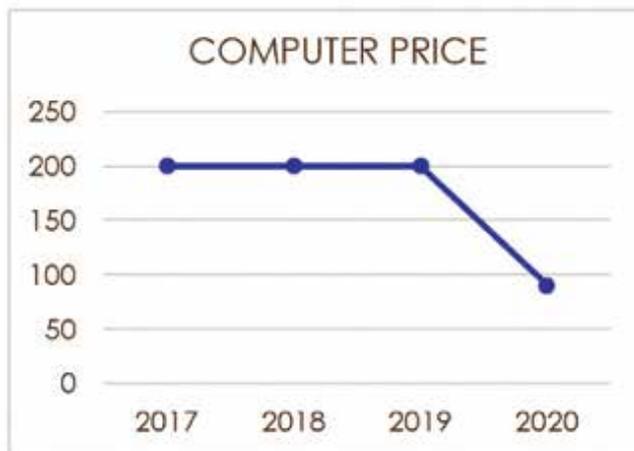
• \_\_\_\_\_

• \_\_\_\_\_



• \_\_\_\_\_.

• \_\_\_\_\_.



• \_\_\_\_\_.

• \_\_\_\_\_.

---

# Lesson

---

# 6

*My writing Log*



Write 7 useful words to describe trends	By a graphic represents The U.S Recession	Write a sentence with the vocabulary learned in lesson 6
		Exchange rate
		Inflation
		Unemployment rate
		Balance of trade
		Gross domestic product
		Interest rates

**Listening: The U.S Recession**

1. Scan the QR code to have access to the listening part or click on the following link “[The U.S Recession](#)”. Then listen to the audio and choose the correct option to the information required.



Figure 11: The U.S Recession

Source: Authors

1. Some economists believe that the recession started in \_\_\_\_\_or \_\_\_\_\_.
  - a) February/ March
  - b) January/December
  - c) March/ April
  
2. \_\_\_\_\_ “officially” proclaim that there is a recession.
  - a) The National Bureau of Economic Research
  - b) The U.S. Senate
  - c) The NASDAQ

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3. According to a December 2007, \_\_\_\_\_ respondents believed that the U.S. was in a recession.

a) over 40%

b) over 50%

c) over 60%

4. According to the man \_\_\_\_\_ jobs will be lost in total in the United States in 2008.

a) 2 million

b) 1.2 million

c) 500,000

5. The man said that the US economy is very much dependent on \_\_\_\_\_.

a) consumer confidence

b) government bailout packages

c) consumer spending

**Speaking: Asking follow-up question**

**1. Write questions about Economy Indicators then ask them to your classmates and write their answers below, then share them in class.**

**EXAMPLE**

**0. What is an economic indicator?**

**Answer: An economic indicator is a variety of statistical data that helps analyze the economy in a country over time.**

Q1. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q2. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q3. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q4. \_\_\_\_\_

ANSWER \_\_\_\_\_

---

Q5. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q6. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q7. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q8. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q9. \_\_\_\_\_

ANSWER \_\_\_\_\_

Q10. \_\_\_\_\_

ANSWER \_\_\_\_\_

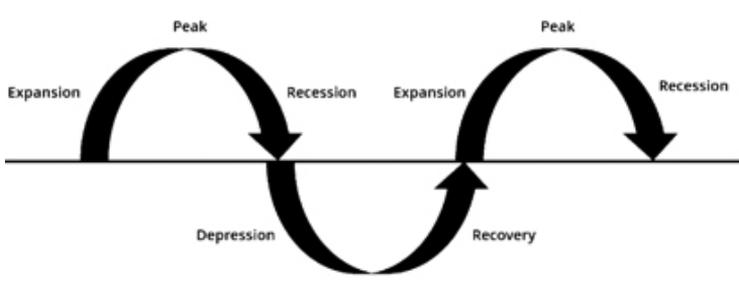
**2. Work with a partner and find out how life has changed in Ecuador since 2015. Complete the table below. Then present it to class.**

- How much did families spend on fuel in 2015?
- What has happened to spend on fuel since 2015?
- Why has it changed?

	Monthly Spending		Reasons
	2015	Today	
Food	\$200	\$500	The economic crisis that manifested in the early eighties has remained persistent.
Housing			
Fuel and			
power			
Clothing			
Transport			
Leisure			
TOTAL			

Table 15: Monthly Spending

Source: Authors

<p><b>CHAPTER III</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Learn vocabulary based on Business Cycle &amp; Growth.</li> <li>• Listen and answer questions about “The Great Depression”.</li> <li>• Ask and write sentences using simple past.</li> <li>• Read about “The IMF and the World Bank” and prove their understanding answering questions.</li> <li>• Make a presentation in small groups about How did the Great Depression affect people?</li> </ul>
<p><b>ECONOMIC CYCLES</b></p>	<p style="text-align: center;"><b>LESSON 7</b></p> <p style="text-align: center;"><b>ECONOMIC CYCLES</b></p>  <p style="text-align: center;"><b>Discuss:</b></p> <p><b>Students will ask each other the following question:</b></p> <ul style="list-style-type: none"> <li>• What is growth?</li> <li>• What do you understand by economic fluctuations?</li> <li>• How is investment spending by companies or the government reflected in the economy?</li> </ul>

## CHAPTER III ECONOMIC CYCLES

### LESSON N° 7

#### Pre reading activity:

- Look at the article's title "Economic Cycles", and write a simple statement related to it.
- Take notes about five classmates' ideas and write it down.

#### While reading activity:

- Read the following passage about "Economic Cycles and complete the activities described below

#### Reading for thinking: Economic Cycles

A global analysis of the behavior of the different economies shows that international crises have been produced by the incorrect management of different economic policies, adding an erroneous relationship between public finances, corrupt acts, and abuse of public power, have caused a collapse of the economic

---

system, thus the uncertainty of international markets in the face of the unsustainable economies and their lack of capacity to face the vulnerable situations of different countries (Nina, Ayaviri, Villa Bastidas, & Quispe Fernández, 2021).

Therefore, it must be understood that in financial terms, the economy is managed through the same economic cycles that are called fluctuations or increases and decreases in the economy within the different productive sectors in each period. The current stage of the economic cycle can be determined according to GDP, interest rates, total employment, and consumer spending.

Based on the reading above, four economic cycles can be highlighted as:

0. The depression or crisis in which there are low levels of unemployment, this being the lowest point of the economic cycle, causing that there is no economic demand and the prices of goods and services, as well as that of production, remain at minimum levels.
1. Recovery is the cycle in which a country's economy begins to improve, generating better production, expanding jobs, and increasing prices as the demand for goods and services increases, resulting in an economic reactivation.
2. Boom at this point, the economy reaches its maximum level becoming the highest economic cycle or the peak.
3. Recession or contraction is when the economy is in a state of crisis, whether severe or prolonged. In this economic cycle, production, investment, trade, and employment, and wages are reduced.

Variables are the first in calculating economic cycles. The most common is national production, represented by gross domestic product (GDP) or gross national product (GNP). Next, there is the variable of inflation and unemployment. The variables can be pro-cyclical, that is, they increase when the cycles grow and decrease when the cycles decrease (GDP, GNP, inflation), against cyclical, which grow when the cycle falls and decrease when the cycles increase (unemployment), or a cyclical, which do not change due to the economic cycle (Huerta, 2009).

Economic growth does not occur continuously and linearly but is subject to fluctuations generated by the presence of economic cycles. Continuous years of growth and expansion are followed by years of recession and crisis, accompanied by declines in production, increases in unemployment, and welfare losses. Consequently, economic growth registers deviations to its long-term trend, generating significant differences in the gross domestic product (GDP) per capita and the population's standard of living.

In the case of the Ecuadorian economy, there is little literature regarding economic cycles. There are studies at the level of undergraduate or graduate thesis such as that of Bayancela (2016), which applies a Markov regime change model to explain the economic cycles in Ecuador in the period 1997-2015, establishes a model of two states - recession and Recovery (Carvajal & Mayoral, 2021).

#### HOW ARE ECONOMIC CYCLES PRODUCED?

To explain the causes that influence economic cycles, three theories must be analyzed starting with the Austrian School, which attributes the moments of crisis to the errors of the monetary authorities; the Keynesian School maintains the theory that these cycles are caused by the fall in demand for the population, and finally, there are theories that are based on the capitalist structure as the cause of these economic phases

According to (Giudice, 2006), the Economic cycles were originally discovered by the French Robert Aftalion (1865). These cycles allow us to distinguish the rise of long-term growth against the background of movements of ups, downs, and unexpected movements in a country. Economic cycles occur in phases and periods that could last up to 10 years or more. For a better compression, they are detailed below:

Short or Kitchin cycles: The estimated average duration is 40 months; these cycles do not usually reach the depression phase.

Media or Juglar cycle: The average duration is 7 and 11 years. They are a series of short cycles that are not entirely overcome and lead to an economic crisis.

Long or Kondratieff cycles: They last between 47 and 60 years of an average of 54 years of duration. It takes a long period to reach the peak.

It is no coincidence that the production of goods and services does not constantly evolve since huge variables are linked to production influence. Among all

---

these variables, the most notorious is money's role, especially interest rates, which allow financing investment projects and consumer needs.

**Post reading activity:**

**1. Read the text again and decide if the next sentences are true or false. If it is false write the correct answer**

1. The Economic cycles were originally discovered in 1865 by French Robert Atellans. True   False
2. The Economic cycles are the depression, Recovery, Boom and Recession. True   False
3. International crises have been produced by the wrong administration of different economic strategies. True   False
4. Austrian School attributes the moments of crisis to the fall in demand for the population. True   False
5. Cycles than can produce economic crisis in a short period are called Juggler cycle. True   False

**2. Answer the question according to the reading (Choose the correct option)**

1. Define Economic Cycles.
  - a) Economic Cycles represent the problematic based on wring decisions taken by authorities with an economic impact.
  - b) Economic Cycles do not represent the problematic based on wring decisions taken by authorities with an economic impact.
  - c) Economic Cycles represent only some types of authorities.

2. What are the Kondratieff cycles?

- a) They last between 47 and 60 years of an average of 54 years of duration.
- b) They last between 10 and 40 years of an average of 54 years of duration.
- c) They last between 5 and 20 years of an average of 54 years of duration.

3. What is theory according to the Keynesian School?

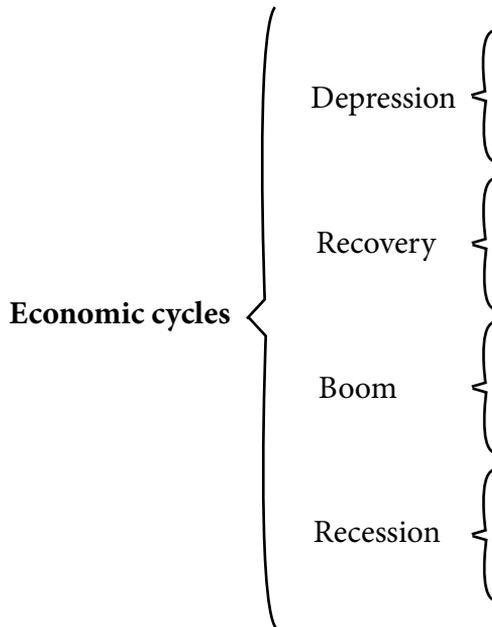
- a) School maintains the theory that these cycles are caused by the fall in demand for the population
- b) School forgets the theory that these cycles are not caused by the fall in demand for the population
- c) School do not know the theory that these

4. Explain two theories about Economic Cycle mention in the reading

- a) Austrian School which attributes the moments of crisis to the errors of the monetary authorities; the Keynesian School maintains the theory that these cycles are caused by the fall in demand for the population
- b) Austrian School are lost in Economic Cycles.
- c) Austrian School do not understand about Economic Cycles.

---

3. Complete the mind map about Economic cycles.



**Grammar: Simple Past**

The simple past tense is used to talk about things that occurred or happened before, here, and now. There are two forms of verbs regulars and irregular verbs. In simple past the regular verbs are formed by adding “ed”, and the irregular verbs change the form in its conjugation.

**Simple Past Verbs**

1. Look for simple past verbs in the reading “Economic Cycles” and complete the box.

<b>Regular Verbs</b>	<b>Irregular Verbs</b>
1. Accompanied	1. Were
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.

---

## Negative sentences Simple Past

The negative form is composed with the auxiliary verb “did + not” (didn’t). After the auxiliary use a verb in base form.

S + DID NOT + V (BASE FORM) + C

### Examples:

- The 45 governments at the conference decided to build a system of economic cooperation.
- The 45 governments at the conference did not decide to build a system of economic cooperation.

The verb to be, has its negative form according to the number or the person, if it is referred in singular “was not (wasn’t)”, and if it is mentioned in plural “were not (weren’t)”

### Examples:

- The IMF and the World Bank were set up at the Bretton Woods conference in the US.
- The IMF and the World Bank were not set up at the Bretton Woods conference in the US.

**2. Rewrite the sentences into negative simple past sentences.**

**Example:**

0. The estimated average duration is 40 months.

*The estimated average duration was 40 months.*

1. The World Bank has the different task of lending money.

---

2. These cycles allow us to distinguish the rise of long-term.

---

3. The economy manages the same economic cycles.

---

4. Country's economy begins to improve.

---

---

5. The Keynesian School maintains the theory

---

**Vocabulary: Business Cycle & Growth**

1. Antonyms. Match the words from 1 – h.

1	Fluctuation
2	Current
3	Spending
4	Employment
5	Increase
6	Inflation
7	Peak
8	Rise

A	Joblessness	
B	Drop	
C	Past	
D	Stability	
E	Minimum	
F	Saving	
G	Decrease	
H	Decline	

2. Look at the sentences from the chart and classify them, identify which words belong to recovery and recession.

Population loses their jobs.	Governments start to increase interest rates.
Increase of jobs	Inflation increases
Layoff of workers	Prices fall
Production of fewer goods.	Companies goes bankrupt.
Rise of productions.	Economic collapse
Interests' rates begin to fall.	Governments start to increase interest rates.

RECOVERY	RECESSION
	Population loses their jobs.

3. Complete the table with the verbs and nouns learned in this chapter. These must be in reference about the Economy topic.

Verbs	Nouns
Produce	International

4. Complete the crossword with the vocabulary learned from this lesson.

ACROSS	DOWN
2 a state in which prices, levels or interest rates go up and down.	1 money kept in an account in a financial company
4 a period in which the economy of a country declines significantly and businesses drop their production or go bankrupt.	3 a phase in which something reaches its highest price or rate.
7 time of low economic activity, when investments lose value	5 growths in the amount of money.

ACROSS	DOWN
8 increases in prices due to an expansion in money supply and demand for goods	6 to increase and produce a huge quantity of money in a short period
9 money used for a certain purpose	

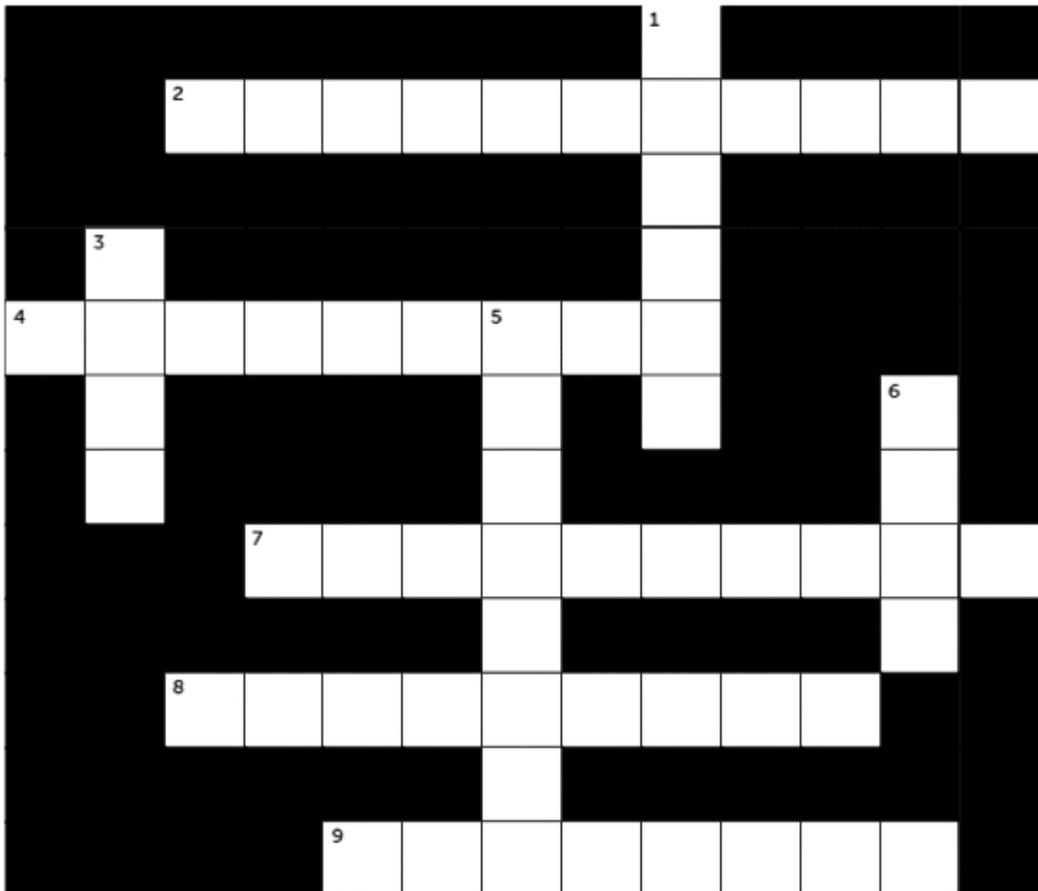


Figure 12: Crossword

Source: Authors

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## Reading for Thinking: The IMF and The World Bank

The International Monetary Fund and the World Bank were set up at the Bretton Woods conference in the USA in 1944. The 45 governments at the conference decided to build a system of economic cooperation among countries to avoid the mistakes that caused the Great Depression of the 1930s. The IMF is based in Washington, DC. The USA and is governed by the 185 countries that are members. However, the IMF is not a bank; Its job is to maintain stability in the world economy and help countries experiencing financial difficulties. Perhaps with repaying debt on loans or when the value of their currency has collapsed. But the IMF cannot tell a government what to do: it can only advise. The World Bank has the different task of lending money to developing countries to help long-term construction and CO support social programs to reduce poverty or disease. Many of its programs in developing countries support big long-terms infrastructure projects like darns: water systems or road systems which governments do not have money to build.

Charged with failure.

Both institutions face a lot of criticism today. The Fund is often criticized for ignoring local conditions of poverty in developing single “western” and imposing single ‘western’ solutions onto weak economies. By advising governments, for example, to cut government spending to reduce inflation, they can create unemployment in developing countries. The Bank is criticized for concentrating too much on big infrastructure projects like dams and motorways. Critics say these projects ignore the real needs of poor people to grin-food, ger water, or set up small businesses. Environmental protesters also say that big projects can destroy Local environments for farmers by changing the ecosystem.

Both institutions reject such criticism. And they are making significant efforts to reform by talking more with local people and focusing more on small micro-projects using local expertise. Both institutions believe that one of the most significant reforms is to have a. new emphasis on consulting with national governments, local experts, and aid organizations before developing any policies.

**1. Read the article and answer the questions.**

1. What happened in 1944?

- a) The IMF and the World Bank were set up at the Bretton Woods conference in the USA in 1944
- b) The IMF and the World Bank were set up at the Bretton Woods conference in the USA in 2000
- c) The IMF and the World Bank were set up at the Bretton Woods conference in the USA in 1800

2. Who governed The IFM?

- a) 185 countries members
- b) 50 countries members
- c) 20 countries members

3. What does The IFM purpose?

- a) Its job is to maintain stability in the world economy and help countries that are experiencing financial difficulties
- b) Its job is to maintain bad economy and do not help countries
- c) Its job is increase financial difficulties

4. What kind of programs does The IFM develop?

- a) Projects like darns. water systems, or road systems which governments do not have money to build.
- b) Projects like tv shows, drama and more.
- c) Projects difficult the explain.

---

5. Why is the fund criticized?

- a) The Fund is often criticized for ignoring local conditions of poverty in developing single “western” and imposing single ‘western’ solutions onto weak economies.
- b) The Fund often ignores the local conditions of poverty.
- c) The Fund is makes impossible solutions onto weak economies.

6. The author basically thinks The IMF is the responsible

- a) To support programs to reduce poverty.
- b) To maintain stability in the world economy.
- c) To help countries which do not have money

**2. Find words of phrases in the article that mean...**

1. An association that saves and manages an amount of money for investing.	
2. A part of the United Nations that motivates international trade and provide financial help developing countries.	
3. A group of select people who officially manage a country.	
4. The system of making money producing goods and services in a country.	
5. The condition of being poor.	

**4. Are the statements True (T) or False (F), according to the article.**

- |   |      |       |
|---|------|-------|
| 1. The IMF and the World Bank consider the governments.             | True | False |
| 2. need to participate. before to create any policy.                | True | False |
| 3. The IMF and the World Bank have similar functions.               | True | False |
| 4. The IMF and the World Bank were set up at the same year.         | True | False |
| 5. and same place.  | True | False |
| 6. Those institutions were created to avoid a financial bankrupt    | True | False |
| 7. The Fund is accused of ignoring local condition of poverty       | True | False |
| 8. in developed countries.  | True | False |
| 9. The IMF is an organization where people can borrow money.        | True | False |
| 10. The IMF must tell a country what to do in its financial system. | True | False |

**Listening: The Great Depression**



Figure 13: The Great Depression

Source: Authors

- 
1. Scan the QR code to have access to the listening part or click on the following link “[The Great Depression](#)”. Then listen to the audio and answer the questions.



Figure 14: The Great Depression

Source: Sánchez González

1. When did The Great Depression begin?

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2. Where did The Great Depression start?

---

3. Who lost money?

---

4. Why did The Great Depression affect the rest of the world?

---

5. What happened with the American Farmers?

---

6. What did the American government do to contribute to the end of the Great Depression?

---

7. When was the end of The Great Depression?

---

---

## 2. Listen again and complete the blank spaces

0. The Great Depression was a worldwide<sup>1</sup>\_\_\_\_\_. It began in <sup>2</sup>\_\_\_\_\_ in <sup>3</sup>\_\_\_\_\_, when <sup>4</sup>\_\_\_\_\_ of stocks <sup>5</sup>\_\_\_\_\_ drastically. People who had <sup>6</sup>\_\_\_\_\_ their <sup>7</sup>\_\_\_\_\_ lost a lot of money, and an overall<sup>8</sup>\_\_\_\_\_ in spending caused many Americans to lose their jobs.

This listening was taken from (Peacock, 1997-2021)

### Writing: World Economy 2021

1. Write about the world economy 2021. To prepare your writing, you have just downloaded the latest data on the world economy 2021. Write at least 100 words.

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2. Research the internet about the Great Depression and write down five essential facts about it.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

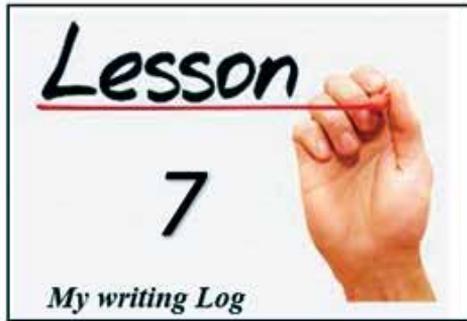
4. \_\_\_\_\_

5. \_\_\_\_\_

**Speaking: How did the Great Depression affect people?**

**1. Work with a partner, and prepare a presentation about How did the Great Depression affect people? Use this information.**

- Reasons that caused the Great Depression.
- What happened during Great Depression.
- How did the Great Depression change the U.S.?
- Were the government or Federal Reserve policies being effective/ineffective.
- Differences between depression and recession.
- End of the Great Depression.



<b>What did you do during the lesson 7</b>	<b>Write seven facts about Economic Cycles</b>
	1.
	2.
	3.
	4.
	5.
	6.
	7.
<b>What happened in the world economy in 2021?</b>	

<p><b>CHAPTER III</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Learn vocabulary about Business through a graphic organizer.</li> <li>• Listen and answer questions about The Lesson on Investments.</li> <li>• Ask information questions using simple past.</li> <li>• Read and answer questions about Covid-19 – Financial Impact.</li> <li>• Talk about Financial Services by performing a Role play.</li> </ul>
<p><b>ECONOMIC CYCLES</b></p>	<p style="text-align: center;"><b>LESSON 8</b></p> <p style="text-align: center;"><b>FINANCIAL SERVICES</b></p> <div style="text-align: center;">  </div> <p><b>Discuss:</b>  <b>If finance is the career you are studying, you may have to choose between working in a bank or working in a Finance department of a big company?</b></p> <ul style="list-style-type: none"> <li>• Where do you prefer to work? Why?</li> </ul>

### Reading for thinking: Financial Services

#### Pre reading activity:

- What kind of Financial Services do you know?
- What do you think about Financial Services in your country?

#### While reading activity:

- Below there is an article about Financial Services; read and answer the activities about it.

Financial service is defined as commercial or intermediation activities that allow the management and use of money to get benefits; for example, a mortgage loan to purchase a house, the mortgage loan would be the service or activity that someone executes to get the house, another example to appreciate the difference between a service, and a good could be a hotel accommodation, in that case, the accommodation is the service while the good is the furniture inside the hotel.

“Services are distinguished from physical goods by their intangible nature (they cannot be seen, touched, or heard before receiving them), inseparable (cannot be separated from their provider) variable (the quality of the service may vary, since it is inseparable from people) perishable (they cannot be stored for sale or later use) the satisfaction criteria is different if they are (produced and consumed at the same time), and the customer participates in the process” (Castellò Muñoz, 2007).

Financial systems usually undergo abrupt changes due to population growth in requirements and various like political, socio-cultural, demographic, and technological factors.

Within the financial services sector, it is essential to define two types of services:

**Financial service:** Activities carried out by financial entities to satisfy the customer needs that are subject to financial control.

**Non-financial service:** Financial services not directly related to the business line executed by third parties or financial entities.

### **Company Financial Services**

Banks are entities that offer a wide variety of services. The most common are payment of services, check cashing, deposits, issuance of credit, debit, and pre-paid cards, issuance of checkbooks, mortgage loans, and auto loans.

There are two types of companies with which financial services can be contracted. The first refers to physical companies, which offer their services to an office, and the second type is related to online companies.

The most common financial services associated with a company are:

- Financing services (credits)
- Stock market advice
- Advice and asset management
- Advice and savings management
- Banking related services
- Financial leasing
- Investment fund management
- Factoring

Companies that offer financial services must analyze trends and customer behavior to adapt to constantly changing market demands. Thus, when the economic scenario was not very competitive, and the client's bargaining power was low, banks were commercially oriented to the product rather than to the client "product banking". Instead, customer banking has been introduced as the bank-

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ing business becomes more complicated, financial margin declines, and competition grows.

Financial services are a progressively more influential sector in the contemporary economy; they refer to a wide-ranging range of more specific activities, such as banking, investment, and insurance. Financial services are limited to the activity of financial services companies and their professionals, while financial products are goods, accounts, or real investments (Tuesta, Sorensen, Haring, & Cámara, 2015). Let's mention some examples:

**Banking services:** They are the basis of the financial services group since they include the custody of deposits, the issuance of credit and debit cards, and money loan.

**Investment services:** stocks and bonds are used in these financial markets.

**Financial channels:** Channels in which products or services are offered to clients, for example, agencies, ATMs, telephone banking, online banking, and mobile applications.

As the needs and demands of their clients grow, financial institutions in Ecuador have begun a process of innovation, renovation of infrastructure and information systems to reduce customer service times, improve satisfaction, and make a difference in their value proposition in the market. These changes are evident especially in the seven largest banks in the country Banco Pichincha, Internacional, Guayaquil, Bolivariano, Pacífico, Produbanco and Austro.

In Ecuador, there are channels available for customers to interact and access electronic banking: cell phones, ATMs, laptops, among others; customers still maintain a certain distrust to transact through these channels. However, the country's lack of knowledge, education, and financial culture does not allow certain users to use these services. Additionally, after the 1999 crisis, the national banks had to focus on innovation issues and offer products and services to regain confidence in citizens.

The Central Bank of Ecuador reported that the growth rate of the use of digital payment means during the last five years was 16%, but between 2016 and 2017, it increased by 30% (Solórzano , 2020).

**Post reading activity:**

**1. Read the text again and answer the questions**

1. What is a Financial Service?

- a) Financial services are a progressively more influential sector in the contemporary economy.
- b) Financial services are a immediately and easy in the sector of economy.
- c) Financial services are not good for the economy.

2. What do Companies that offer financial services must do?

- a) Companies that offer financial services must analyze trends and customer behavior.
- b) Companies that offer financial services do not help customer behavior.
- c) Companies that offer financial services never analyze trends and customer behavior.

3. What happened with the financial service in Ecuador?

- a) Financial institutions in Ecuador have begun a process of innovation, renovation of infrastructure and information systems to reduce customer service times.
- b) Financial institutions in Ecuador do not care about innovation, renovation of infrastructure.
- c) Financial institutions in Ecuador do not reduce customer service times.

- 
4. Mention three examples of financial services
    - a) Agencies, ATMs, telephone banking, online banking.
    - b) Travel Agencies, ATMs, telephone number, Facebook.
    - c) Agencies, ATMs, telephone sound, online games.
  
  5. What are the two kind of financial companies which can be contracted?
    - a) Physical companies and online companies.
    - b) Online companies and physical companies
    - c) Free companies and internet
  
  6. What have financial institutions in Ecuador done?
    - a) A process of innovation.
    - b) A process of invitation.
    - c) A process of internet.
  
  7. How Financial Services are distinguished?
    - a) By the products or services are offered to clients.
    - b) By the clients or services are offered to clients.
    - c) By the products or services are free.
  
  8. What did the national banks do after the 1999 crisis?
    - a) They had to focus on innovation issues and offer products and services to regain confidence in citizens.
    - b) They had to focus on services only to regain confidence in citizens.
    - c) They had to focus on products only in citizens.

9. What do bank services include?
- a) The custody of deposits, the issuance of credit and debit cards, and money loan.
  - b) The custody of credit, the issuance of deposit and money loan.
  - c) The custody of money loan.
10. What are the seven largest banks in Ecuador?
- a) Banco Pichincha, International, Guayaquil, Bolivariano, Pacífico, Produ-banco and Austro.
  - b) Banco del barrio, banco la previsor, Filanbanco
  - c) Banco Banco, Banco del Rio, Banco Fuego.

**Vocabulary: Business**

**1. Which of the following words do NOT belong to the group? Circle it.**

- |                 |               |          |          |
|-----------------|---------------|----------|----------|
| 1. Services     | Facility      | System   | good     |
| 2. Deposit      | Saving        | Withdraw | Increase |
| 3. Applications | Cell phones   | ATMs     | Laptops  |
| 4. Company      | Establishment | Entity   | Business |
| 5. Decline      | Increase      | Grown    | Rise     |

2. According to the descriptions in the following table decide which financial service would be the most suitable for each person. Write the letter on the line.

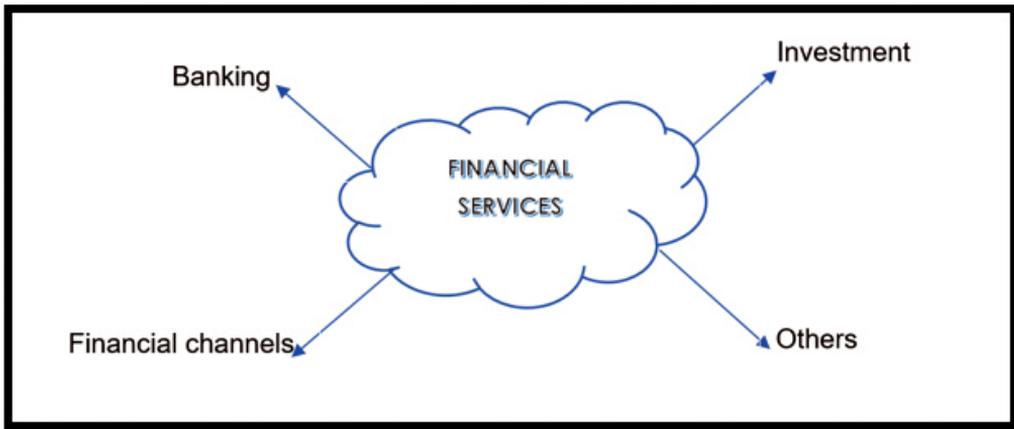
	<p>1. Joseph needs a service which provides business accounting to tax consulting and financial management and which industry expertise, enthusiastic approach, and excellent service ethic.  <u>  H  </u></p>
	<p>2. Maritza is trained to intermediate with companies, franchises, and including websites of its clients' companies. develops and offers marketing plans, advertising, assistance to buyers and suppliers ____</p>
	<p>3. Lenin wants to trade currencies to obtain significant profits through the purchase and sale of international products. __</p>
	<p>4. Carina needs to hire a financial service that has diverse skills and experience in various provider industries. In addition, they have experience in budget spending analysis that is key to achieving your business objectives.  ____</p>

	<p>5. Raquel offers a service of buying low-cost shares called volatile shares, which can increase their value between 100% and 500% shares of a penny since with this value they rise and fall with the same speed, they facilitate a strategy in which that made her a millionaire in about two years. ____</p>
	<p>6. Danny has a company that offers tax preparation services to small and large businesses that have prior experience handling taxes and returns to improve their financial system. ____</p>
	<p>7. Amanda's company offers a stock market that enables borrowers to access affordable debt capital and investors to access new asset classes through innovative technology designed to create a transparent and fair market. ____</p>
	<p>8. Gabriela offers training, workshops, seminars, web courses, mentoring courses to new entrepreneurs based on the experiences of his network of successful retired companies.</p>

**DESCRIBING FINANCIAL SERVICES**

<p><b>A. Expense reduction analyst</b></p> <p>Do you have business knowledge and experience, as well as budgeting skills? Then this could be the financial services business for you. We have expense reduction analyst consulting and industry experience in various expense categories such as logistics, facilities management, corporate and personnel services; we offer banking and financial services and information technology.</p>	<p><b>B. Tax preparation service</b></p> <p>It is an establishment with experience of more than five years in the declaration of taxes and withholdings, specialized in strengthening the financial knowledge of public and private establishments.</p>
<p><b>C. Daily Commodity Trader</b></p> <p>Can you sell commodities? Are you willing to be a successful salesperson? Then this could be the financial services business idea for you.</p>	<p><b>D. Business Broker</b></p> <p>Are you able to make agreements and businesses, verify the value of the companies? you can use your knowledge and experience to have your own brokerage company.</p>
<p><b>E. Daily Stock Trader</b></p> <p>A daily stock trader buys shares on the day and sells them when he has made a profit; when this does not happen, the daily stock trader must know his markets well to start his adventure in stock trading and make a profit in a way well thought.</p>	<p><b>F. Retired Presidents Service</b></p> <p>Do you know retirees or business veterans, entrepreneurs, executives, and small business owners? If so, you can create a network or society of industry experts to help new entrepreneurs and entrepreneurs. You can create a consulting network with experts to help new business owners.</p>
<p><b>G. Peer loans</b></p> <p>If finance is your thing and you're savvy, it's time to start your own peer-to-peer lending business—Grant small credits to a company or individual that accrues interest on returns.</p>	<p><b>H. Bookkeeping Service</b></p> <p>Are you a person with accounting knowledge? You are looking to open a company that offers accounting services to help individuals and small businesses during the tax season Professional Accounting and Tax Consultants is what you need.</p>

3. Complete the graphic organizer and write examples of each service.



4. Write sentences with the following verbs. Use simple past.

1. \_\_\_\_\_ (advertise)

2. \_\_\_\_\_ (borrow)

3. \_\_\_\_\_ (purchase)

4. \_\_\_\_\_ (complain)

5. \_\_\_\_\_ (estimate)

6. \_\_\_\_\_ (rise)

---

7. \_\_\_\_\_(employ)

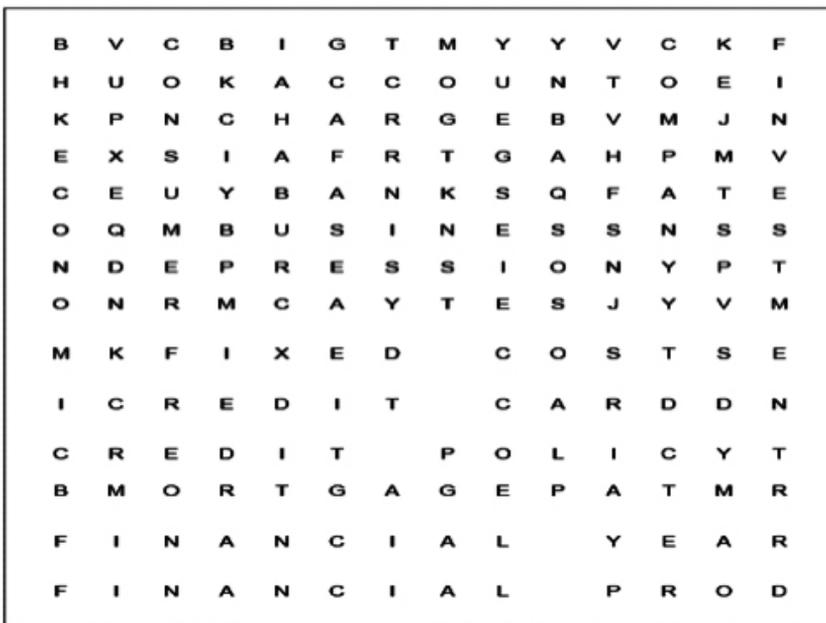
8. \_\_\_\_\_(invest)

9. \_\_\_\_\_(reduce)

10. \_\_\_\_\_(authorize)

**5. Find the following words in the letter soup about business.**

ATM	consumer	company	investment
banks	credit card	credit policy	fixed costs
business	depression	financial year	account



**6. Find five difficult or new words and write them in a sentence.**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

**Writing: Financial Services**

**1. Imagine that you are the owner of a business. What kind of company would it be, and what services would it offer?**

\_\_\_\_\_

\_\_\_\_\_

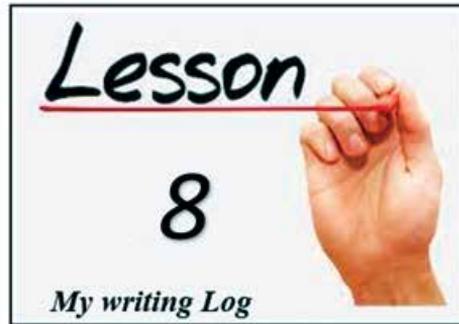
\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



How do you feel about the lesson?

What did you enjoy about the lesson? What can you contribute to this lesson?

Did you have any difficulties?

Is there anything you would like to work on/do differently?

## Reading for thinking: Covid-19 – Financial Impact

### 1. Read the text below and choose the correct word for each space.

A pandemic that <sup>1</sup> \_\_\_\_\_ in 2019 was <sup>2</sup> \_\_\_\_\_ Covid -19, an infectious disease that caused large numbers of deaths worldwide, but in 2020 the economic impact began. The effect of the virus was devastating for many countries. In the case of Ecuador, devastating social, economic, and political crises <sup>3</sup> \_\_\_\_\_ generated.

However, not all companies suffered losses since pharmaceutical companies, cleaning products, deliveries, commissariats <sup>4</sup> \_\_\_\_\_ their sales during 2020. The opposite of businesses such as gymnasiums, bars, restaurants, cinemas, theaters, etc., <sup>5</sup> \_\_\_\_\_ to close, generating significant economic losses.

Due to the situation, education <sup>6</sup> \_\_\_\_\_ a virtualization process where companies such as Zoom <sup>7</sup> \_\_\_\_\_, Microsoft Teams benefiting from large profits, so in September 2020, the zoom shares will increase <sup>8</sup> \_\_\_\_\_ 41%.

Amazon <sup>9</sup> \_\_\_\_\_ a virtual company, but with the arrival of the pandemic, it <sup>10</sup> \_\_\_\_\_ its sales in 2020 and 2021.

- |                 |               |             |             |
|-----------------|---------------|-------------|-------------|
| 1. a) begin     | b) began      | c) begun    | d) begun    |
| 2. a) calling   | b) call       | c) called   | d) name     |
| 3. a) was       | b) were       | c) been     | d) be       |
| 4. a) increased | b) increase   | c) declined | d) drop     |
| 5. a) had       | b) have       | c) has      | d) might    |
| 6. a) start     | b) started    | c) starts   | d) starting |
| 7. a) benefited | b) advantages | c) help     | d) benefits |
| 8. a) for       | b) to         | c) by       | d) an       |
| 9. a) were      | b) was        | c) is       | d) are      |
| 10. a) boost    | b) boosting   | c) step up  | d) boosted  |

---

## Listening: The lesson on investments



Figure 15: The lesson on investments

Source: Authors

1. Scan the QR code to have access to the listening part or click on the following link “[The lesson on investments](#)”. Then listen to the audio and answer the questions.

1. Why should he be more interested in investments?

---

2. Does he know what to invest in?

---

3. What do some of his friends do?

---

4. Why is he happy?

---

5. What is he interested in investing?

---

6. What does he think about investing in property?

---

7. Where does he prefer to keep his money?

---

---

**2. Unscramble the sentences about the listening.**

1. with money I'm hopeless totally.

---

2. confusing everything I very find.

---

3. invest stocks of friends in some my and shares.

---

4. I didn't crash lose money in the financial.

---

5. goes in price up Wine.

---

6. money of lot a make can really You.

---

7. I money a who lot of have know people.

---

8. better bed Perhaps to it's keep money under the my.

---

This listening was taken from ( Banville, 2008-2021).

### Speaking: Role play Companies Financial Services

#### Instructions

1. Make a role play about Company financial services in no more than 10 minutes.
2. Choose a company and work in pairs.
3. Prepare at least seven financial services your Company offers and explain them.

<p><b>CHAPTER III</b></p>	<p><b>Learning Objective:</b> By the end of this lesson, students will be able to:</p> <ul style="list-style-type: none"> <li>• Learn and practice vocabulary related to Finance and Banking.</li> <li>• Listen and answer questions about Money can buy happiness</li> <li>• Learn how to write a check</li> <li>• Read about Debit and Credit cards</li> <li>• Make a Survey about banking by applying Information Questions.</li> </ul>
<p><b>ECONOMIC CYCLES</b></p>	<p style="text-align: center;"><b>LESSON 9</b></p> <p style="text-align: center;"><b>BANKING</b></p> <div style="text-align: center;">  </div> <p><b>Discuss:</b>  <b>Students will ask each other the following question:</b></p> <ul style="list-style-type: none"> <li>• What do you know about banking?</li> </ul>

LESSON N° 9

**Pre reading activity:**

- Make a list of questions that might be asked about Banking.
- Find a classmate to find out the answers you wrote before.

**While reading activity:**

- Read the passage about banking underline the difficult words on it, then look for them in the dictionary.

**Reading for thinking: Banking**

History records the appearance of the first banks in Italy. Bankers were bourgeois or wealthy people who used to sit in banks to receive money from customers. These benches were tables that could be found in the squares of the city. It is known that the first relationship with the bank was barter (Red Educativa, 2021).

Banking is defined as the conglomerate of entities, corporations that make up the banking system whose work is based on the capture of money in the form of deposits so that with the flow of these resources, grant financing in the economic and financial market to grant credits to generate a return in the form of interest, commission, or item through banking tools such as credits, mortgages. Said interest charged by the bank can be defined as the bank's profit.

The banking system is an organization that concerns and manages the legal currency and do the function of the banker of banks. In addition, it controls the monetary (money), credit (interest rates), and exchange (the exchange rate) systems of the country (Laeven & Valencia, 2018).

---

Banks are classified according to their type of origin, which can be public and private origin. Public banking in most countries is governed by the central bank, which is part of the public administration that aims to allow all citizens the ease of obtaining credit as a development instrument, serving as a safe place to store money.

The banking system is an organization that deals with and manages legal currency and exercises the function of banker for banks. In addition, it controls the monetary (money), credit (interest rates) and exchange (the exchange rate) systems of the country.

According to (Cuartas Aguirre, 2013) there are three types of banking: Public banking (the capital is contributed by the state), Private banking (the capital is contributed by private shareholders) and Mixed (its capital is formed with private and public contributions).

### **Banks functions**

1. Give short and long-term credits.
2. Receive deposits in money from all public, in general.
3. Manage savings, checking, credit card accounts, and everything related to cards.
4. Receive deposits of financial certificates, bank deposit certificates, among others.

### **According to the Activity**

(Díez Torca , 2011) classify them according to the type of operations they carry out.

**Central banks.** A necessary governmental entity in each country. It oversees its financial system and directs the government's monetary policy.

Features

Issuance of current currency

Banking regulation and management of bank reserve requirements.

government financial advisor

Custodian of the gold and currency reserves of the country.

Manage public debt.

**Commercial banks.** Its principal function is to work with the public, and its profit is through financial intermediation and consumer credit.

Functions:

- Checking and savings account deposits
- We pay
- Collections
- Payments
- Financing

**Development banks.** They include mortgage and development banking, this type of bank being specific for these services.

Investment banks. Establishments that are responsible for helping people to invest in businesses through financing.

### **Bank Liquidity**

It is a percentage of the bank's assets, either cash or other assets that the entity owns. This bank liquidity is crucial as it reflects the ability of the bank to fulfill its responsibilities, such as the withdrawal of cash from its clients or payment of debts of the same entity.

In Ecuador, despite the pandemic, bank liquidity is maintained since the clients of the different banks have been able to withdraw their money normally. The bank liquidity index referring to the relationship between available funds and total short-term deposits was 30.4% for March 2021; this ratio grew by 6.3 percentage points in relation to the same month of the previous year (Asobanca, 2021).

---

According to the Superintendencia de Bancos del Ecuador, in the country, there are 24 banks (23 national and one foreign), four mutuals funds, and 26 savings and credit cooperatives.

### **Banking technology**

Technology became the protagonist of the financial sector, especially in technology. The coronavirus, a pandemic that changed the technological world, was a driving factor for banking and its services.

(González Fajardo, 2021), Financial entities must be up to date with new technological trends to strengthen their transformation from traditional to digital. The most popular trends in 2021 are:

**Open Banking:** Open Banking is a new collaborative model that requires institutions in the financial services sector to make certain types of data available through open and secure APIS to authorized entities.

**Neobanks and cloud infrastructure:** banks without physical offices are entities that seek to operate entirely through a mobile application. Their structure will be in a digital cloud, which will allow cost savings with the possibility of paying peruse through SaaS services.

**Analytics and AI as a competitive advantage:** Data Analytics and Artificial Intelligence (AI) make it possible to collect information, process it in real-time, and turn it into a guide to identify problems, opportunities, and solutions in the market, centralizing this information for the benefit of the client.

**Post reading activity:**

**1. Read the text and decide if the sentences are correct or incorrect. If it is correct, write A if it is incorrect, write B**

1. The Barter was one of first bank system.      **A**
2. Banking system is conformed for a small association of entities and corporations.      \_\_\_\_\_
3. Bank liquidity is crucial to fulfill banks obligations.      \_\_\_\_\_
4. Ecuador has 54 financial entities.      \_\_\_\_\_
5. 2020 was called the year of technological leap.      \_\_\_\_\_
6. Financial entities need to be updated with new technological trends.      \_\_\_\_\_
7. Central bank is not a governmental entity.      \_\_\_\_\_
8. In ancient times, banks used to be in squares.      \_\_\_\_\_
9. Ecuador has lost its bank liquidity during the pandemic.      \_\_\_\_\_
10. The most important bank function is to give short and long-term credits.      \_\_\_\_\_

**2. Read again and answer the questions.**

1. Who were bankers?
  - a) Bankers were poor or wealthy people
  - b) Bankers were conservative or wealthy people
  - c) Bankers were wealthy people who have many employers

---

2. Where did the story of banks start?

- a) France
- b) Rome
- c) Italy

3. Why nowadays the financial entities are called banks?

- a) Because they manage the legal currency and do the function of the banker.
- b) Because they just borrow money as the bankers in Italy.
- c) Because they create new legal currency and do the function of the banker.

4. What is banking?

- a) Banking is a few entities, corporations that make up the banking system
- b) Banking is a corporation of entities, that make up the banking system
- c) Banking is a small group of entities, corporations that make up the banking system

5. What are the three types of banks?

---

6. Write down the back functions

---

7. What are the principal Central Bank features?

---

8. What is open banking?

- a) a mixed model
- b) a private model
- c) a collaborative model

9. What does Artificial Intelligence make possible in a bank system?

- a) to generate information, to create problems, opportunities, and solutions
- b) to collect information, to identify problems, lost opportunities, and solutions
- c) to compile information, to identify problems, opportunities, and solutions

10. How does Díez Torca classify the banks?

- a) according to the kind of operations they carry out.
- b) according to the type of they directors to carry out a situation of risk.
- c) according to the type of money they received.

---

## Credit and debit card

### 1. Read the text below and choose the correct word for each space

A debit card is considered cash or a personal <sup>1</sup>check; the consumer can buy and pay physically or virtually. The value of <sup>2</sup>\_\_\_\_\_ and <sup>3</sup>\_\_\_\_\_ will be deducted from a checking or <sup>4</sup>\_\_\_\_\_ account. Credit cards being associated with a financial institution can provide immediate <sup>5</sup>\_\_\_\_\_ that can be paid in a <sup>6</sup>\_\_\_\_\_ or <sup>7</sup>\_\_\_\_\_ way with the respective <sup>8</sup>\_\_\_\_\_.

Credit cards are handy financial <sup>9</sup>\_\_\_\_\_ if used responsibly. Bank-issued credit cards, Retail, and entertainment card are three types of credit card <sup>10</sup>\_\_\_\_\_: The most popular are Platinum visa, Pacificard, Diners Club, or American Express, which are also international cards.

- |                  |              |             |             |
|------------------|--------------|-------------|-------------|
| 1. a) check      | b) insure    | c) review   | d) paper    |
| 2. a) purchased  | b) purchases | c) manifest | d) sales    |
| 3. a) nonpayment | b) evasion   | c) pay      | d) payments |
| 4. a) waste      | b) savings   | c) use up   | d) spending |
| 5. a) credits    | b) cash      | c) payment  | d) money    |
| 6. a) running    | b) current   | c) recent   | d) deferred |
| 7. a) current    | b) suspend   | c) deferred | d) delay    |
| 8. a) rate       | b) sales     | c) bonus    | d) interest |
| 9. a) tackle     | b) tools     | c) kits     | d) devices  |
| 10. a) reports   | b) states    | c) accounts | d) checking |

Vocabulary: Finance and Banking



1. Unscramble the following words

1. noetbkna

2. ciasrhe

3. edpoits

banknote

\_\_\_\_\_

\_\_\_\_\_

4. bworor

5. ccekh

6. danteo

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. ebokr

8. ycurenrc

9. xghecane arte

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

---

10. achs

11. ebtd

12. efe

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**2. Write the definitions from the words in exercise 1.**

1. Banknote (noun) a piece of printed paper that has monetary value.

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

7. \_\_\_\_\_

8. \_\_\_\_\_

9. \_\_\_\_\_

10. \_\_\_\_\_

11. \_\_\_\_\_

12. \_\_\_\_\_

**3. Match the words from column A with the definitions from column B**

	COLUMN A	
1	Broke	D
2	Funds	
3	debt	
4	Cash flow	
5	Owe	
6	fee	
7	Instalment	
8	Check	

	COLUMN B
A	a written order to a bank to pay someone or something.
B	money that is available for a specific purpose
C	money due as one of several equal payments for something
D	having no money
E	money that is owed
F	payment for a service
G	the money moving in business affairs
H	being in debt

**4. Complete the sentences with the information from the box.**

bank balance	cash	credit card
interest services	loan	taxes
debit card	withdraw	identification
	PIN number	funds

- 
1. She needs to check her \_\_\_\_\_.
  2. I will get a new \_\_\_\_\_ from my bank next week.
  3. In this restaurant don't accept \_\_\_\_\_ only \_\_\_\_\_ they don't have a data fast.
  4. The \_\_\_\_\_ has increased in this year.
  5. I paid my \_\_\_\_\_ in January
  6. We must declare \_\_\_\_\_ once a year.
  7. They can \_\_\_\_\_ their money in this bank faster.
  8. I will open an account in that bank they have good \_\_\_\_\_.
  9. This is the only \_\_\_\_\_ that she has.
  10. I forget my \_\_\_\_\_. I block my debit card.
  11. I need \_\_\_\_\_ for a charity.

**Listening: Money can buy happiness**



Figure 16: Money can buy happiness

Source: Authors

**1. Scan the QR code to have access to the listening part or click on the following link “[Money can buy happiness](#)”. Then listen to the audio and choose true or false.**

- |  |      |       |
|--|------|-------|
| 1. Beatles told us that money can't buy us love.   | True | False |
| 2. Many people also believe that money can buy happiness.  | True | False |
| 3. Cambridge University suggests that money can buy happiness.   | True | False |
| 4. Internet companies could use information to recommend products and services than make people happy. | True | False |
| 5. The study said that people are happy if they buy the right things.                                  | True | False |

---

2. Listen again and complete the missing words. Choose them from the box.

Research	625	personalities	spent happiness
things	conclusion	study	

The <sup>1</sup>\_\_\_\_\_ team compared the <sup>2</sup>\_\_\_\_\_ of <sup>3</sup>\_\_\_\_\_ people with a list of how they <sup>4</sup>\_\_\_\_\_ their money. The <sup>5</sup>\_\_\_\_\_ of the <sup>6</sup>\_\_\_\_\_ was that what people buy can lead to <sup>7</sup>\_\_\_\_\_, but only if they buy the <sup>8</sup>\_\_\_\_\_ things.

This listening was taken from (Banville, Listen a Minute.com, 2017-2018).

**Writing: Essay can buy happiness**

31. Do you think Money can buy happiness? Write an argumentative essay. Do not writ more than 350 words.

**Introduction**

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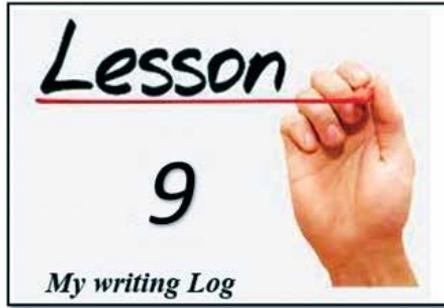
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<p>What is the most interesting thing you have learnt in this lesson?</p>	<p>▶ What have been your learning success in this lesson?</p>	<p>▶ Did you feel confident in this lesson?</p> <p>Was there a time in this lesson you felt less confident?</p>
<p>Is there anything you would like to learn more about?</p>	<p>◀ What was the most difficult part?</p>	<p>Write some words you remember about Banking and Finance</p>
<p>What have you learnt about banking?</p>	<p>▶ Do you think Money can buy happiness?</p>	<p>▶</p>

**Speaking: Survey**

**1. Ask two of your classmates the following questions about banking. Write their responses.**

1. Where do you have a bank account?
2. Is your bank public or private?
3. What did you learn about banks?
4. What are the Central bank features?
5. Do you have a credit or debit card?
6. Does your bank have virtual services? What kind?
7. What do you think about banking technology?
8. What is your opinion about the new trends in the banking system?

**Answers Classmate 1**

Name \_\_\_\_\_

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

---

4 \_\_\_\_\_

5 \_\_\_\_\_

6 \_\_\_\_\_

7 \_\_\_\_\_

8 \_\_\_\_\_

**Answers Classmate 2**

Name \_\_\_\_\_

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

4 \_\_\_\_\_

5 \_\_\_\_\_

6 \_\_\_\_\_

7 \_\_\_\_\_

8 \_\_\_\_\_

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## **CHAPTER IV. CONCLUSIONS**

This book will be helpful for finance students since it has a variety of exercises with a technical vocabulary that will facilitate the learning process. In addition, the present didactic material will surely develop the four English skills with an autonomous learning process through the tutor's guide, reinforcing the language abilities in Listening, Reading, Writing, and Speaking.

Moreover, the improvement of English language learning represents a necessary tool in the pedagogical innovative sources that activate interest in a new language acquisition. In this sense, Financial English I book means a successful didactic resource because it has multifunctional examples such as financial exercises and banking vocabulary, which is favorable to optimize their development in the economic field, giving students a real connection to the banking world.

The vocabulary and grammar range go from level B1 because it is based on regulations stipulated by the Escuela Superior Politécnica de Chimborazo in the English field for first-level English students at Finance career.

The scientific information was collected from renowned authors that served as the basis for creating original activities, this academic book will allow students to develop their skills more efficiently and acquire financial knowledge through articles and audio exercises.

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## GLOSSARY

**Accounts (n.):** a record of credits and movements kept by a banking entity.

**Amortization (n.):** the method involved with amortizing a credit.

**Annual (n.):** year (365 days).

**Association (n.):** a sort of association.

**Automated Teller Machine(atm):** an electronic bank available 24 hours.

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**Bank (v.):** a place to get loans, to make a deposit, or withdraw money.

**Banknotes (n.):** kind of paper with monetary value.

**Banking (n.):** activities performed by a bank such as loans, taking deposits, and/or engaging in investment banking.

**Bankrupt (n.):** lack of solvency

**Boom (n.):** the highest pick of something. The best moment to get money for something.

**Borrower (n.):** an entity that lends money to collect it with interest later

**Branch (n.):** an expansion of the principal bank office.

**Broker (n.):** insolvent

**Broker (v):** buyers and sellers of financial instruments for a commission.

---

**Cash flow (n.):** the development of money into and out of a bank or financial organization during a limited period, for example, a month or a quarter

**Cash value (n.):** the amount of money obtained for a whole life insurance policy.

**Central bank (n.):** a bank founded by a government to develop monetary policy.

**Debits (n.):** a loan or other payment from a bank to a client.

**Debt (n.):** money owed.

**Deposit (n.):** the amount of money saved in an account.

**Economics (n.):** the sciences dedicated to the study of economics.

**Economy (n.):** interactions of entities in the markets at a given time.

**Entity (n.):** organization, or business entity.

**Exchange (v.):** to obtain one thing for another.

**Expansión (n.):** crecimiento territorial o económico de una nación.

**Final goods (n.):** goods that are consumed or invested.

**Finance (n.):** the science of managing money and investments.

**Finance (v.):** to obtain the money and manage it.

**Good (n.):** a product or service that someone has.

**Insurance (n.):** a mechanism for spreading dangers.

**Liquidity (n.):** cash issued by a bank or other monetary authority

**Loan (n.):** the amount borrowed plus interest.

**Markets (n.):** entities exchange goods at certain prices.

**Money (n.):** monetary values.

**Negotiable (adj.):** exchangeable from one entity to another by sale.

**Organization (n.):** a group of people working for a common goal.

**Own (v.):** to have legal title of something.

**Owner (n.):** an entity that owns a business entity

**Price (n.):** the monetary value of a good.

**Product (n.):** a material thing that a business entity creates, produces, makes, manufactures.

**Recession (n.):** a state where the economy declines.

**Savings bank (n.):** a kind of deposit in a bank that earns interest.

**Service (n.):** a good consumed.

**Trade (n.):** an interchange of goods.

**Use value (n.):** the worth a good

**Utility (n.):** cash value of the policy as collateral. a place to get loans, to make a deposit, or withdraw money.

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# ANNEXES

# **ANSWER KEY FINANCIAL ENGLISH I**

## **CHAPTER 1 MONEY**

### **Lesson N° 1**

#### **Vocabulary: Money**

#### **1. Match the words (a-1) with the correct definitions.**

- |       |       |
|-------|-------|
| 1. c  | 2. i  |
| 3. j  | 4. a  |
| 5. e  | 6. d  |
| 7. h  | 8. g  |
| 9. i  | 10. f |
| 11. b | 12. k |

#### **Listening: The Lesson on Money**

#### **1. Circle T if it is True or F if it is False.**

1. T
2. T
3. F

---

4. T

5. F

**2. Listen and circle the correct word to complete the statement.**

1. b

2. b

3. a

4. c

5. a

**Reading for thinking: What is the Time Value of Money**

**1. Read the sentences and pick the option that has the same meaning to the underlined word.**

1. a

3. c

2. c

4. c

**Grammar: Simple Present Tense**

**1. Complete the sentences with the correct form of the verb in simple present.**

1. needs/ borrows

2. owe

3. lends

4. afford

5. does not borrow
6. invoice
7. owes
8. lends
9. makes
10. spend

### Writing: Idioms

#### 1. Complete the sentences with the expressions from the box.

1. It's out of the question
2. pull your weight
3. hands are tied
4. I don't see eye to eye
5. Dropped the ball

### Lesson N° 2

#### Reading for thinking: Time, Exact and Approximate Time

#### 1. Answer the questions or complete the statements according to the reading.

1. Exact or approximate time.
2. Interest

- 
3. Approximate – Exact
  4. 360
  5. An accounting year is typically twelve months
  6. From January 1 to December 31
  7. To calculate the interest
  8. When a financial entity uses base 360 but applies, in the opposite sense
  9. In financial terms time is a period where the interest is calculated.

**1. Find the Exact Time and the Approximate Time between:**

N°	Exact Time	Approximate Time
	Days	
1.	181	180
2.	61	60
3.	214	210
4.	92	90
5.	212	210
6.	30	30
7.	31	30
8.	91	90
9.	30	30
10.	334	330
11.	273	270

## Listening: Paying a Bill

## 1. Listen and answer the following questions

1.	It is 55,07
2.	Yes, he is
3.	They are closing in 10 minutes
4.	It is today
5.	Yes, he does
6.	He can send his check by mail
7.	It is more convenient

## 2. Listen again and complete the dialogue.

- |                                 |                |
|---------------------------------|----------------|
| 1. penalty                      | 10. change     |
| 2. we're closing in ten minutes | 11. receipt    |
| 3. due                          | 12. no         |
| 4. date is                      | 13. choices    |
| 5. today                        | 14. mail       |
| 6. cash                         | 15. bank       |
| 7. check                        | 16. small fee  |
| 8. cash                         | 17. bank       |
| 9. \$55.07                      | 18. convenient |

---

## Grammar: Simple Present Negative Form

### 1. Change the following sentences into negative use simple present.

1.	I don't make a withdrawal of \$ 900.
2.	This shop doesn't accept cash
3.	Costumers don't need to submit a report for their credit card charges.
4.	They are not out of cash.
5.	The bank teller doesn't say all the information regarding transactions.
6.	He doesn't deposit \$500 into his savings account every month
7.	I don't know the current exchange rate.
8.	We don't need to get a new loan from the Central bank
9.	He doesn't need to send a wire transfer to his wife.
10.	She doesn't make deposit into her current account

## Vocabulary: Bank and Finance

### 1. Dot Chart Activity

Answers will vary

### 2. Write a synonym and antonym of the following words. Then, write an example using the first word in the box

WORD	SYNONYM	ANTONYM	EXAMPLE
Taxes	Fee	Subsidy	I must pay taxes on my bills.
Loan	Investment	Deficit	A credit card is a great example of loan.
Transfer	Bank Deposit	Withdraw	I have completed a back transferred until today.

Withdraw	Pull Out	Deposit	In that ATM you cannot withdraw cash
Debt	Bill	Capital	I must pay all my debts
Income	Gain	Cost	The best income will be seen in your capital
Shares	Interest	Disinterest	The best profits are the shares.
Bonus	Dividend	Benefit	The best investment is in Bonus
Wage	Salary	Debt	During this month our wage should be stronger.
Broker	Agent	Regular Seller	If you need to invest you can hire a Broker

### Lesson N° 3

#### Reading for thinking: Interest

#### 1. Answer the questions according to the previous reading about Interest.

1. Money for its use is known as interest.
2. To curb inflation and protect the currency
3. Venezuela
4. Simple interest and Compound interest
5. Izaguirre
6. Because interest rates are assumed annually in the markets.
7. Ordinary and Exact Simple Interest.
8. Ordinary interest is a simple interest that employs 360 days.

---

Exact simple interest is a simple interest that uses exact number of days in a year it means 365 or 366 if it is a leap year.

### TIME TO PRACTICE

1. Calculate how many days are in the following examples.

1.	288
2.	256
3.	149

2. Calculate the Ordinary Interest (360 days)

1.	314,027777
2.	138,8888889

3. Calculate the Exact Simple Interest (365 days)

1.	4,602739726
2.	6,253.150685

4. Calculate the Exact Simple Interest (366 days - Leap year)

1.	1,93442623
2.	8,278688525

**Vocabulary: The bank**

1. I'd like to take money out
2. I'd like to open a savings account
3. I'd like to avoid penalty fee when my check bounced
4. I'd like to deposit these checks
5. I'd like to put up the tax on cellphones
6. I'd like to check my bank balance
7. I'd like to write her a check for \$200.

**Listening at the Bank**

**1. Depositing Money**

1. b
2. d
3. f
4. e
5. c
6. a

**2. Withdrawing Money**

1. 100
2. Account

- 
3. money
  4. singles
  5. balance
  6. \$ 450

CUSTOMER	BANK CLERK
I would like it in 20s and 10 please.	Ok, ma'am. How do you want your money?
Hello, I would like to withdraw \$ 100 from my saving account.	Here you go. Your new balance is \$600.

### 3. Listening: Opening an Account

1. bank
2. account – with
3. open
4. saving
5. a minimum balance
6. \$ 100
7. checking
8. balance
9. Information
10. checking – accounts
11. fees
12. pamphlet\_
13. types
14. questions
15. thanks

**Grammar: Because and so**

**1. Complete the exercises with so or because**

1. because
2. so
3. because
4. so
5. so – because

**2. Write three sentences down using “SO” and three using “BECAUSE”**

1. I think it is difficult because I do not understand.
2. My mum is angry because she put some extra salt in our lunch
3. Because you are here, my father is so happy
4. I think you are tired so I will come back later
5. This task is easy, so that I will do it fast.

---

## CHAPTER II BANKING

### Lesson N° 4

#### Reading for thinking: Bank Discount

#### 1. Read and answer the questions below.

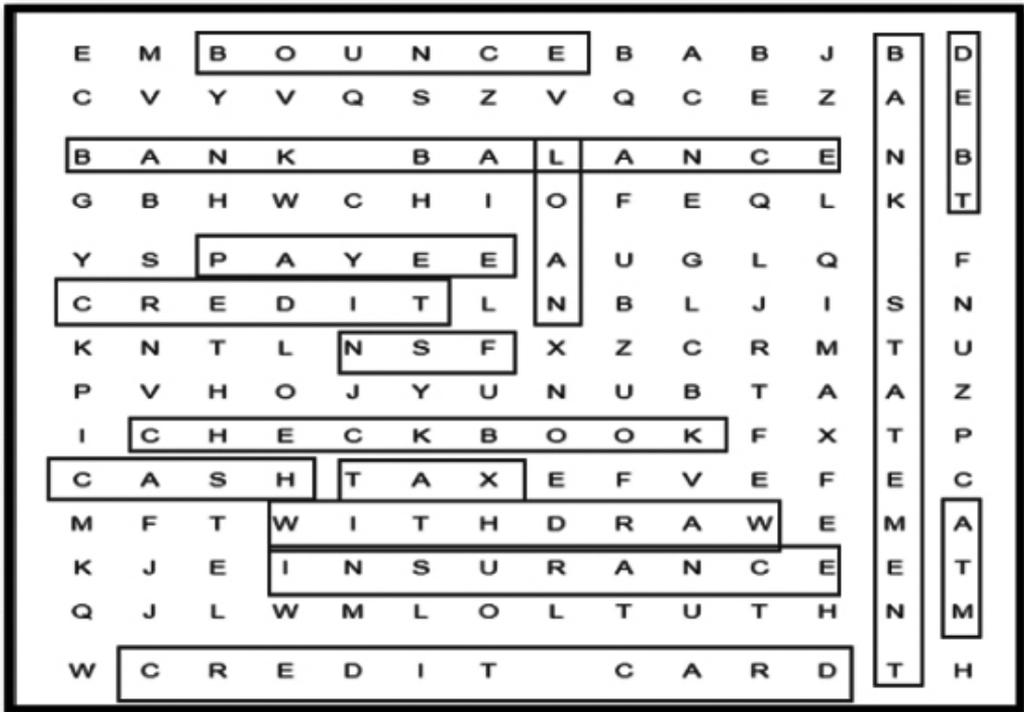
1. A credit operation / An interest paid on loan in advance.
2. Simple interest paid in advance.
3. Rational discounts, Bank discounts, Cash discounts
4. A simple discount is a financial operation that consists of obtaining an advance payment.
5. Fresh money is to have liquidity.

#### 2. Find words in the text which mean the same as the following.

- |             |          |
|-------------|----------|
| Paragraph 6 | Discount |
| Paragraph 3 | Banker   |

Vocabulary: Banking

1. Find the words in the letter soup. Then write a sentence with each word in simple present



2. Use the following words to complete the definitions

1. Check
2. Charge Card
3. Debit Card
4. Traveler's Check
5. Credit Card
6. Charge Account

---

## Listening: What is Bitcoin?

### 1. Listen to the audio and choose the correct option. True or False.

1. False
2. True
3. True
4. False
5. True

### 2. Listen again and put the dialogue in order.

1. 4
2. 2
3. 1
4. 10
5. 7
6. 3
7. 9
8. 6
9. 5
10. 8

### 3. Listen it one more time and answer the questions.

1. Yes
2. Bitcoins are digital coins you can send thought the internet.

3. Yes
4. They are changing Finance as the web is changing the publishing system.
5. They are real generated bitcoins for verifying transactions
6. In a digital wallet on your computer or mobile device.
7. Yes
8. No
9. A whole new platform for innovation.
10. Yes, because it has a virtual system that facilitates transactions.

### Grammar: Simple Present Information Questions

#### TIME TO PRACTICE

#### 1. Write a question according to the underlined words.

1. What is discounting?
2. What does the bank receive?
3. What does the word discount mean?
4. Why do banks use this type of discount?
5. What is a simple discount?
6. What is the amount for interest?
7. How much is the interest for 10 months?
8. How many kinds of discounts are there?
9. What do banks do?
10. Where can you use Bitcoins?
11. Who borrows \$ 9000 for 9 months?

---

**Writing Set: Check Register**

**1. Calculate the balance (Bank reconciliation) using the following information to complete the box.**

Check No.	Date	Description	Transaction Amount	Deposit Amount	Balance
	01/15				930,70
109	01/17	Mrs. Flor payment new vehicle	355,00		575,70
	01/25	Check card payment to Santa Maria market	52,70		878
110	02/01	Check to Bank of Pacific	235,75		694,95
111	02/02	Check to CNT Internet Service	30,77		899,93
	02/02	Use your ATM card	30,00		900,70
	02/15	Deposit your paycheck		555	1485,70
	03/2	Use your ATM card	200		730,70
112	03/15	Check to EMAPAR Water Service	20,50		910,20

**2. According to the information from the box above, answer the following questions.**

1. 878
2. Yes
3. Yes
4. 611.70
5. 30.77 / Internet Service

**Reading for thinking: What is Personal Finance?**

**1. Look at these sentences about What is Personal Finance? Choose True or False**

1. True
2. False
3. True
4. False
5. True
6. False
7. True
8. True
9. False
10. False

**Vocabulary: Financial Services**

**1. Complete the sentences with the information from the box.**

1. c
2. e
3. f
4. d
5. g
6. a

- 
7. i
  8. h
  9. b
  10. j

## Writing: Definitions

### 2. Look up the definition of the following words:

1. **To take out** Means when you retire a specific loan or purchase.
2. **To spend** Represents how you pay out in this case; it makes the reference about money or time.
3. **To save** Means to keep your money for future purposes.
4. **To buy** It is the action of getting something in exchange of money.
5. **To protect** It means keeping your investment safe
6. **To manage** Represents how to administrate or take in charge of something
7. **To pay** Represents the exchange of money for a hard work

### 3. Use the information from exercise 1 and 2 to complete the sentences. Use the expression **You can use**.

1. You can use an insurance policy for your car against accidents.
2. You can use your bank loan money to buy a house.
3. You can save more than you have in your account.
4. You can deposit your money and earn interest on it.
5. You can pay your bills automatically.

6. You can use your online account to check all your accounts at home.
7. You can buy things in a store.
8. You can use your mortgage in a house and pay monthly.
9. You can have a rental contract for your business

### Writing: Definitions

#### 5. Underline the correct answer.

1. c
2. a
3. c
4. c
5. c

### Grammar: Prepositions

#### 1. Read the advertainment from Banco Pichincha and talk about their services. Then, complete the text with the prepositions in, on, at or from.

1. in
2. in
3. in
4. in
5. a
6. on

---

## Listening: Open a bank account

**1. Click on the link above. Listen the conversation and complete the blank spaces.**

1. banking system

2. open

3. bank account

4. pay

5. bills

6. direct debit

7. interest rise

8. bank

9. overdraft

10. loan

11. interest

12. save

**2. Listen again and match.**

a. 3

b. 1

c. 4

d. 7

e. 2

f. 6

g. 5

h. 8

**Reading for thinking: Banking**

**1. Read and answer the questions.**

1. The objective is to let all central tasks there.
2. The functions are to help customers
3. They pay money into customers account as check or cash
4. Banks allow people to pay their things using cash or checks
5. Banks have convenient methods to use a credit or debit card
6. They are performed in a principal office
7. Banks can pay their things using cash or checks

**2. Circle True or False. If it is false, write the correct answer.**

1.	To help the customers and the banks to have their work team.
2.	To help customers with financial services.
3.	They pay money into customers account as check or cash, open an account, request an overdraw, get a loan.
4.	Banks allow people to pay their things using cash or checks
5.	Banks have convenient methods to use like a credit or debit card.
6.	They are performed in a principal office
7.	Banks can pay their things using cash or checks

**Vocabulary: Economy**

**1. Matching the words from column A to the definition from column B.**

A. 2

B. 7

C. 4

D. 1

E. 8

F. 3

G. 5

**Trends**

**3. Look at the trend in each text. What does it say? Mark the correct letter A, B or C in the answer box.**

1. B

2. A

3. A

4. C

5. B

Vocabulary: Economy

1. Go back to the exercise 1 and underline the verbs from the exercise 1 to 5. Use blue if the indicator goes up (*climb*) and green if it goes down (*fall*). Then complete the chart writing the verb in infinitive.

▲	▼
To climb	To fall
Strengthened	Dropped Down
Going Up	Declined
Have Raised	Fall Steeply
Increase	Decrease
Go Up	Go Down
Strengthened	Dropped Down

Writing: Describing Trends

1. Look at the charts and write two similar sentences with the vocabulary learned.
1. 1. The graph shows a significantly increase in the number of cakes sold.  
2. The graph shows a considerable rise in the number of cakes sold.
  2. 1. The graph shows the oil price reached the pick in 2020.  
2. The graph shows the oil price went up in 2020.
  3. 1. The graph shows the water rate maintained stable from 2017 to 2019.  
2. The graph shows the water rate stayed constant from 2017 to 2019
  4. 1. The graph shows computer prices substantially decrease in 2020.  
2. The graph shows computer prices largely declined in 2020.

---

## Listening: The U.S Recession

1. b
2. a
3. b
4. a
5. c

## CHAPTER III. ECONOMIC CYCLES

### Lesson N° 7

#### Reading for thinking: Economic Cycles

**1. Read the text again and decide if the next sentences are true or false. If your write the correct answer.**

1. True
2. False. The Economic cycles are the point of the economic cycle
3. True
4. False. The Austrian school attributes the moments of crisis to the errors of the monetary authorities
5. True

**2. Answer the question according to the reading**

1. Economic Cycles represent the problematic based on wring decisions taken by authorities with an economic impact.
2. They last between 47 and 60 years of an average of 54 years of duration.
3. School maintains the theory that these cycles are caused by the fall in demand for the population
4. Austrian School which attributes the moments of crisis to the errors of the monetary authorities; the Keynesian School maintains the theory that these cycles are caused by the fall in demand for the population

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1. Look for simple past verbs in the reading “Economic Cycles” and complete the box.

Regular Verbs	Irregular Verbs
1. Accompanied	1. Were
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.

2. Rewrite the sentences into negative simple past sentences.

1.	The World Bank had the different task of lending money.
2.	These cycles allowed us to distinguish the rise of long-term.
3.	The economy managed the same economic cycles.
4.	Country's economy began to improve.
5.	The Keynesian School maintained the theory
6.	They are performed in a principal office
7.	Banks can pay their things using cash or checks

Vocabulary: Business Cycle & Growth

1. Antonyms. Match the words from 1 – h.

- 1 D
- 2 B
- 3 F
- 4 A
- 5 G
- 6 H
- 7 E
- 8 B

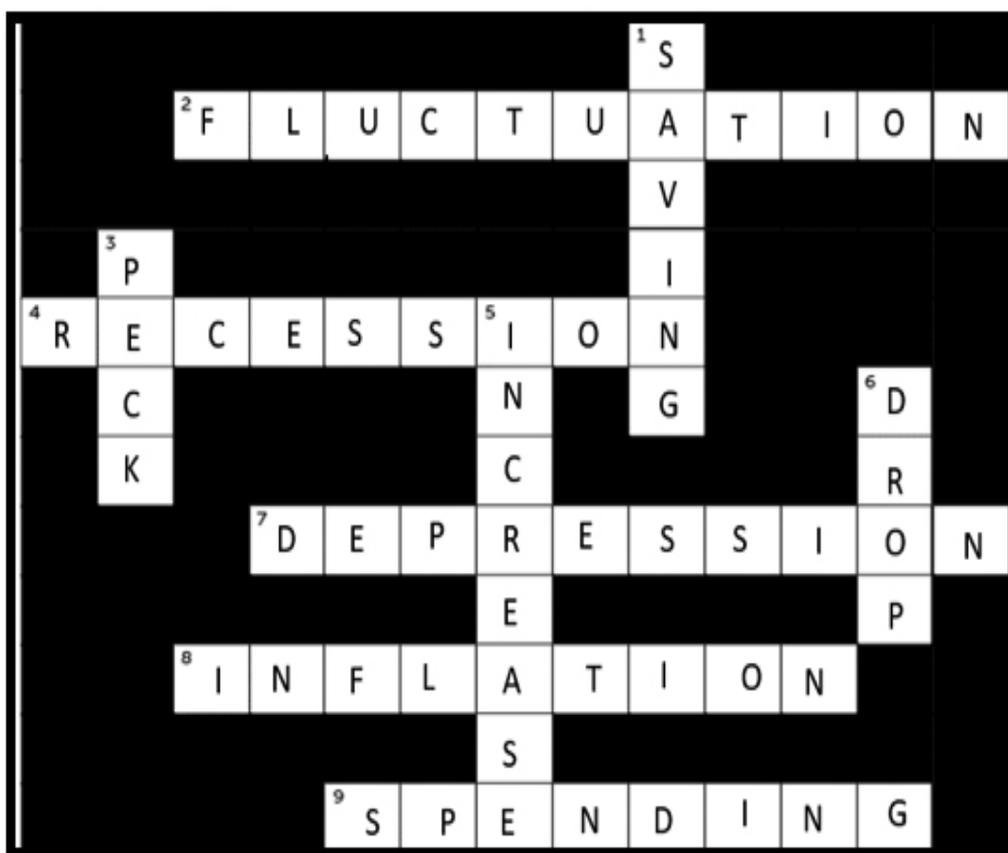
2. Look at the sentences and classify them, identify which words belongs to recovery and recession. Write just the number.

RECOVERY	RECESSION
Increase of jobs	Population loses their jobs
People begins new business	Economic collapse
Production of fewer goods.	Layoff of workers
Rise of productions.	Interests' rates begin to fall.
Prices fall	Governments start to increase interest rates.
	Inflation increases
	Companies goes bankrupt.

3. Complete the table with the verbs and nouns learned in this chapter. These must be in reference to the Economy.

Verbs	Nouns
Produce	International
Have	Economy
Do	Public
Show	Power
Be	Markets
Learn	Face

1. Complete the crossword with the vocabulary from the lesson.



**Reading for Thinking: The IMF and The World Bank**

**1. Read the article and answer the questions.**

1. The IMF and the World Bank were set up at the Bretton Woods conference in the USA in 1944
2. 185 countries members
3. Its job is to maintain stability in the world economy and help countries that are experiencing financial difficulties
4. Projects like dams, water systems, or road systems which governments do not have money to build.
5. The Fund is often criticized for ignoring local conditions of poverty in developing single “western” and imposing single ‘western’ solutions onto weak economies
6. A

**2. Find words or phrases in the article that mean...**

1. IMF
2. World Bank
3. Government
4. Currency
5. Homeless

**4. Are the statements True (T) or False (F), according to the article.**

1. True
2. False
3. True

- 
4. True
  5. True
  6. False
  7. False
  8. True
  9. True
  10. True

### **Listening: The Great Depression**

#### **1. Listen to the audio and answer the questions.**

1. 1929
2. USA
3. People who invested their savings
4. Because the United States couldn't afford to trade with other countries
5. Farmers began to migrate
6. American government worked to build welfare programmes to help support unemployed people
7. 1939

#### **2. Listen again and complete the blank spaces.**

1. economic recession
2. 129
3. United States

4. The value
5. Decreased
6. invested
7. Savings
8. decrease

## Lesson N° 8

### 1. Read the text again and answer the questions

1. Financial services are a progressively more influential sector in the contemporary economy.
2. Companies that offer financial services must analyze trends and customer behavior.
3. Financial institutions in Ecuador have begun a process of innovation, renovation of infrastructure and information systems to reduce customer service times.
4. Agencies, ATMs, telephone banking, online banking.
5. Physical companies and online companies.
6. A process of innovation.
7. By the products or services are offered to clients.
8. They had to focus on innovation issues and offer products and services to regain confidence in citizens.
9. The custody of deposits, the issuance of credit and debit cards, and money loan.
10. Banco Pichincha, International, Guayaquil, Bolivariano, Pacífico, Pro-dubanco and Austro.

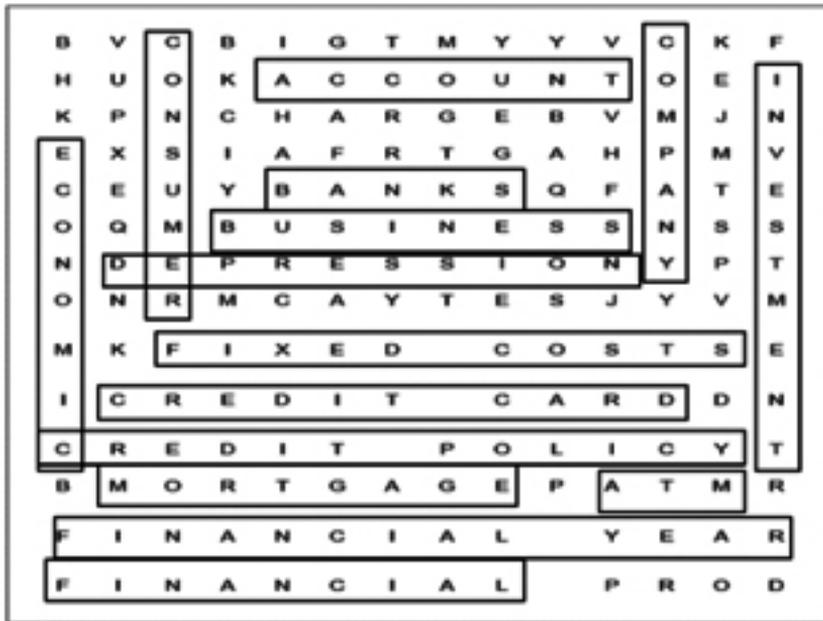
**1. Which of the following words do NOT belong to the group? Circle it.**

1. Good
2. Increase
3. ATMs
4. Business
5. Decline

**2. According to the descriptions in the following table decide which financial service would be the most suitable for each person. Write the letter on the line.**

1. H
2. D
3. E
4. C
5. G
6. B
7. A
8. F

5. Find the following words in the letter soup about Business



Reading for thinking: Covid-19 – Financial Impact

1. Read the text below and choose the correct word for each space.

1. b
2. c
3. a
4. a
5. b
6. b
7. a
8. a

---

9. c

10. d

### **Listening: The lesson on investments**

1. To get more money.
2. Yes, he does.
3. Invest in stocks and shares
4. I didn't lose money.
5. Wine
6. Because he knows he'll get more money.
7. Under the bed

#### **2. Unscramble the sentences about the listening**

1. I'm totally hopeless with money.
2. I find everything very confusing.
3. Some of my friends invest in stocks and shares.
4. I didn't lose money in the financial crash.
5. Wine goes up in price.
6. You can really make a lot of money.
7. I know people who have a lot of money.
8. Perhaps it's better to keep my money under the bed.

**Reading for thinking: Banking**

**1. Read the text and decide if the sentences are correct or incorrect. If it is correct, write A if it is incorrect, write B**

1. A
2. B
3. A
4. B
5. B
6. A
7. B
8. A
9. B
10. A

**2. Read again and answer the questions.**

1. Bankers were bourgeois or wealthy people who used to sit in banks to receive money from customers
2. History records the appearance of the first banks in Italy
3. Because they manage the legal currency and do the function of the banker of banks
4. Banking is defined as the conglomerate of entities and corporations
5. Open kans, Neobanks and cloud infrastructure
6. The bank functions are; Checking and savings accounts, deposits, pay-

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ments, collections, financing

7. It oversees its financial system and directs the government's monetary policy

8. Open banking is a new collaborative model that requires institutions in the financial services.

9. It makes the clients has an easy interaction.

10. Diez Torca classifies them according to the type of operations they carry out

**1. Read the text below and choose the correct word for each space.**

1. a

2. b

3. d

4. b

5. c

6. d

7. a

8. d

9. b

10. d

**Vocabulary: Finance and Banking**

**1. Unscramble the following words**

1. banknote

2. cashier

3. deposit
4. Borrow
5. Check
6. Donate
7. Broke
8. Currency
9. Exchange rate
10. Cash
11. Debt
12. fee

**2. Write the definitions from the words in exercise 1.**

1. Banknote (noun) a piece of printed paper that has monetary value.
2. Cashier: It represents the name of a person who Works in a bank and attends clients in a front desk office.
3. Deposits: Transaction made in a bank where money is held into an account.
4. Borrow: Action to lend, in this context it is about money.
5. Check: Peace of paper used instead of money.
6. Donate: To give money for free, it is more common in a family aspect.
7. Broke: Without money or power
8. Currency: Another meaning of money
9. Exchange rate: The real action of negotiate or bargain.
10. Cash: Money in coins or another currency

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11. Debit: To take away your money from your account.

12. Fee: The value of banking transaction.

**3. Match the words from column A with the definitions from column B**

1. d

2. b

3. e

4. g

5. h

6. f

7. c

8. a

**4. Complete the sentences with the information from the box.**

1. Bank balance

2. Debit card

3. Credit card - cash

4. Interest

5. Loan

6. Taxes

7. Withdraw

8. Services

9. Identification

10. Pin number

11. Funds

**Listening: Money can buy happiness**

**1. Listen to the audio and choose true or false.**

1.	Study
2.	Personalities
3.	625
4.	Spent
5.	Conclusion
6.	research
7.	things
8.	Right

For many decades, English has been positioned as the common language which connects people from all over the world, cultures, and countries. By default, it is becoming essential in almost every field and aspect of our lives. Being fluent in this language could help people to become even more successful. This is where English training comes into play.

Business companies are becoming international, and English is listed as a required skill for jobs, especially in Finance. This competitive situation demands proper language training. It is known as "language for specific purpose" (Sakineh Mohammadzadeh, 2015). Aside from the obvious communication benefits of improving the English skills, having specialized and appropriate material will enhance the opportunities to get a much better-remunerated job.

In this regard, this book, "Financial English I" offers real context language and topics by providing a variety of activities involving receptive and productive skills (Reading, Listening, Writing, Speaking), along with basic financial vocabulary and grammar exercises. Combining these elements will encourage the students to learn this foreign language differently than they used to be taught.

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