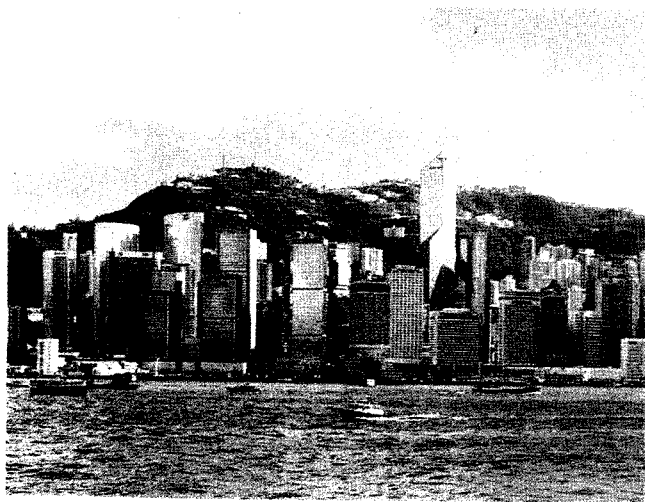


金融英语

财经外语系列教材



朱松劲 李健元 苏平贵 主编

东北财经大学出版社

FINANCIAL

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(辽)新登字 10 号

图书在版编目(CIP)数据

金融英语/朱劲松等编. —大连:东北财经大学出版社
1996. 6
ISBN 7-81044-146-9

I. 金… II. 朱… III. 金融—英语 N. H31

中国版本图书馆 CIP 数据核字(96)第 08993 号

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东北财经大学出版社出版发行(大连黑石礁)
辽宁省新华书店经销 沈阳市第一印刷厂印刷

开本:850×1168 1/32 印张:10 3/4 字数:269 000
1996 年 7 月第 1 版 1996 年 8 月第 1 次印刷

责任编辑:郭 洁 责任校对:林 达

印数:1—8 000

ISBN 7 - 81044 - 146 - 9/H · 28 定价:15.00 元

前 言

随着我国对外开放步伐的不断加快及我国国际金融事业的不断发展,金融领域近年来对专业英语的需求越来越热切,广大读者迫切要求有一本内容新颖、深浅适中,既能适于课堂教学,又有利于课外自学的金融英语教材。我们的这本《金融英语》正是为满足读者的这一要求而编写的。

本书是编者在总结了金融英语教学经验的基础上编写而成的。在编写过程中既考虑到了在校金融专业学生学习上的要求,也考虑到了社会上众多读者的需要,特别是那些想尽快通过金融英语证书考试的在职人员的要求。因此,本书的编写始终以精炼、实用、有新意为宗旨,选取的资料内容既包括了金融专业的基础理论、涉及到了世界金融业近年来的最新发展,也含概了金融业务的实际操作方法,力求能使那些热衷于英语学习的读者在经过一段对本书的学习之后,能较快地掌握金融专业英语知识,提高运用金融英语的技能。

考虑到我国金融业的实际情况,我们还在书后附录了“中国金融业常用英语术语”,对我国金融工作中常用的名词术语进行了准确的英文解释,以便于读者在实践中运用或在需要时进行查询。

本书由朱劲松(编写 1、2、3、4、20 单元及附录)、李健元(编写 12、14、16、17、18、19 单元)、苏平贵(编写 9、10、11、13、15 单元)主编,王立元(编写 5、6、7、8 单元)参编。

编者中虽有的曾留学英伦专攻国际金融专业,有的执教金融专业英语多年,并在编写的过程中倾注了极大的热情和精力,但我们还是殷切地希望读者同仁能对这本《金融英语》中可能存在的疏漏之处给予斧正。谢谢!

编 者

1996 年 6 月

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Unit One

Text

Money

In one form or another, people have always used money. Grains, cattle, salt, wool, arrowheads, beads, shells, fishhooks, and metals have been valued as money at one time. Whale teeth served as currency in the Fiji Islands; in colonial America tobacco functioned as money. These commodities served as money because people had confidence in their value and were willing to accept them as payment for debts. Much of the confidence resulted from a reasonable assurance that the supply of the substance used as money was limited. Thus the characteristic these primitive monies shared was scarcity. Two other traits of primitive monies were durability and divisibility. Because metal best meets these three requirements, metal coins have served as the primary form of money throughout recorded history. The types of money are discussed below.

Types of money

Full-Bodied Money. Early commodity-type monies are called full-bodied money because they were also valued for their own sake. Wool was valued as an exchange item, but it also had intrinsic value in that it could be used to make clothing. Thus the holders of full-bodied money always held something of value should the commodity

cease to be accepted as money. As long as the commodity's exchange value was above its intrinsic value (value as a commodity), it would serve as money. When the exchange value dropped below the intrinsic value, it could be used for its own sake.

Representative Money. Representative money is money that is fully convertible into full-bodied money. It is usually made of paper, but "represents" in circulation an amount of a commodity equal to the value of the money. An example of representative money was certified tobacco warehouse receipts that circulated in Virginia during colonial times; the receipts were fully backed and fully exchangeable for tobacco. The public was willing to accept the receipts as "money" because of its backing, and it was certainly more convenient to transact with than tobacco. Government-issued representative money is usually backed by precious metals (usually gold and silver), but the backing is often something less than 100 percent of the currency's face value.

Credit Money. Most modern monies are credit money in that they are backed by the government's promise to pay. The most common credit monies in our economy are paper currency and checkable accounts at commercial banks. Paper monies have almost no intrinsic value, and modern coins with their reduced precious metal content do not fare much better. Credit monies circulate as money only because people are willing to accept them for purchases of goods and services or for debt payments. In the United States today all money in circulation is credit money. Prior to 1933 there were gold coins in circulation with gold content equal to the values of the coins. These coins would be classified as full-bodied money. Today they do not circulate and are held primarily by collectors.

The role of money in an economy

What important function does money perform for society that makes its existence so enduring? Early civilizations discovered that use of money allowed for division of labor and specialization. It had become apparent that the total output of a community was greater if an individual could specialize in a few tasks, rather than being the proverbial jack-of-all-trades and master of none. An individual specializing as a cobbler, for instance, could become more expert and productive if that person did not also have to function as a blacksmith. Thus some people would specialize as hunters, others as farmers, and so on. In general, people would engage in whatever tasks were necessary for the community's well-being. Specialization is not without problems, however. No one could specialize in a particular good or service unless it could easily be exchanged for food and other necessities of life.

The primary function of money, then, is to facilitate exchange. Of course, exchange could always take place by barter, but exchange is complicated and relatively inefficient. In a barter economy, for example, a shoemaker who wants wheat for bread must find a farmer who wants shoes. If the shoemaker has just made a pair of special large size shoes, it may prove difficult to find a person who is both a giant and a farmer. Thus a major problem in a barter economy is that of double coincidence—finding two people each desiring the other's output.

Another problem is how to price goods and services. In the above example, suppose the shoemaker found two giants who wanted the large size shoes but who had commodities other than wheat

to trade . The first giant offers two chickens for the shoes , and the second giant offers a lamb . The cobbler quickly recalls that ten loaves of bread trade for one chicken , and the lamb trades for thirty loaves of bread . The astute shoemaker goes for the lamb . The problem with a barter economy is that every good must be priced in terms of every other good , resulting in a large number of exchange rates (prices) that make trade difficult.

In sum , the introduction of money in trade increased the welfare of both users and the community in two ways . First , money reduced the time and effort involved in exchange . Second . it allowed for division of labor and specialization .

The properties of money

Medium of Exchange. The most self-evident property of money is that is used to purchase goods and services . Most people acquire money by engaging in a specialized skill and use it to purchase goods and services from others . Actually , goods and services are exchanged for other goods and services ; money merely facilitates the exchange process .

Store of Value. People today want money not only for exchange but also for goods and services they may want to purchase in the future . In addition , people may hold money as a precaution for such contingencies as loss of a job or medical emergencies . Thus money serves as a means of temporarily storing purchasing power . That is , we would like a unit of money to buy the same amount of goods and services in the future as it does today . If money were to lose its purchasing power , households or businesses would not be able to separate purchases and sales over time .

Of course, money is not the only way to store value. Stocks, bonds, savings accounts, and life insurance policies also store value and may provide a higher return. Unfortunately, many of these items do not serve well as a medium of exchange. There are also significant transaction costs in converting these assets back into money. However, it is not critical that money serve as the optimal means of storing purchasing power, but it must at least serve as a reasonable store of value.

Unit of Account. In a complex economy, the exchange price of all goods and services is expressed in units of money. For example, in the United States all prices are expressed in terms of dollars, in England in terms of the pound sterling. Examples of other units of account are peso, lira, franc, deutsche mark, yen, and ruble. These are all abstract units of measure, just as kilogram and ounce are abstract units of weight. The property of money as a unit of account permits the pricing of goods and services in terms of the same standard of value.

Words and Expressions

1. **durability and divisibility** 耐用性与可分性
2. **full-bodied money** 足值货币
3. **intrinsic value** 内在价值
4. **representative money** 代表货币
5. **back** 担保
6. **checkable account** 可开支票的帐户
7. **proverbial jack-off-brades** 众所周知的“万金油”
8. **barter** 易货交易
9. **double coincidence** 双边一致的交易欲望

- 10. medium of exchange 交换中介
- 11. store of value 财富贮存
- 12. stocks、bonds、savings accounts、life insurance policies 股票、
债券、储蓄帐户、人寿保险单
- 13. higher return 较高的回报率
- 14. unit of account 计帐单位
- 15. peso 、lira、franc、deutsche mark、yen 、ruble 比索、里拉、法
郎、德国马克、日元、卢布
- 16. pricing 标价

Notes

1. Thus the holders of full-bodied money always held something of value should the commodity cease to be accepted as money.

“一旦这些商品不再成为货币,那些足值货币的持有者总会拥有一些实际价值。”

“should……money”为虚拟语气在省略“if”情况下“should”提前。

2. It had become apparent that the total output of a community was greater if an individual could specialize in a few tasks ,rather than being the proverbial jack-of-all-trades.

“很明显,如果每个人都专门从事某项工作,而不是那种所谓的“万能工匠”一类的人,那么整个社会的总产量就会变得更大。”

3. If money were to lose its purchasing power rapidly , households or businesses would not be able to separate purchases and sales over time.

“如果货币迅速丧失它的购买能力,家庭与企业就不可能再把卖与买这两个环节分离很长时间。”此处意指货币已迅速失去其贮存价值。

4. However ,it is not critical that money serve as the optimal means of storing purchasing power . but it must at least serve as a reasonable store of value.

“不管怎样,货币能否成为最优的储存购买力的手段这一点并不重要。重要的是它必须至少能合乎理性地成为价值贮存手段。”

Exercises

I . Answer the following questions in English :

1. Why could metal coins become the primary form of money?
2. Describe the characteristic of full-bodied money.
3. Differentiate between representative money and credit money.
4. Is specialization important for a community?
5. Why is barter exchange inefficient?
6. Enumerate the basic properties of money .
7. Do you know some other properties of money in addition to those given in the text?
8. Why dose money allowed for specialization?

II . Translate the following passage into chinese;

Money that is useful in itself apart from its value as money is called commodity money . Gold, silver and tobacco are all examples of commodity money. When large quantities of gold or silver become difficult (or risky) to carry around, owners would deposit their coins ,or specie with goldsmiths or banks . In return they would receive representative commodity money, certificates issued to stand in place of a particular quantity of coins or specie. At first, certificates were issued only piece-for-piece with the precious metal, so that the paper money was fully backed by the commodity. When the certifi-

cates were exchanged in trade, they entitled the new owner to reclaim the gold or silver. We say that such certificates were "redeemable in specie". Gold certificates were commonly issued during the Middle Ages in Europe and even earlier in China. In the United States, silver certificates were issued from the late nineteenth century until the early 1960s. A few remain outstanding today, generally in the hand of collectors.

■. Translate the following sentences into English:

1. 货币是重要的, 因为它是中介物。
2. 原始社会不需要货币。进一步地说, 正因为货币的缺乏使这种社会成为原始性的。
3. 易货交易是一种商品和服务与另一种商品和服务的交换。
4. 一种材料要成为货币, 它就必须是相对稀缺的。
5. 贵金属货币的第一次使用可能是在一万多年以前的南亚。
6. 被需要的东西是一个符号, 它代表了交换中的商品价值, 它使持有者拥有得到同样价值商品的权利。
7. 信用货币除了它在交换中的价值外没有任何价值。
8. 信用货币也由政府来发行, 政府常常需要货币资助战争以及重大的公用工程事业。

Reading material

Credit Money

Modern monetary systems are not based on a useful commodity like gold or silver, but on credit. Credit money (or fiat money) has no value apart from its value in exchange. It is accepted by sellers because they know it will be accepted by other sellers with whom they trade. Credit money is a claim for assets of whatever kind desired

by the holder, but it cannot be used to reclaim a certain quantity of gold or silver coins. Whereas credit money can be used to buy anything, including gold, at the market price, it is not necessarily redeemable in specie.

Banks began issuing credit money only about 500 years ago. Along with gold certificates, a bank would issue notes, adorned with the bank's own identifying design. Bank notes were paid out as loans to trusted borrowers who used the money to finance trading expeditions or productive enterprises of one kind or another. The expectation was that the borrower would be successful in the venture, earning enough gold and other paper money to repay the loan with interest. During periods of increasing prosperity, the expectation often proved to be correct. Successful borrowers would return bank notes (and gold) to the banks, which could then destroy them. This was to ensure that the total volume of commodity and credit money would never grow faster than the quantity of goods available for sale.

Sometimes things did not work as expected. In particular, during periods of depression loans might not be repaid, and the bank's notes remained in private hands. When business got bad, holders of gold certificates rushed to convert their representative commodity money to commodity money, so that gold flowed out of banks into safekeeping in homes and businesses. With the loss of its gold, a bank also lost its credibility as a depository, and many banks went out of business. Their notes continued to circulate, however, often at values substantially less than par, the face value of the note. Merchants learned to discount the value of bank notes according to the reputation of the issuing bank and the ease with which its certifi-

cates could be redeemed in specie.

Credit money was also issued by governments. Governments often needed money to finance wars or major public projects. When raising taxes was not practical, governments printed money to pay their bills. The American colonies began issuing paper money in 1690. During the Revolution they issued so much continental money that its value fell to practically zero. This loss in value gave rise to the old saying, "it's not worth a continental." Both the North and the South issued credit money to finance the Civil War. The South had less money to begin with, so it issued substantial amounts of Confederate money—whose eventual loss of value is extolled in story and song. By the end of the war, Confederate money had lost almost all of its purchasing power. The North's Greenback remained only slightly more valuable. After the war, the U. S. Treasury collected greenbacks in taxes and then, instead of spending them, destroyed them. The result was to reduce the volume of credit money in circulation and bring on a general decrease in economic activity. About \$ 300 million in Greenbacks remain outstanding today, again mostly in the hands of collectors.

Some credit money was issued by private business firms. Firms involved in international trade often arranged payment through bills of exchange. An importer would pay an exporter a signed bill promising to pay the value of a particular shipment 30 or 60 days in the future. The bill then became valuable to its holder and could be "spent" like money. It might be exchanged by several merchants before the final holder presented it to the importer for payment. Inevitably, some exporters wrote bills of exchange on fictitious shipments and used them for carrying out their own business transac-

tions. Sometimes they paid off at maturity and sometimes they did not .

Gresham's Law applies also to the use of credit money versus commodity money . If commodity money is available ,it will normally be hoarded and credit money used for exchange. The expectation is that the value of the commodity is not as likely to fall. (Hoarding a commodity may even cause its value to increase as it becomes scarcer.) This creates some problems for government and may lead to a decision not to issue any more commodity money . During the 1960s, Americans stashed away so many silver coins that there began to be shortages, and the price of silver rose sharply. Finally , the government acted to remove silver from new coins and release all silver for industrial and decorative purposes.

The most common form of credit money used today is checks written on the holder's checking account. U. S. banks began to offer checking accounts to borrowers in the mid-1800s. Checks have many of the necessary characteristics of money : they are easily carried and stored , and they can be written in large or small amounts.

Today in the United States about nine-tenths of the dollar of all transactions is carried on by check. This makes checking accounts the largest single type of money in use . Most of our coin and currency is credit money , too, having no significant value apart from its value as money . Federal Reserve notes comprise most of our currency and fall in this category , as do the few remaining Greenbacks. A few silver certificates remain as representative commodity money . They are no longer redeemable in specie , however , and thus are no longer representative commodity money.