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# 新世纪经贸 英语报刊选读

主编 田 耀



天津大学出版社

TIANJIN UNIVERSITY PRESS

# 新世纪经贸英语报刊选读

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## 内容简介

本书汇集了 2000 年以后经贸原版报刊刊载的精品文章 60 篇,分为 A、B 课文两部分,共 30 个单元。课文选材广泛,内容与生活和社会紧密结合。该书练习丰富,有判断题、多项选择、回答问题和完型填空四部分。每课书后都有生词表和难点注释。

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# 前 言

为了进一步适应新世纪高校英语教学的实际情况,提高学生英语阅读能力,加强学生通过大学英语四、六级和专业英语四、八级及雅思、托福等考试的实力,我们特此编写了《新世纪经贸英语报刊选读》一书。

本书汇集了 2000 年以后经贸原版报刊刊载的精品文章 60 篇,分为 A、B 课文两部分,共 30 个单元。课文选材广泛,内容与生活和社会紧密结合,题材和内容新颖,富有知识性与趣味性。该书文章长度适中,适合学生制定阅读计划。

通读此书,读者可在提高英语阅读水平之时,扩展经贸词汇量,能学到真正地道的英语。另外,读者通过阅读大量鲜活的原汁原味原版语言材料,可在语感上实现突破。

该书每课后所配练习难度适中、科学性强,疑难点均加以注释及详解,读者可通过做课后练习加深对原文的进一步理解。为了帮助读者自测,我们在书后提供了详细的参考答案。

本书不仅适于高等院校外贸英语专业的学生使用,也适于非英语专业学生和自学考试学生提高英语阅读水平使用。该书可作为英语专业二、三年级学生学习外报外刊课程的教科书。可以使用一学年。

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# Unit 1

## Text A China's Securities Markets Open to Foreign Investment

The China Securities Regulatory Commission (CSRC) has enacted new rules that allow foreign financial firms to acquire stakes in PRC fund-management and securities companies. Both of the new rules, which took effect on July 1, 2002, open the door to foreign investment in a sector that previously has been almost completely off-limits to foreign participation.

The Regulations on the Establishment of Fund-Management Companies with Foreign **Equity** comply with China's World Trade Organization (WTO) commitments, while the Regulations on the Establishment of Securities Companies with Foreign Equity accelerate the schedule for reform. China's WTO working party report does not mandate liberalization for securities companies until December 2004. However, PRC authorities will keep a firm grip on the industry through business scope restrictions.

### A line at the door

China has been developing securities markets for more than a decade. Though not yet large when compared to such foreign markets as the **NASDAQ** National Market or the New York Stock Exchange, China's stock markets have grown rapidly. The country now has two stock exchanges—one in Shanghai and one in Shenzhen—1,178 **listed companies**, and total market capitalization of more than \$ 500 billion. China

also has more than 68 million **brokerage** accounts and in June 2002 trading turnover was \$ 49 billion. Though each of these numbers can be qualified in important ways, they accurately suggest that much progress has been made in a relatively short time.

Foreign financial giants are enthusiastic about entering China's securities markets and have already signed a number of technical cooperation agreements and memoranda of understanding for joint ventures in anticipation of the new regulations.

Foreign fund managers are particularly enthralled with the prospect of providing fund-management services to millions of Chinese retail investors who currently speculate in, or "stir-fry" stocks directly. China has only five **mutual funds**—in contrast to more than 7,000 in the United States—and established them only within the last 11 months. (A sixth mutual fund has been approved but not yet established.)

Even if Chinese investors do not buy funds in large numbers, providing them with brokerage services could be lucrative. Underwriting also offers titillating possibilities—a comparatively small number of Chinese companies have accessed public markets thus far, so the potential seems enormous.

### **Ownership caps**

The new rules do not throw the door to China's market wide open, however. Foreign investment in fund-management companies may not exceed 33 percent, and the cap will rise only to 49 percent by December 11, 2004. Foreign investment stakes in securities companies are limited to 33 percent. China is under no obligation to allow foreign ownership beyond these levels for either type of company in the future.

Even though foreign ownership in fund-management companies is currently limited to 33 percent, a foreign investor can be the company's largest shareholder. In contrast, the rules on securities companies make it

clear that a single Chinese party must hold one-third of a company's shares, making outright control by a foreign investor impossible.

### Investor qualifications

Chinese investors in foreign-invested fund-management and securities companies are subject to the same requirements as investors in domestic fund-management and securities companies. These include stringent capitalization requirements.

Foreign investors in fund-management and securities companies must meet additional, special requirements, and CSRC reserves the right to add any prudential requirements that it deems advisable. Both regulations require that foreign investors be

- located in a country that has "perfected" its securities law and supervision and whose securities regulatory authority maintains a cooperative relationship, and has a memorandum of understanding, with CSRC (as have the United States, Hong Kong, and other leading jurisdictions); and
- unsullied by major regulatory or judicial penalties imposed within the last three years.

A foreign investor in a fund-management company must also

- be a "**financial institution**" in the country where it is located;
- have asset management qualifications and experience, if it is the largest shareholder; and
- have **paid-in capital** of no less than the foreign-currency equivalent of ¥ 300 million ( \$ 36.2 million ).

CSRC also limits foreign investors to participation in only two fund-management companies, of which they may be the controlling shareholder of just one.

A foreign investor in a securities company must have

- a license to engage in the securities business in the country where it is

based;

- at least 10 years of experience in the financial industry;
- a record of compliance with all risk control requirements of its home country during the previous three years; and
- a “good reputation and business record” in international securities markets.

These requirements reveal that China is seeking investment from foreign financial firms with industry experience, not from purely financial investors. This preference for strategic rather than financial investors has been the dominant pattern in China's reform era: China grants limited market access in exchange for capital, technology, and know-how that will help the country develop.

### **Scope of business**

Foreign-invested fund-management companies can provide the same services as domestic fund-management companies, namely, establishing and managing public securities investment funds. China issued separate rules on foreign investment in venture capital funds in September 2001.

Foreign-invested securities companies, on the other hand, will not be allowed to do everything that purely domestic securities companies do, even though the new rules require them to have the minimum capitalization required to be a “comprehensive” securities company. In particular, foreign-invested securities companies may not engage in A-share brokerage business or proprietary trading of A or B shares. These have been key revenue sources for PRC securities companies, particularly since initial public offerings (IPOs) have slowed dramatically.

Foreign-invested securities companies may, however, engage broadly in underwriting stocks and bonds. They may underwrite both A-and B-share issues as well as overseas listings by Chinese companies. They will also be permitted to underwrite and provide brokerage services for both

government bonds and corporate bonds. Though barred from proprietary stock trading, foreign-invested securities companies can trade government and corporate bonds for their own account.

### **Fixation on registered capital**

Qualified investors must provide at least ¥10 million ( \$ 1.2 million) in registered capital to establish a fund-management company and at least ¥500 million ( \$ 60.4 million) for a securities company. As noted above, investors in fund-management companies must have at least ¥300 million in paid-in capital, but investors in securities companies do not have a paid-in capital requirement.

The minimum paid-in capital requirement for shareholders in fund-management companies seems misguided. Although the ¥300 million threshold is the same for both foreign and Chinese investors, the real issue should not be how much capital investors ostensibly have but whether they are capable of adding value through investment of capital or expertise. In reality, several individual foreign asset-management companies already manage assets that exceed by many times the entire amount invested in the current PRC funds industry. Rather than requiring that the entity directly holding an investment in a fund-management company be over-capitalized, a more artful approach would be to require that a shareholder or its parent have a certain amount of assets under management.

### **Finding suitable partners**

Foreign investment, as a general matter, is eagerly sought in China. But foreign investors wishing to establish fund-management or securities companies under the new rules may face challenges in finding suitable and willing Chinese partners.

Each Chinese partner in a fund-management company must have at least ¥300 million of paid-in capital, and the lead promoter of the company must be a trust and investment company (few of which remain, after

waves of government clean up in the sector) or a securities company.

Moreover, qualified Chinese entities face significant disincentives to accept foreign investment. For example, domestic securities companies with foreign investment cannot earn lucrative brokerage commissions for A-share trading or income from proprietary trading of A and B shares in addition, a fund-management or securities company that accepts foreign investment apparently cannot conduct an IPO, because the Company Law does not permit **limited liability** companies to list. If a domestic company remains a company limited by shares, however, it can raise additional capital through an IPO and avoid restriction on its business scope.

A Chinese securities firm that wants to list and continue lucrative A-share brokerage or proprietary A-and B-share trading businesses may establish a new securities company with foreign investors rather than convert the existing entity into one with foreign investment. However, the capital requirements for a new securities company and the prospect of creating a competitor (for underwriting business, at least) could discourage this option.

### **Foreign professionals**

The new rules set no limits on foreign participation in the day-to-day operations of foreign-invested fund-management or securities companies. However, they do require that the board chair, the general manager, and other top-level officers be qualified to engage in the securities business under CSRC regulations. These qualifications include passing an industry exam in Chinese—a challenge for many foreign fund managers. CSRC has indicated that it may waive some of the normal personnel qualification requirements for foreign professionals in fund-management companies, but implementation remains unclear.

Other CSRC regulations concerning fund-management and security company officers may also affect foreign personnel. For example, existing

regulations prohibit officers and directors of such companies from having other employment or from trading securities.

### Joining a party in progress

The new rules are a welcome invitation for foreign investors interested in entering China's rapidly developing securities markets as shareholders in fund-management and securities companies. But the invitation is circumscribed by ownership caps, business scope restrictions, and a limited pool of qualified Chinese partners. Moreover, investors establishing ventures under the new rules will be joining a party already in progress. Foreign firms will have their work cut out for them in the PRC's turbulent and immature capital markets.

### Words and Expressions

security	n. 安全, 保障; (Pl.) 证券
stake	n. 投资, 股本, 股份
off-limits	n. 禁止
mandate	v. 授权(某人)根据委托统治权(做某事)
turnover	n. 证券交易中整个市场的交易额
enthrall	v. 着迷(尤其用于被动语态) be enthralled with
retail investors	散户投资者
stir-fry	n. 炒股
lucrative	adj. 可赢利的, 赚钱的
titillating	adj. 刺激性的
subject... to	遵照于某事, sold subject to contract 依照合同出售
stringent	adj. 严格的, 银根收紧的
proprietary	adj. 所有权的
threshold	n. 门槛; (fig.) 入门, 起点
ostensibly	adv. 表面上地

disincentive n. 遏制因素

circumscribe v. 约束, 将(某事物)限制于一定范围内

## Notes to the Text

**equity** 资产净额; 产权

指企业的普通股和优先股股东持有的企业产权。i. e. stockholders' equity 股东产权; foreign equity 国外产权。

**WTO** 世界贸易组织

其前身为“关贸总协定”(GATT), 成立于 1947 年, 1995 年更名为“世贸组织”。是惟一的协商国家间贸易规则的全球化国际组织, 其功能为确保贸易顺畅、自由、可预知地进行。其总部设在日内瓦, 中国经过 13 年艰难的谈判, 于 2001 年 12 月 11 日加入 WTO。

**NASDAQ** 纳斯达克股指

美国股票证券市场股票指数, 以高科技股及工业股为主。现已成为世界经济动向的指示标记。

**listed company** 挂牌公司, 上市公司

在证券交易所有牌价的证券公司, 各证券交易所对给证券挂牌所规定的标准不同。纽约证券交易所的标准是公司至少有 1 500 名股东, 在公众手中至少有 30 万股股票, 每年收益至少 100 万美元。

**brokerage** 经纪人业务, 佣金

经纪人从事的业务活动, 即把买主和卖主拉拢到一起的活动。经纪人服务的报酬称为佣金。

**mutual funds** 互助基金

也叫做无固定股份的投资公司(open-end investment company)。作为一种投资公司, 按照需要, 不断发行新股份, 也随时购回旧股份。

**ownership caps** 所有权的额度



指个人或企业对财产的所有权受到法律承认,个人或企业可以使用或经营其财产并从中获益的限度。

**financial institution** 金融机构

从事金融业活动的机构,如商业银行、互助储蓄银行、储蓄和贷款协会、信贷协会等的总称。

**paid-in capital** 缴入资本

即实缴资本,缴入资本并不等于认购的股份已经完全交清,股东已认购下的资本股份但尚未交清的部分称为未催缴资本。

**limited liability** 有限责任

公司股东只对其投资额负有法律责任,假如公司破产,股东只是在其股份限度内负责偿债责任。有限责任对大公司的兴起起了很大促进作用。

## Exercises

### I. True or False

1. China's WTO working party reports that no liberation was granted to securities companies after December 2004.
2. Brokerage service and underwriting are likely to be lucrative although Chinese investors do not buy a large member of funds.
3. Foreign fund-management companies will be limited to 49 percent by 2003, and Chinese party holds one-third of a company's shares.
4. Those requirements of investor qualifications reveal that China is seeking investment on a pure financial purpose.
5. Foreign-invested securities companies can not only underwrite stocks and bonds but also provide brokerage services for them.
6. Special-purpose offshore vehicles show a greater flexibility on future transfer.
7. Qualified investors must provide at least \$ 1.2 million to establish a securities company and \$ 60.4 million for a fund-management compa-