

A

Going up

You use a number of verbs to describe amounts or figures going up.

- 1 **BT SHARES ADVANCE IN ACTIVE TRADING** = Shares in BT increased in value.
- 2 **TRADE SURPLUS JUMPS TO RECORD LEVEL** = The value of exports over imports has gone up quickly.
- 3 **PETROL PRICES SET TO SKYROCKET** = Petrol prices are going to rise by a lot.
- 4 **UNEMPLOYMENT LEAPS TO TEN-YEAR HIGH** = The number of people without work has gone up quickly.
- 5 **YAHOO! SOARS AS INTERNET EXPLOSION CONTINUES** = Shares in Yahoo! have increased greatly in value.
- 6 **VW PROFITS UP AS CAR SALES CONTINUE TO SURGE** = Profits in VW have increased thanks to rapidly rising car sales.

B

Going down

You also use a number of verbs to describe amounts or figures going down.

- 7 **1,000 JOBS AXED AS DEFENCE PLANT CLOSES** = A defence company has told 1,000 factory employees that they are to lose their jobs.
- 8 **EUROPEAN CENTRAL BANK CUTS RATE IN SURPRISE MOVE** = The ECB has reduced interest rates.
- 9 **MEGACORP EASES ON PROFITS WARNING** = Megacorp's share price has gone down slightly after they said that profits would be lower than expected.
- 10 **SEPTEMBER RETAIL SALES PLUMMET** = Sales in shops have fallen a lot in September.
- 11 **GOVERNMENT SLASHES INCOME TAX TO TEN PER CENT** = The government has reduced income tax by a large amount.
- 12 **EURO DIVES TO NEW LOWS** = The euro currency has fallen to its lowest value ever.

C

Peaks and troughs

If a figure rises to a level and then stops rising, remaining at that level, it levels off and remains steady or stable.

If a figure reaches its highest level – a **peak** – and then goes down, it **peaks** at that level. If it reaches its lowest level – a **trough** – and then bottoms out, it falls to that level and then starts rising again.

D

Boom and bust

Demand is the amount of goods and services that people want in a particular period.

A boom is when there is rising demand, and other indicators are strong.

Stagnation is when the economy is growing slowly, or not at all.

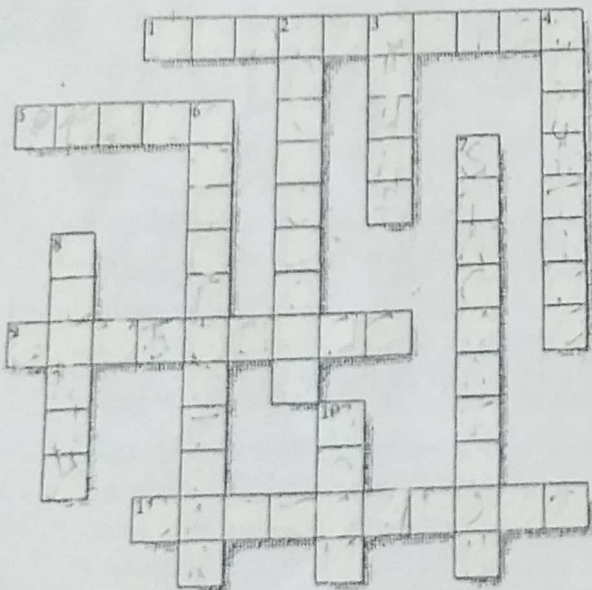
Stagflation is when slow growth is combined with prices that are increasing fast.

Recession is a period when there is **negative growth**, a period when the economy is producing less. A slump is a very bad recession. A depression is a very bad slump.

39.1 Look at these headlines containing words from A and B opposite and say whether the statements about them are true or false.

- | | | |
|---|--|---|
| 1 | VENDOME JEWELLERY AND WATCH SALES LEAP | Sales have risen by a small amount. |
| 2 | STERLING PLUMMETS AS US DOLLAR WEAKENS | The British pound has fallen a lot in value, but the US dollar has fallen less. |
| 3 | ELI LILLY SURGES ON HOPES FOR DRUG APPROVAL | The share price has increased because one of the company's new drugs will probably be approved for use. |
| 4 | AMB JUMPS 13% ON BID HOPES | Shares in AMB have fallen because it may be a takeover target. |
| 5 | JAPANESE TRADE SURPLUS SOARS | The difference between Japanese imports and exports has increased a lot. |
| 6 | PARADISO PRESIDENT AXES FINANCE MINISTER | The president has asked the finance minister to stay in his job. |
| 7 | POLES AIM TO SLASH NEXT YEAR'S BUDGET DEFICIT | The Polish government wants to reduce the difference between what it spends and what it receives. |
| 8 | PARADISO INFLATION SKYROCKETS | Prices in Paradiso have risen sharply. |

39.2 Complete the crossword with expressions from C and D opposite.



Across

- 1 The worst possible economic situation. (10)
- 3 Inflation *at its peak* when it reaches its highest level. (5)
- 9 When unemployment stays at its highest it *is at its peak* (6,3)
- 11 When output starts rising from its lowest level it *is on the upturn* (7,3)

Down

- 2 A period when the economy is not healthy. (9)
- 3 Worse than 2 down, but not as bad as 1 across. (5)
- 4 During a recession, there is *no* growth. (8)
- 6 Rising prices without rising growth. (11)
- 7 A very slow economy. (10)
- 8 If inflation doesn't change, it remains *stable* (6)
- 10 A very positive economic situation. (4)

Over to you.

Think about a company or country that you know. How well has it performed in the last few years?

F