	BGF NYTK	B2	Reading Comprehension	
	English for Finance		45 minutes	20 marks
	Sample			

WRITE ALL THE ANSWERS ON THE ANSWER SHEET.

Read the following texts and answer the questions.

Text 1

GENERATION BROKE

Europeans are discovering what Americans know all too well: the seductive power and personal risk of easy credit.

- A** Europeans, it seems, have finally discovered the lure of low interest rates and plastic money. In Britain, credit card debt has doubled in the past five years. The average Briton now carries around 4,000 euros in debt, 40 percent less than an average American, but also makes a lot less money. The average household debt in Britain is now 110 per cent of its income – even more than in the United States (102 per cent) but still not the highest in Europe, a distinction that belongs to the Netherlands (131 per cent). The buzzwords of Europe today are "hedonism and spend, spend, spend," says Richard Scase, author of "Living in the Corporate Zoo". "People are not investing into pensions, and have no trust in fund managers, stock markets or even employers in the long term. So you spend because you don't know what the future is going to be like."
- B** The credit pushers are everywhere. The German Internet is full of come-ons like one crowing: HAPPY CREDIT! NOT JUST EASY BUT CHEAP! And the pitches are coming not just from small-time Internet hawkers. At a London branch of HSBC, the world's second largest bank, an ad presents images of a red sports car, a sofa and a bridegroom, and beckons: COME IN AND ASK FOR A PERSONAL LOAN, MAKE YOUR DREAMS COME TRUE.
- C** One result is that consumers are getting into debt troubles even in markets like Germany, where consumer spending is still very weak. The number of personal bankruptcies rose from 13,000 in 2001 to 34,000 in Germany last year, while the average amount owed fell by half to 90,000 euros – suggesting that increasingly, it is less wealthy people who are going bankrupt. The top two reasons: high unemployment and more aggressive marketing of consumer credit. Debtor counseling, has become a major government service in a country where penny-pinching was until recently considered a central social grace.
- D** To be clear, the risk-taking shopper is probably good for Europe's economy. It's no accident that Britain, home to Europe's most credit-happy consumers, is enjoying the strongest recovery of the major European economies. While British debt levels worry analysts, the Europewide rise of consumer credit is merely a sign of modernization in the regional economy, says Peter Welch of Bankecon, online analysts of European banking.

Newsweek

I. ¹⁻³ Fill in the gaps in the following sentences with figures from the text.

1. Each person in the UK has an average debt of euros.
2. The highest percentage of debts calculated in relation to household income in Europe is per cent.
3. In 2003 there were more bankruptcies in Germany than in 2001.

II. ⁴⁻⁸ Answer the following questions by choosing an answer from A)–D).

4. Why do people in Europe tend to save less money these days? – Because...
A) it is easy to get cheap credit.
B) they are uncertain about the future.
C) they make less money in Europe than people in the US.
D) they enjoy hedonism.
5. Why is Germany a good example for the new tendency of applying for easy credit? – Because...
A) the number of bankruptcies considerably rose in Germany.
B) the German Internet is full of credit ads.
C) Germans are traditionally very economical.
D) consumer spending is weak in Germany.
6. Why did the average amount owed decrease last year? – Because...
A) many people who apply for the loan are unemployed.
B) people can turn to debtor counsellors.
C) credit marketing is more and more aggressive.
D) less wealthy people go bankrupt.
7. Which of the following does aggressive marketing include?
A) debtor counselling.
B) Richard Scase's book.
C) Internet hawkers.
D) personal bankruptcies.
8. Why is easy credit beneficial for the economy? – Because...
A) interest rates are kept low.
B) unemployed people can also take it.
C) it contributes to economic recovery.
D) only less wealthy people go bankrupt.

Text 2

Liddell slams door on calls for whisky tax cut

James Dow

Whisky industry leaders have effectively been told there will be no cut in tax on spirits in the Budget. The news was delivered yesterday by Secretary of State Helen Liddell, dashing the hopes once again of Scotland's second biggest export industry, at a time when overall national exports have tumbled 25 per cent in the past year.

Liddell downplayed calls from the Scotch Whisky Association (SWA) and Ian Good, executive chairman of Edrington, Scotland's largest whisky company, to reduce duties on spirits to the same level as drinks such as beer and wine. Her remarks came as she presented a new report from the SWA showing the importance of whisky industry to the Scottish economy. More than 40,000 jobs are supported by whisky production, with more than £800 million in income generated annually. The SWA calculates that equalising duty on spirits and wine would increase exports by 4,000 million, with volumes surging by 40 per cent.

In light of the new figures, Good repeated a long-held appeal by distillers for the Treasury to cut taxes on spirits. He called on Liddell to "do more for the industry", adding: "Where else in the world are indigenous companies with so much to offer taxed more heavily (than their competitors)? Please give us a level playing-field."

However, Liddell gave short shrift to those calls, as she stressed the "very big benefit" that Chancellor Gordon Brown has extended to the whisky industry by freezing duties on spirits during the past five years – narrowing the gap as taxes on beer and wine have risen. Liddell added: "You have to remember that if the Chancellor does not raise income (somewhere), that means less money for hospitals and schools" – sentiments which suggested she has ruled out the duties on spirits being reduced in the April Budget.

In its annual report ahead of the Budget, the SWA will claim that a cut in tax on spirits would encourage sales – potentially boosting income for the Exchequer.

More than 65,000 jobs are connected to the whisky industry across Britain, down from 71,000 when the last SWA report was conducted in 1992. Good said: "We are a prime example of a business cluster extending our benefit around the economy. The industry is committed to local suppliers, which is particularly important to rural communities where the economy can be fragile."

The Scotsman


III. ⁹⁻¹³ **Decide if the following statements are true (T) or false (F) according to the text.**

9. Ian Good and Helen Liddell agree that whisky tax should be reduced.
10. Duties on alcoholic drinks have not changed for the last five years.
11. Gordon Brown froze duties on spirits because he wanted more money for hospitals and schools.
12. Liddell suggested that duties on spirits would not be reduced in the Budget.
13. Whisky industry can contribute to employment in the whole country.

IV. ¹⁴⁻²⁰ **Answer the following questions in no more than 6 words.**

14. How did exports perform in the UK last year?
15. What does SWA claim for?
What shows the importance of whisky industry to Scottish economy? Give three pieces of information.
16.
17.
18.
19. Why does SWA think that the whisky industry is treated in an unfair way?
20. What could potentially compensate the Exchequer for the loss of tax revenues according to SWA?

KEY	FIGYELEM! ➔	Kérjük, ide ragasszon egy ÍRÁSBELI azonosító kódot! Hiánya esetén dolgozata érvénytelen.
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	Sample			
First Marker:	Second Marker:	Score: <div style="border: 1px solid black; width: 80px; height: 30px; margin: 0 auto;"></div>		

Text 1		
1.	4000 euros.	
2.	131 percent	
3.	21,000.	
4.	B – (they are uncertain about the future)	
5.	C – (Germans are traditionally very economical.)	
6.	D – (less wealthy people go bankrupt.)	
7.	C – (Internet hawkers.)	
8.	C – (it contributes to economic recovery)	
Text 2		
9.	F	
10.	F	
11.	F	
12.	T	
13.	T	
14.	Badly. /Exports fell/tumbled by 25 percent	
15.	Tax reduction on whisky. /Whisky tax cut. /Cut in tax on spirits. /level playing field /equalizing duty on spirits and wine	
16.	<ul style="list-style-type: none">• (It gives) 40,000 jobs. /more than 65,000 jobs are connected to it.• (It provides) £800 M income/year.• (It) employs local suppliers/ promotes rural areas/• The second largest export industry	in any order
17.		
18.		
19.	Because tax on beer and wine is lower /beer and wine have lower taxes /they pay more tax than competitors /it is too heavily taxed	
20.	Increase of sales /increase in exports.	