

Match the terms in column A with the explanations in column B.

- | A | B |
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| 1. data-mining | A. exclusive of deductions; total |
| 2. dividend | B. a fee or percentage allowed to a sales representative or an agent for services rendered. |
| 3. commission | C. bankrupt |
| 4. client | D. a profit obtained from an investment; a return. |
| 5. yield | E. a group of investments. |
| 6. portfolio | F. the party for which professional services are rendered, as by an attorney |
| 7. bias | G. a share of profits received by a stockholder |
| 8. Stamp duty | H. a tax payable to the Government based on the documents used in the transfer of property. |
| 9. bust | I. a statistical sampling or testing error caused by systematically favoring some outcomes over others |
| 10. gross | J. deiving into or making use of data. |

Cloze

China to further reform on investment system

In his directions on the implementation of the State Council's Decision on Reform of Investment System promulgated recently (hereinafter referred to as Decision), Chinese Premier Wen Jiabao stressed that pushing this reform forward is of great significance for a perfect socialist market economic system and more effective macro-control. He highlighted the fundamental purposes of the reform on the investment system. The core of the reform, he said, is to give a full play to the market in terms of resources allocation by relieving enterprises of intervention from the government. It is the enterprises that should play the leading role in investment activities. 1_____

The government, on the other hand, is expected to perform its well-defined duties which involve formulating development plans and industrial policies and guiding the social investment with legal and economic levers. The State Council held a video conference on July 22 to deliver Wen's message and make specific arrangements to carry out the reform. 2_____ The first is the investment management system. Decisions of investment should be made by investors, that is, businesses, and the parties benefiting from the investment should take risks. Businesses will never have to go through any approving process for non-government sponsored projects. Instead, they will be subject to a confirmation system or a registration system. 3_____ Financial institutions should improve their fixed assets loans system and sharpen their ability of loans check-up to ward off financial risks.

The second point targets at the government investment mechanism. The purpose is to make government funded projects more productive. The government investments are mainly channeled to social and economic fields which concern the national security and the market doest work well for. Decisions should be made scientifically and democratically. Responsibilities for a project should be defined well and the

process of approving should be streamlined. The capital should be put under proper control and the way of construction should be optimized. 4_____

The third task is to strengthen and improve the macro-control on investment to achieve a balanced aggregate and better structure. Legal, economic and administrative measures should be combined with economic tools including market access, prices, interest rates and taxation to leverage the investment of the whole society. The government should navigate the social investment through planning, policies, information disclosure and market access control.

The fourth priority is given to the supervision of investment to secure the market order of investment and construction. 5_____

Zeng pointed out the deepening the reform on investment system serves the same aim of strengthening and improving macro-control, that is, promoting the stable and fast development of the national economy. He concluded his speech by requiring local governments and various departments concerned to take on their own responsibilities to carry out the State Council's Decision.

- A. Premier Wen firmly believes that this reform will play a positive role in adjusting the structure, deepening the whole reform and switching the model of economic growth.
- B. The operation system for non-profit government investment projects should be in place as early as possible. Local governments should attract social capital into utilities and infrastructure projects.
- C. The government should make more scientific investment decisions in a more democratic way through an optimized decision making process for government investment projects. A strict system will hold decision makers responsible for their loss-making investments.
- D. Vice Premier Zeng Peiyan urged local governments and departments concerned at the meeting to push the reform forward actively and steadily and focus on the following points.
- E. Large enterprises will be freer to make investment decisions and companies will have more channels to fund their projects. The government encourages the social capital to step into industries and fields as long as laws and regulations do not deny them to enter into these areas.
- F. Corporate investment, government investment and investment intermediaries will be put under the watch of a comprehensive supervision system. Various investors should act within the legal framework which is expected to be in place as early as possible and carried out carefully.
- G. This means enterprises should make investment decisions at their own discretion and shoulder risks of losses while banks should extend loans on their own account.

Translation

Translate the English into Chinese:

How do investors form credit opinions and make buy/sell decisions on bonds? Research shows that they are increasingly cutting out the middle man---the investment bank---and trying to go direct to the issuer. In-house research and meetings with management are the most important factors when fund managers form credit opinions. The bad news for investment banks is that the influence of their credit research is declining. One reason for this decline is skepticism about the motives behind sell-side research. One fund manager who used to be a credit analyst at a major investment bank says, “you learn very quickly that there is a hidden agenda. Investment banks are there to sell bonds. No matter how unbiased sell-side analysts try to be, there is constant pressure from the origination side of the business because that is where the money is made.” That is a view shared by many fixed income investors. There is a growing feeling that investment banks have to sell bonds so they will not tell investors the bad parts of the story. It is not that sell-side research does not add value, but more that its findings should be approached somewhat gingerly.

Translate the Chinese into English:

与企业管理成一对一的沟通，被越来越多的投资者认为是他们获得所需信息的唯一途径。“我们坐下那，看着他们的眼睛。”在一家重要的投资机构工作的基金管理人这样说。在过去，对于获得高回报的投资者来说，了解发行企业的最高管理者被认为很重要，而对于投资级购买者来说，了解蓝筹股企业的最高管理者却显得没有那么重要。近几年，随着信用质量的恶化，这种了解开始重要起来。特别是“911”事件之后，它变得越来越关键了。

Key

Match: J G B F D E I H C A

Cloze: G D E B F

Translation:

1. 投资者是怎样形成（债券的）信用评价并做出买卖债券决定的？研究表明，他们正逐渐减少与中间人——投资银行——的接触，而是尽量地直接面对发行者。内部研究和与（企业）管理人员的沟通是基金管理者形成资信评价最重要的因素。信用研究影响的减小，对投资银行来说是个坏消息。对隐藏在卖方研究背后的动机的怀疑是这种影响减小的一个原因。过去曾在一家重要的投资银行做过信用分析师的一个基金管理人说：“你很快就会明白，这儿有一个隐含的待办事项：投资银行在那儿卖债券。不管卖方的分析师多么尽力的公正，都将存在来自于营业机构方持续的压力，因为这正是（它们）盈利的来源。”许多固定首席投资者都赞同这样一个观点，就是投资银行必须卖掉债券，所以它们不会告诉投资者购买这些债券的不利方面。这倒不是说卖方研究没有什么价值，而更多的表明它的这些研究应该在某种程度上被谨慎地对待。
2. One-to-one meetings with corporate management are increasingly regarded as the only place where investors can obtain the sort of information they want. “We need to stare them in the eyes across the table,” says a fund manager at a major investment institution. In the past, it seemed important for high-yield investors to know the chief executive of an issuer but less so for investment grade buyers to know the head of a blue-chip corporate. In recent years, as credit quality deteriorated, such contact began

to matter. Now, post-September 11, it matters more and more.