

1.

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

A	B
1. take shape	A. acquire or gain control of
2. take over	B. take on a definite form
3. as of	C. carry out
4. make even	D. as from; indicating the time or date from which sth. starts
5. consist of	E. create in a precise form
6. formulate	F. make neither a loss or a profit
7. implement	G. be composed of

**Cloze**

China's banks have been scrubbing hard, hoping to make themselves clean enough to attract foreign capital. If you believe official figures, their non-performing loan (NPL) ratio fell to 13.2% at the end of last year, from nearly 18% in 2003. 1\_\_\_\_\_ Independent data are also looking less gloomy. Standard & Poor's, a credit-rating agency, reckons 35% of loans will go sour, down from its previous estimate of 50%. This may help win round foreign banks, which have so far resisted taking stakes. Royal Bank of Scotland is said to be ready to pay up to \$4 billion for up to a fifth of BoC, although the Edinburgh bank would not be drawn at its annual meeting on April 20th. There are also rumors that foreigners are preparing to buy a stake in CCB.

The banks' old bad debts are worrying enough. 2\_\_\_\_\_ Between the start of 2001 and early 2004, China went on an almighty credit binge. Bank lending jumped by 56% in 2003 alone, as the government first tried to shore up growth and then lost control of a racing economy before trying to rein it in last spring. At the state's behest, banks lent enormous sums for new factories, roads and airports, many of which will never make money.

3\_\_\_\_\_ A tenth of all outstanding bank loans, or around 2 trillion yuan (\$242 billion), is now owed by consumers. Mortgages, which account for 90% of this, grew at an annual compound rate of 115% between 1998 and 2004, according to KGI, a securities firm. Last year, they rose by 38%, against just 6% for corporate loans (see chart). Banks have been delighted to grant home loans because they carry only a 50% weighting in the calculation of risk-weighted assets—a tribute to the perceived safety of mortgages.

4\_\_\_\_\_ Last June, the National Audit Office warned of widespread consumer-credit problems, citing one borrower who was lent enough in multiple mortgages to buy 128 apartments. China lacks a national consumer-credit database to spot overstretched debtors, although a pilot system linking seven cities was set up late last year. Never having seen a complete mortgage-credit cycle, Chinese banks appear not to understand the downside risks. 5\_\_\_\_\_

A. None has scrubbed harder than the two big state banks being groomed for

strategic investment and flotation: Bank of China (BoC) said last month that its NPL ratio was just 4.7%, and China Construction Bank (CCB) claims 3.7%.

- B. However, for the first time they also lent hand-over-fist to individuals, deluging them with credit cards, mortgages and car loans in an attempt to make growth more balanced by encouraging consumer spending.
- C. But potential investors should probably be more concerned about what has yet to appear in the books.
- D. That may be a dangerous misperception.
- E. For now, the economy is accelerating: it grew by an unexpectedly fast 9.5% in the first quarter, according to figures published this week.
- F. Without proper records, it has been impossible to trace defaulters, even if they gave correct information in the first place.
- G. And they have few channels to lay off risk: the central government has repeatedly stalled moves to secure consumer loans.

### Translation

#### Translate the English into Chinese.

The reform and opening up of China's banking sector have been carried out in pace with the overall economic reform and opening up, starting in special economic zones and then rolling out to costal areas, inland provincial capitals and finally the whole country, as well as extending from foreign currency businesses to local currency businesses. Having built their presence in China over two decades before, foreign financial institutions have now become an integral part of China's financial sector. They have made tremendous contribution to the Chinese banking industry by introducing into China advanced operating mechanisms and management expertise, promoted service level of China's banking industry and deepened the financial reforms. Since its entry into WTO, China has accelerated its pace in opening up the banking sector and has opened more areas to foreign banks. There are no more geographic and customer restrictions on foreign exchange businesses of foreign banks, while the geographic restrictions on RMB businesses of foreign banks are also being phased out.

#### Translate the Chinese into English.

随着社会和经济的发展,中国的信用文化受到了前所未有的挑战,主要表现在两个方面。一是中国传统信用文化的基础是人与人之间通过接触而产生的信任,相互了解以及道德规范。然而,这种信用文化只适用于小范围的社会经济活动,当范围扩大到了整个国家、甚至是整个世界,传统的信用文化就不能满足需要。二是改革开放以前,我国实行传统的计划经济体制,企业的生产、交易,银行的信贷统统按国家计划进行,这不仅弱化了中国传统的信用文化,更影响了中国传统信用文化向现代信用文化的发展。随着改革开放的逐步推进,中国迫切需要建立符合社会主义市场经济发展需要的现代信用文化。

## Key

Match: BADFGEC

Cloze: A C B D G

Translation

1. 中国银行业对外开放与经济改革开放同步推进，经历了从特区、沿海城市、中心城市到所有地区以及从外币到本币不断向前推进的开放历程。外资金融机构进入中国二十多年来，已经成为我国金融体系不可缺少的组成部分。他们引进了现代银行运作机制和先进的管理方式，为中国的银行业做出了巨大贡献，促进了我国银行业服务水平的提高和金融改革的深化。自从加入世贸组织以来，银行业开放进一步加快，开放领域进一步扩大。外资银行经营外汇业务已没有任何地域和客户限制，经营人民币业务的地域限制也逐步废除。

2. With the social and economic development, China's credit culture has been confronted with unprecedented challenges. They are mainly reflected in two aspects. First, the foundation of China's traditional credit culture lies in the mutual trust between individuals through contacts, close relationship between them and the ethics. Such credit culture only meets the needs of economic activities within limited scope, and could no longer meet the needs when the scope for economic transactions has widened to the whole country or even the whole world. Second, before the introduction of reform and opening policy, the production and transaction activities of enterprises and the banking credit business are under the planned economy. This not only weakened China's traditional credit culture, but also influenced the evolvement of China's traditional credit culture to the modern credit culture. Therefore, establishing China's modern credit culture in line with the development of socialist market economy is of urgent necessity as the reform and opening policy is steadily promoted.