



Live Lesson Notes

The Economy

Contents

Useful links

Vocabulary

Acronyms

Listening Task (News Report)

Useful Phrases and Idioms

Some Useful Links

My NEW online course for **Crack IELTS Speaking Part 1**
courses.keithspeakingacademy.com/p/crack-ielts-speaking-part-1

Economy Terminology

<https://www.vocabulary.com/lists/9108>

Why banks raise interest rates

Understand the Economy Podcast with Tim Harford

<https://www.bbc.co.uk/programmes/m001dwr7/episodes/guide>

World Happiness Report

https://en.wikipedia.org/wiki/World_Happiness_Report

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IELTS Speaking Vocabulary: The Economy

Fill in the gap with one word

1. The economy is not good. I think the rate of _____ is going to rise even further
2. With high unemployment, and little economic growth, we are heading into a _____

Answers at bottom of PDF

IELTS Speaking: The Economy Vocabulary

The Economy (n.) Countable

The economy is going well
We have **a** booming economy

Make sure you always use an article (A or THE) when talking about the economy.

A booming / strong / robust economy
A slow / weak / stagnant economy

Stagnant (adj.) = stuck or not moving (for an economy)

We often talk about 'stagnant water' when water doesn't move and smells bad. Here it is used idiomatically to describe the economy (it's negative)

The **black economy**

= using cash to avoid paying tax.

Economics (n.) = the subject of studying the economy

*My **grasp of** economics is not very good*

To have a grasp of something = to have an understanding (of a subject)

An economist (person)

Economical or Economic? *(as an adjective)*

This car uses little fuel, it's really _____

Economical (adj.) = it saves you money

Economic (adj.) = related to the economy

The economic forecast for 2023 is not good

*I don't like the government's **economic** policies.*

Macroeconomics or Microeconomics?

Which one is an example of macroeconomics and which one is microeconomics?

1. Inflation
2. You choosing a to buy a brand of clothes

Macro = Big

Micro = Small

Macroeconomics refers to issues related to a country or between countries

Microeconomics refers to issues related to a person or a company.

Answers

1. Inflation = Macroeconomics
2. You choosing a to buy a brand of clothes = Microeconomics

Inflation

*Inflation is **going through the roof** these days*

To go through the roof (inflation, numbers, rates) = to go extremely high

Interest rate

= How much extra money you pay when you return a loan

Banks are going to increase their interest rates.

Rate of unemployment

= how many people are without a job

The rate of unemployment has shot up in recent months

Supply and demand

Prices will go up because of the law of supply and demand

A monopoly

= one business that dominates an industry so there are no other competitors

*British telecom used to **have a monopoly on** phone services in the UK*

Get a useful list of economic terminology here

<https://www.vocabulary.com/lists/9108>

Acronyms

Acronyms are abbreviations formed by the first letter of a word.

G.D.P.

Gross Domestic Product

= the total value of goods produced in a year (in a country)

GPD has risen to 6%

To **rise** / climb/ increase / go up

To rise a lot / rocket / soar / shoot up

To **fall** / decrease / decline / drop

To fall a lot / slump / plummet

G.D.H.

Gross Domestic Happiness

= The total happiness or 'well-being' of a nation

https://en.wikipedia.org/wiki/World_Happiness_Report

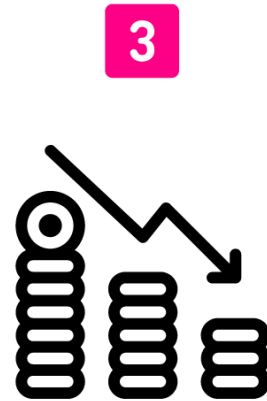
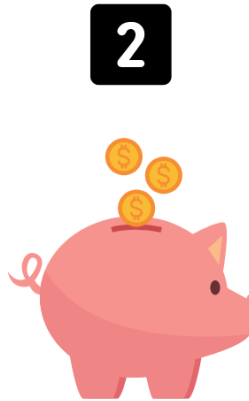
20 March was declared to be International Day of Happiness by the UN in 2012 😄

R.O.I

Return on Investment

I expect a 5% ROI on this investment

Economic Symbols



Which words could you use to describe these symbols?

1.

An upturn
Profit
Growth
An increase
A boost
A boom

2.

Saving
Investment
A piggy bank

3.

A recession
A downturn
A slowdown
Bankruptcy
A crash
A crises
A depression

More useful phrases

A **boon**

= something good / helpful

A **bane**

= something not helpful

When talking about the economy, instead of saying something is both good and bad, you can say,

It is both a boon and a bane

All the extra work is both a boon and a bane, we make more money, but we have to work harder!

A **bear** market

= a market where shares are falling

A **bull** market

= a market where shares are rising

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IELTS Speaking Topic: The Economy

Listening Task

1. Watch this news report and answer the questions below

<https://vimeo.com/795269845>

1. What is the present rate of inflation?
2. By how much will banks raise the interest rate?
3. What food is mentioned?

Answers at bottom of PDF

2. Watch again and note any idioms and useful phrases

<https://vimeo.com/795269845>

For example:

It looks like we are **in for a rough ride**

as the rate of inflation hits **an all time high of 15%**

Answers (and full script)

It looks like we are **in for a rough ride**, = *heading towards difficult times*

as the rate of inflation hits **an all time high of 15%** = *the highest ever*

Many government experts are saying **prices are out of control**

It's true, I was down the market the other day and

potatoes were up to 4.50 a kilo, **outrageous prices!** = *very surprising*

Unions countrywide are **calling for strikes** (= *ask its members to go on strike*)

To go on strike = to stop working in protest

to demand **an increase in wages.**

The government is **locked in negotiations** (= *stuck, cannot move*)

Locked in a negotiation

Locked in a discussions

with the teacher's union, railway unions, the postal workers, nurses union, bus drivers, border control workers

I am not making this up = *I am not lying*

To make something = to invent something not true or to lie

but little progress has been made.

Doom and gloom (= *a feeling of pessimism - horrible things*) is everywhere

we **are in a recession**, and **the outlook is bleak!** (= *The future is not good*)

The bank of England in its efforts to **reduce inflation**,

is going to **raise interest rates** again by 0.5 percent.

Whilst this is great news for savers like me, it is bad for borrowers.

If you borrow money I have to **pay back with interest**,

interest is higher, you pay back more

Some government economists are worried,

that as a result of **the interest rate hike**, (=the interest rate increase)

A hike = an increase (in prices, in rates)

fewer companies will **take out loans** (=ask for money from the bank to borrow)

to invest in their businesses,

fewer people will be spending money, because we have put our money

in a nice little savings account

and we will **go deeper into a recession** until the economy collapses.

It's a **shambles** (=a disaster, a mess), it's a disaster, it's a massive mess!

Note: 'shambles' is always in plural

How are we all going **to weather the storm?** (=to get through/over obstacles)

Do we have any good news?

Comedian Masai Graham won the funniest joke of the year award.

“ I tried to steal from some spaghetti from a shop, but the security

guard saw me and I couldn't get past her’

Pasta - /p æ s t ə/

Past her - /p æ s t ə/

That's the 6 o'clock news for today

IELTS Speaking: Idioms about The Economy

To be broke = to have no money

I can't lend you any money, I am completely broke.

To be loaded = to be rich

The CEO is loaded, she can easily afford to buy a new car

To have money to burn = to be rich

If they have just bought a third house, they clearly have money to burn!

To weather the storm = to survive a difficult time

The recession is hitting everyone really hard, I don't know how we are all going to weather the storm

To be in good shape = to be in a good condition

Some economists are actually saying the economy is in good shape

IELTS Speaking Vocabulary: The Economy ANSWERS

Fill in the gap with one word

1. I think the rate of **inflation, unemployment** is going to rise even further
2. With high unemployment, and little economic growth, we are heading into a **recession, depression, downturn, slump**

Listening task ANSWERS

1. What is the present rate of inflation? **15%**
2. By how much will banks raise the interest rate? **0.5%**
3. What foods are mentioned? **Potatoes, Pasta and Spaghetti**

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