

China to probe stock market manipulation

SOURCE: BBC

VOCABULARY AND PHRASES:

1. **probe** - to search into or examine thoroughly; question closely Ex. to probe one's conscience.
2. **stock market** - a particular market where stocks and bonds are traded;
3. **manipulation** - the act of managing and controlling in an unfair manner.
Ex. The manipulation of the government will definitely makes the people rebell against it.
4. **investigate** - to search out and examine the particulars of in an attempt to learn the facts about something hidden, unique, or complex, especially in an attempt to find a motive, cause, or culprit
Ex. The police are investigating the murder.
5. **regulator** - here, financial regulator, which means a person or organization that has been given the official job of making sure that banks, financial businesses, etc. act in a responsible way and do not break the law.
6. **mis-selling** - selling an investment to a customer in a misleading or deceitful way.
7. **benchmark** - any standard or reference by which others can be measured or judged Ex. The current price for crude oil may become the benchmark.
8. **slumped** - to decrease or fall suddenly and markedly, as prices or the market.
Ex. The US economy slumped during the economic crisis.
9. **overseas** - countries or territories across the sea or ocean.

EXERCISE:

1. Neither did he stop at mere appearances of any kind, but, having stamped the image of things upon his brain, went on indefatigably to ____ their hidden laws and causes.
2. It is impossible for the President to rule the this nation without the use of _____ .
3. Apple products have been the _____ of most electronic device related companies.
4. Asian companies have been figuring out ways to _____ as Asian Economic Crisis is approaching.

INITIAL QUESTIONS:

- What is your idea about stock market?
- What job do stock markets do?

ARTICLE:

China's securities **regulator** will **investigate** suspected manipulation of the **stock market**, state news agency Xinhua reports. The regulator said late on Thursday that it would be looking into whether parties were **mis-selling** financial products. The **benchmark** Shanghai Composite index has **slumped** about 30% since mid-June, wiping out most of this year's gains.

Any criminal cases will be transferred to the police, the regulator said. The China Securities Regulatory Commission (CSRC) said it would base its investigation on reports of abnormal market movements from the stock market and futures exchanges. The Shanghai exchange, one of the best performing in the world, more than doubled its value in the last 12 months. But the recent losses have wiped out trillions of dollars of share value, said the BBC's Martin Patience in Beijing.

COMPREHENSION QUESTIONS:

1. What will the Chinese security regulators do regarding the manipulation?
2. What is it that they're going to investigate?
3. What kind of things are being accused against the overseas investors?

THINGS TO DISCUSS:

1. Is the stock market in your country healthy? Discuss its present situation.
2. Do you think it's risky to invest in the stock market? Why or why not?
3. What causes stock market crashes?
4. What are the differences between stocks and shares?
5. Do you pay any attention to the ups and downs of the stock market? Why or why not?
6. How important are stock markets to the world's economic situation?