

♫ **8. 7 STUDY THE MATERIAL AND CHANGE THE FOLLOWING PHRASES INTO SENTENCES in which the adjectives are used as predicate adjectives (Linking verbs)**

In addition to the verb **to be**, certain other verbs can be followed by predicate adjectives. Such verbs are sometimes referred to as **linking** verbs, since they can link nouns or pronouns to modifying adjectives. For instance, the following verbs can be used as linking verbs.

<u>Linking Verb</u>	<u>Linking Verb used with Predicate Adjective</u>
to become	The wind <u>became</u> stronger.
to feel	The blanket <u>feels</u> soft, warm and comfortable.
to grow	The weather <u>is growing</u> cold.
to look	The sky <u>looked</u> grey and overcast.
to seem	His reasoning <u>seems</u> logical.
to smell	The soup <u>smelled</u> good.
to sound	The story <u>sounds</u> interesting.
to taste	The carrots <u>tasted</u> sweet.
to turn	The leaves <u>turned</u> scarlet.

1. the sour lemon (to taste)
2. the rough surface (to feel)
3. the excited child (to grow)
4. the relieved students (to seem)
5. the awkward silence (to become)
6. the sweet roses (to smell)
7. the golden wheat (to turn)
8. the confident singer (to look)

♫ **8. 8 MATCH THE TERM AND THE DEFINITION**

1.	junk bond	A	a debt certificate that is issued for a period of more than
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			one year
2.	par value	B	the amount that will be received at the time of maturity
3.	yield	C	the length of time before the principal is returned on a bond
4.	coupon	D	the periodic interest payment made to the bondholders during the life of the bond.
5.	current yield	E	the return on the bond
6.	maturity	F	the return on the bond without accounting for any outside factors; if you purchase the bond at par value and hold to maturity, this will be the annual return you receive on the bond
7.	bond	G	a measure of the return on the bond in relation to the current price
8.	nominal yield	H	the overall return on the bond if it is held to maturity; it reflects all the interest payments that are available through maturity and the principal that will be repaid, and assumes that all coupon payments will be reinvested at the current yield on the bond.
9.	yield to maturity	J	a weighted measure of the length of time the bond will pay out.
10.	municipal bond	I	debt obligations issued by corporations
11.	duration	K	a bond with a speculative credit rating of BB (S&P) or BA (MOODY's) or lower.
12.	corporate bond	L	debt obligations of the US that have maturities of 10 years or more.
13.	Treasury bond	M	a bond in which no periodic coupon is paid over the life of the contract; instead, both the principal and the interest are paid at the maturity date.

14.	zero-coupon bonds	N	represents borrowing by state or local governments to pay for special projects such as highways or sewers; the interest that investors receive is exempt from some income taxes.
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✎ Choose several nouns and write a small paragraph demonstrating their usage. Let your peers translate it.

## ? 8.99 TOPICS FOR DISCUSSION

1. What is the difference between preferred stocks and bonds?
2. What is the difference between a loan and buying bonds?

## 🗨️ 8.10.1 MAKE UP DIALOGUE: Asking for and giving (or withholding) information

In pairs, use the following expressions to ask for and give (or withhold) information regarding the market for corporate bonds.

### Asking for information

I wonder if you could tell me ...

I'd like to know ...

Could you let me have ...

Could you tell me ...

I'd like some information about ..

### Giving (or withholding) information

Yes, I've got the figures right in front of me ...

Sure, I'll just look that up for you ...

According to my records ...

I'm afraid this is classified information.

I'm sorry but I don't have that information available.

## 8.10.2 PREPARE THE REPORT ON THE LATEST EVENTS ON THE

## **BOND MARKET using the following words and word combinations**

- the market had a huge blast ...
- ...taking yields to 2-month lows...
- ...giving prices their biggest boost...
- ...bullish / bearish sentiment was already predicted...
- ...is holding near the highs on...
- Treasuries spent much of the overnight trade ranging between...