

Module 2: Banking and Finance Essentials | Unit 3: Retail banking

Listening

- 1) Listen to Peter Sinclair talking about retail banking. According to what he says, is retail banking in decline?
- 2) Listen again and look at the following statements. Are they true (T) or false (F), according to Peter Sinclair?
 1. In the past, people used to keep more money in cash.
 2. Because of retail banks, national income is increasing in developing countries.
 3. Some people think that investment banking is more exciting than retail banking.
 4. Investment banking is more profitable than retail banking.
 5. There is more risk involved in investment banking than retail banking.
- 3) Answer the questions:
 - How has commercial or retail banking changed since the 1980s?
 - How do you think it will develop in the next few years?

STUDY TIP

Take a moment to think about these questions and write your answers on a piece of paper. It's excellent practice.

Vocabulary

- 4) Read the web page below advertising online banking, and complete the sentences.

Why bank online?

Because you have access to your account 24 hours a day, 7 days a week.

With internet banking, you can:

- check your balance whenever you want
- pay bills without queuing at the bank
- transfer money between your current account and your savings account
- print a statement at any time
- set up, change and delete your standing orders
- view and cancel direct debits
- apply for a loan
- apply for a new and increased overdraft
- order foreign currency or traveller's cheques

1. A _____ is an instruction to a bank to pay varying sums of money to another account on particular dates.
2. A _____ pays interest but usually has limits as to how much money can be withdrawn during a certain period of time.
3. A _____ lists the recent debits and credits in a bank account.
4. An _____ is an arrangement allowing someone to borrow money by withdrawing more than they have deposited in their account, up to a certain limit.
5. A _____ pays no or little interest, but usually allows the holder to withdraw cash or make payments without any restrictions.

6. A _____ is an amount of money borrowed from a bank for a fixed period.
7. A _____ is the amount of money in a bank account at a particular time.
8. A _____ _____ is an instruction to a bank to pay regular, fixed sums of money to another account.
- 5) Use a word or phrase from each box to make common word combinations. You can use some words more than once.

apply for
cancel
check
set up
transfer
write
print

the balance
a cheque
an overdraft
a statement
a direct debit
a loan
money
a standing order

KEY:

Exercise 1: no

Exercise 2: 1 T; 2 F – bank deposits are increasing, not national income; 3 T; 4 F; 5 T

Exercise 4: 1 direct debit; 2 a savings account; 3 a bank statement; 4 an overdraft; 5 a current account; 6 a loan;
7 a balance; 8 a standing order

Exercise 5: apply for a loan/an overdraft
cancel a direct debit/a standing order
check the balance
set up a direct debit/standing order
transfer money
write a cheque
print a statement