Economy and finance

VOCABULARY PRACTICE
PRE-INTERMEDIATE | A2-B1

Name: _____ Date: _____

1 Match each economy word with its meaning.

1 economy ____	**a** the system of trade and industry in a country
2 inflation ____	**b** a general rise in prices over time
3 unemployment ____	**c** the state of not having a job
4 investment ____	**d** money put into something to earn a future benefit
5 profit ____	**e** the money gained after costs are subtracted
6 tax ____	**f** money paid to the government from income or purchases
7 bank ____	**g** an organisation that keeps and lends money
8 loan ____	**h** money borrowed that must be paid back
9 interest rate ____	**i** the percentage charged or earned on borrowed or saved money
10 budget ____	**j** a plan for spending and saving money

2 Choose the correct form.

1 The economy / economic is growing.
2 Prices rose because of inflation / inflate.
3 Unemployment / Unemployed is falling.
4 She made a smart investment / invest.
5 The company made a profit / profitable.
6 We pay tax / taxes every year.
7 He works at a bank / banks.
8 They took out a loan / lend.

3 Complete the descriptions with words from the box.

bank | budget | economy | inflation | interest rate | investment | loan | profit

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News A: The national 1 _____ grew last year, though
2 _____ pushed prices higher for many families.
News B: A local 3 _____ raised its 4 _____ on savings accounts.
News C: The company made a healthy 5 _____ after a wise
6 _____ in new technology.
News D: The family created a strict 7 _____ after taking out a
8 _____ to buy a car.

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4 Match each word with its opposite.

1 profit ____	**a** loss
2 growth ____	**b** decline
3 borrow ____	**c** lend
4 rise ____	**d** fall
5 wealthy ____	**e** poor
6 spend ____	**f** save
7 stable ____	**g** unstable
8 employed ____	**h** unemployed

5 Read the text. Write T (true) or F (false).

Managing a household budget

Leo and Mia created a monthly budget after realising they were spending too much. They cut unnecessary costs and started saving part of their income each month. They also took out a small loan from the bank to fix their car, choosing one with a low interest rate. After a year, they had saved enough to start a small investment and felt much more in control of their finances.

1 Leo and Mia created a budget. T / F

2 They increased their spending. T / F

3 They took out a loan for their car. T / F

4 They chose a loan with a high interest rate. T / F

5 They started saving money. T / F

6 After a year they made an investment. T / F

6 Complete the sentences with the correct preposition (on, from, into, of).

1 They borrowed money _____ the bank.

2 She invested _____ shares.

3 They pay interest _____ the loan.

4 The cost _____ living increased.

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OVER TO YOU

Write a 70-90 word description of how you or a family manages money and saves for the future.

[ ] Use at least eight target words. [ ] Use present tenses accurately. [ ] Keep the description clear and practical.

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ANSWER KEY

1 Economy words

1 a 2 b 3 c 4 d 5 e 6 f 7 g 8 h 9 i 10 j

2 Choose the correct form

1 economy 2 inflation 3 Unemployment 4 investment 5 profit 6 taxes 7 bank 8 loan

3 Descriptions

1 economy 2 inflation 3 bank 4 interest rate 5 profit 6 investment 7 budget 8 loan

4 Opposites

1 a 2 b 3 c 4 d 5 e 6 f 7 g 8 h

5 Reading

1 T
2 F - they cut spending.
3 T
4 F - low interest rate.
5 T
6 T

6 Prepositions

1 from 2 in 3 on 4 of

Over to you

Answers will vary. Check clear organisation, accurate forms and practical wording.