

Lesson  
8

# From the Financial District

## Vocabulary

All the words in this lesson may be associated with economics.

**amalgamate** (uh MAL guh MAYT) V. to join or merge together *(The board of directors is considering a move to amalgamate several of their smaller holdings.)*

**audit** (AW dit) V. to examine and verify accounts *(An accounting team is scheduled to audit this department next month.)*

**capital** (KAP i tuhl) N. assets contributed to a business venture *(A large amount of capital is needed for equipment to start an auto body shop.)*

**collateral** (kuh LAT ur uhl) N. property a borrower offers as a guarantee for a loan *(Jim put up his 1953 Chevrolet as collateral for a loan to cover medical costs.)*

**commodity** (kuh MAHD i tee) N. a product of trade or business *(Any agricultural commodity grown in the area is shipped by rail.)*

**conglomerate** (kuhn GLAHM ur it) N. a corporation including several different companies *(A national conglomerate owns half of all retail clothing stores and a grocery chain.)*

**exemption** (ig ZEMP shuhn) N. an amount of income freed from taxation *(Our state offers a tax exemption to any company that relocates here.)*

**facsimile** (fak SIM uh lee) N. a precise copy *(After the agreement is signed, the buyer will receive a facsimile of the document.)*

**fiscal** (FIS kuhl) ADJ. concerning finances or the treasury *(The university operates on a fiscal year which begins July 1 and ends June 30.)*

**incentive** (in SEN tiv) N. something motivating one to act *(Periodic sales on merchandise always serve as an incentive to the buying public.)*

**investment** (in VEST muhnt) N. funds contributed to a business enterprise with hope of financial gain *(For a high return on an investment, you must take high risks.)*

**lateral** (LAT ur uhl) ADJ. concerning, located at, or directed toward the side *(In our discussion of foreign affairs, we considered a lateral concern, which is international trade.)*

**magnate** (MAG NAYT) N. someone of influence and power, especially in industry *(Our library was donated as a memorial to the industrial magnate J. R. Biggle.)*

**opportune** (AHP ur TOON) ADJ. appropriate for a certain purpose or time *(Because of the stock market crash, now is the opportune time to invest cheaply.)*

**prospectus** (pruh SPEK tuhs) N. a forecast of future business development *(This corporation annually issues a financial prospectus.)*

**stipulation** (STIP yuh LAY shuhn) N. a requirement specified in a legal document *(Real estate contracts may include a stipulation for adherence to building codes.)*

**stringent** (STRIN juhnt) ADJ. characterized by scarcity of money or other financial strain *(The Federal Reserve Bank has issued stringent financial controls.)*

**subordinate** (suh BOR duhn it) ADJ. subject to another's control *(David is in a subordinate position and did not participate in the decision to open a new office.)*

**subsidy** (SUHB si dee) N. financial aid to a person or business by government *(The government's meager subsidy for housing does not cover the need.)*

**tycoon** (ty KOON) N. a wealthy, influential businessperson *(The newspaper ran a cartoon portraying a fat, cigar-smoking tycoon with his arm around Al Capone.)*