Topic 3.1

Global Trading - International Trade

free trade N-UNCOUNT

ee trade is a system which allows certain countries to buy disell goods from each other without any financial restrictions that taxes.

The proposed <u>free trade</u> agreement between the US and Mexico came under fire today from environmentalists.

The two presidents want to replace the suspicions of the past with a new commercial relationship based on <u>free trade</u>.

export (exports) N-COUNT

import (imports) N-COUNT

visible export/import (visible exports/imports)

invisible export/import (invisible exports/imports) n-count

ports are goods which are sold to another country and sent ere. Imports are products or raw materials bought from other country for use in your own country. Trade in goods ch as food, raw materials, and manufactured goods is known visible exports and visible imports. Trade in services such banking, insurance, and tourism is known as invisible cports and invisible imports.

According to the September estimates, <u>exports</u> rose by 18%. British video games have always been big in the US, but this year's <u>imports</u> have done particularly well.

In the UK <u>visible imports</u> have traditionally been greater than visible exports.

Tourism is Britain's single biggest invisible export.

Common Collocations

<u>a ban on</u> imports mports/exports <u>decrease</u>

imports/exports increase

balance of payments (balances of payments)

country's **balance of payments** is the difference, over a ariod of time, between the payments it makes to other puntries for imports and the payments it receives from other puntries for exports.

Britain's balance of payments deficit has improved slightly.

trade deficit (trade deficits) N-COUNT trade surplus (trade surpluses) N-COUNT

a country has a **trade deficit**, the value of the goods it nports is greater than the value of the goods it exports. If a puntry has a **trade surplus**, it exports more than it imports.

America's <u>trade deficit</u> grew sharply in February, widening to \$13.9 billion from a revised \$11.4 billion in january.
The country's <u>trade surplus</u> widened to 16.5 billion dollars.

• exchange rate (exchange rates) N-COUNT

he **exchange rate** of a country's unit of currency is the mount of another country's currency that you get in exchange or it.

The continuing strong performance by Scotland's exact despite the relatively high <u>exchange rate</u>, is very good

protectionism N-UNCOUNT

Protectionism is the policy some countries have of a their own industries by putting a large tax on importably restricting imports in some other way.

The aim of the current round of talks is to promote feel and to overt the threat of increasing protectionism.

■ tariff (tariffs) N-COUNT

A tariff is a tax that a government collects on goods of into a country.

Each exporting country has an incentive to subsidize of even when the importing country levies an import tare

customs duty (customs duties) N-VAR

Customs duties are taxes that people pay for importing exporting goods.

Foreign investors can now import and export goods with paying customs duties.

Customs duty on cotton is being removed to ensure dia availability of raw material.

■ quota (quotas) N-COUNT

A **quota** of something is an official limit on the minimal maximum number of them that is allowed.

At present, farmers are given a set <u>quota</u> of sheep to the return for a subsidy under the common agricultural pool. Sometimes it's cod we're throwing back into the water we can't exceed our <u>quota</u>, other times it's plaice or had

♠ domestic market (domestic markets) Nd

A **domestic market** is the market which exists within: particular country.

More of us are holidaying at home too – Mr Davern sei domestic market was worth 24 per cent of tourism earth

open market N-SING

Goods that are bought and sold on the open market advertised and sold to anyone who wants to buy them.

The Central Bank is authorized to sell government bords open market.

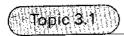
★ World Trade Organization N-PROPER WTO ABBREVIATION

The World Trade Organization is an international organization that encourages and regulates trade between member states. The abbreviation WTO is also used.

... institutions such as the World Bank and the World in Organization.

in 1998 the <u>WTO</u> agreed with the US that Europe was an against <u>WTO</u> rules of free trade.

⇒ USP: Topic 9.4



Global Trading - International Trade



PRACTISE YOUR VOCABULARY

	sm tariffs	customs dut	ies quotas	imports	exports	exchange ra	tes
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free trade		ii wheat, oi	I, tobacco be	eing brougr	nt inito the	Country	
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