

The Adjectives of Securities English Make a Difference

Guineng Mei

Foreign Languages College, Zhejiang Gongshang University, China

Abstract—This paper argues that the adjectives of securities English are used most flexibly. They mean differently from ordinary adjectives, so they have their own semantic meanings that can't be literally understood and translated. Otherwise misunderstandings and misinterpretations will inevitably occur. Therefore it is imperative the adjectives of securities English be carefully and profoundly studied and skillfully grasped in order that this kind of English can be faithfully and correctly understood and translated and proficiently applied.

Index Terms—adjectives, securities English, semantic meaning, flexibly, culture

I. INTRODUCTION

Adjectives are words that describe a person or a thing. The adjectives of securities English are used to describe and modify nouns of securities English. Securities include stocks, futures and bonds ect..The adjectives of securities English are extremely flexible and special in their semantic meanings, so we are to pay special attention to the semantic meaning of securities English. If we want to understand correctly securities English, first we are to know its adjectives, because we can't get their meanings by looking up in dictionaries. Here I dwell on the main features of the semantic meaning of the adjectives of securities English.

II. DISCUSSION AND ANALYSIS

Adjectives usually have special semantic meaning. We can't make sense of the adjectives of securities English solely by their literal meanings. Here are the details of the use of the adjectives of securities English.

A. Adjectives Are Used to Modify Listed Companies and Unlisted Companies

1. The **private company** goes public to raise money to fund the company. The **public company** can sell the shares to the public and it should conform to strict rules and regulations. It is to have a board of directors and report financial information every quarter and be overseen by governing bodies similar to SEC -- Securities Exchange Commission.

The private company here does not stand for the company that belongs to a private person but the company that has not been listed, so we can't buy or sell the shares of its stock of the company. In fact lots of state-owned companies are still private companies. The public company is not a company that belongs to the public but that the shareholders can buy or sell the shares of its stock of the company. A certain public companies still belong to a private person or some private people despite the fact that the companies have been listed.

2. Companies can be listed quickly by **reverse merger**, that is, Companies buy a shell company that has been listed to get listed. After the process the two companies become one public company that can sell the shares to the public.

Reverse merger here does not refer to do something opposite but it is a process that a private company is listed by buying shell company that has been listed.

B. Adjectives in Their Root Forms or Comparative Forms Are Used to Express Their Superlative Forms

1. China's direct investment in the United States **hit a record high** through the first nine months of 2012, despite election-year rhetoric against the country and a congressional report alleging that Chinese tech companies posed a possible threat to Us national security. (Weekend edition October 20-21, 2013, page 9, China daily)

2. Median sale price of homes in Washington, D.C., hits record **high**

3. Stocks fall to monthly **low** on growth concerns

Here high means the highest and low the lowest.

C. Adjectives Are Used to Modify the Stock Market

1. Now the stock market is a **feverish** market.

A feverish market refers to a stock market where prices change rapidly and no direction is easily identified.

2. ChiNext Index closes almost **flat**. The ChiNext Index, tracking China's Nasdaq-style board of growth enterprises, dropped 0.08 percent, or 0.73 point, to close at 882 points on Friday

.A flat market refers to a market that is typified by a horizontal price movement because of little or no market activity in the security.

3. The stock market is very **heavy**.

A heavy market refers to a declining securities and commodities market created when sell orders exceed buy orders, resulting in a price drop.

4. With the Financial Crisis, the stock market is a **soft** one.

A soft market refers to a market characterized by an excess of supply over demand. A soft market in securities is marked by inactive trading, wide bid-offer spreads and pronounced price drops in response to minimal selling pressure. It is also called buyer's market.

5. We can do nothing in the **rigged** market.

A rigged market is a market in which the prices for a security are manipulated so as to lure unsuspecting buyers or sellers

D. *Adjectives Are Used to Modify Stocks or the Marketing of the Stocks*

1. Investors are **bearish** on weak economic data. Having dropped 4 percent since the start of the year, the Chinese stock market has won the label as one of the world's worst performers because of underlying macroeconomic reasons as well as market technicalities, analysts say.

Bearish refers to the fact that investors sell stocks and the price of the stock will fall.

2. People buy stocks in **bullish** phase.

Bullish phase refers to the fact that has been in the trend to rise.

3. The **accumulated earnings** of the stock are two dollars per share.

Accumulated earnings refer to the earnings that has not been allotted.

4. The **bottom line** of the stock this year is 220,356,300 dollars.

The bottom line is the term that refers to the last line in an income statement that reflects a firm's net income (profit) or net loss.

5. The listed company has a **classified loan**, so the stock of the company is weak.

A classified loan is a loan that is not paid in due time.

6. **Dead cat bounce** occurred after a steep, rapid decline of the stock price.

Dead cat bounce has nothing to do with a cat but refers to a moderate strong bounce.

7. When **abandoned baby pattern** appears, wise people buy stocks.

Abandoned baby pattern is the signal that the price of the stock will not fall again but rise.

8. I've got a **bad book**.

A bad book here refers to a situation when an investor had purchased a security and the security price had then fallen, leaving him with the choice either of holding his stock in the hope of rising in price or of selling now at a loss.

9. You can buy the stock at the **best bid** and sell it at the **best ask**.

Here best bid refers to the lowest price at which a trader is willing to sell a stock and best ask the highest price at which a trader is willing to buy a stock.

10. We undergo **net transaction** when we buy a new issue.

Net transaction refers to securities transaction in which a fee or commission is not charged for the seller and buyer. No commission is charged when people purchase a new issue. If the stock is offered at \$30 a share, the investor pays that exact or issue price.

11. The stock I have bought is now a **dirty stock**.

A dirty stock refers to a stock which is cum-divided and close to the date for payment of interest.

12. As an investor we should buy **fine papers** and avoid any risks.

Fine papers are securities which are nearly risk-free.

13. A sound investor is to do **good buying** but not to buy the rumor and sell the news.

Good buying means that investors buy securities based on sound, reasonable information.

14. If you want to get more money in a shorter period of time, you had better buy **gray chips** not **blue chips**.

Gray chips are stocks of small-and-medium-sized companies while blue chips are the stocks of large companies with a solid record of stable earnings and dividend growth and a reputation for high quality management, products and services. Blue chips are relatively high priced and low yielding.

15. I'm very glad that the stock I have bought is a **hard spot** in the bearish phase.

A hard spot is a security that remains strong in a weak market.

16. Tom is the very speculator who always buys a **high flyer**.

A high flyer is a high-priced and highly speculative security that moves up and down sharply in price over a short period. Generally glamorous in nature due to the capital gains potential associated with them.

17. Institutional investors would like to buy **long stocks**.

A long stock is a stock that has been bought in anticipation of increasing price.

18. We are to avoid buying stocks that are **rich**.

Rich here is a term for a security whose price seems too high in light of its price history.

19. He likes a **quick turn**.

A quick turn occurs when a security is sold immediately after it is purchased, with the investor seeking short-term profits such as in day trading.

20. He always earns in the stock market. He is a **smart money**.

A smart money is a wise investor who has more knowledge and experience in the market than the average investor.

21. The stock I've bought is a **soft spot**.

Soft spots are securities that are weak when the general securities market is holding or even moving ahead.

22. Stocks tend to rise in an **easy-money** environment.

Easy money refers to increase in the amount of money available for business and individual spending as a result of reduction in the interest rate in the economy. Easy money tends to encourage investment spending and promote economic growth, which can be inflationary.

23. Now the bonds have become **fallen angels**.

Fallen angels are the bonds that were at the date of issuance investment grade but have since fallen to below investment grade because of perceived lower quality. An example is a bond that has gone when issued from A to its present rating of C.

24. We'd better not buy a **watered stock**

A watered stock is one that represents drastically overvalued assets. Assets can be overvalued for several reasons, including inflated accounting or excessive issue of stock through a stock dividend or employee stock option program. This term actually originates from the Wild West. Before taking cattle to the slaughterhouse, ranchers would feed cattle huge amounts of water. The excess water would make the cows weigh more at delivery, which meant more money for the rancher.

25. We can know the company's current liabilities by **acid test (quick) ratio**.

Acid test ratio refers to the fact that current assets less inventories divided by current liabilities. It shows a firm's ability to meet current liabilities with its most liquid (quick) assets.

26. The stocks are worth investing and the company has got more and more **treasury stocks**.

Treasury stocks are shares of stock required by an issuing corporation and available for retirement or resale. It is issued but not outstanding. It hasn't a voting right and pays or accrues no dividends. It is not included in any of the ratios measuring values per common share. Among the reasons treasury stock is created are: (1) to provide an alternative to paying taxable dividends, since the decreased amount of outstanding shares increases the per share value and often the market price; (2) to provide for the exercise of stock options and warrants and the conversion of convertible securities; (3) in countering a tender offer by a potential acquirer; (4) to alter the debt-to-equity ratio by issuing bonds to finance the reacquisition of shares; (5) as a result of the stabilization of the market price during a new issue. Also they are called reacquired stock or treasury shares).

27. Now we can buy **cyclical stocks**

Cyclical stocks are stocks whose prices are directly and significantly tied to economic conditions. If the economy is improving, stock prices rise, but if the economy is deteriorating, stock prices decline. Cyclical investing is buying or selling securities based on the point in the long-term market cycle. Cyclical stocks are somewhat risky. The automobile, steel and housing industries are all examples of cyclical business. Noncyclical stocks are not as directly affected by economic changes.

28. In bearish stock market we can buy **defensive stocks**

Defensive stocks are the opposite to cyclical stocks. They tend to do well during poor economic conditions. They are issued by the companies whose products and services enjoy a steady demand. Food and utilities stocks are defensive stocks since people typically do not cut back on their food or electricity consumption during a downturn in the economy. But although defensive stocks tend to hold up well during economic downturns, their performance during upswings in the economy tends to be lackluster/dull compared to that of cyclical stocks.

29. He is a typical speculator. He always buys **speculative stocks**.

A speculative stock is one whose worth is unproved or has or has had a history of boom and bust. Speculative stocks have the potential for very high returns. However, they are more risky than other types of stocks and investments, and investors could lose all of their money. Generally speculative stocks are issued by young companies and Small Cap companies in the resource (e.g. silver and gold), energy (e.g. coal and oil), biotech and emerging market (e.g. Internet businesses) sectors.

30. She owns some **preferred stocks** of the listed company.

A preferred stock represents partial ownership in a company, although preferred stock shareholders may not enjoy any of the voting rights of common stock shareholders mentioned above. Preferred stock promises guaranteed dividends and a claim on a company's assets over common shareholders. It gives the shareholder a claim, prior to the claim of common stockholders, on earnings and also generally on assets in the event of liquidation. Most preferred stock pays a fixed dividend that is paid prior to the common stock dividend, stated in a dollar amount or as a percentage of par value. This stock does not usually carry voting rights. The stock shares characteristics of both common stock and debt.

31. Forex purchases rise for 3rd **straight** month

This sentence means that foreign exchange purchases grew for the third consecutive month in February, releasing liquidity while adding pressure to authorities' selection of monetary policy.

32. Chinese shares closed **mixed** Friday, as the benchmark Shanghai Composite Index increased 0.01 percent, or 0.32 points, to end at 2,236.62. The Shenzhen Component Index lost 0.78 percent, or 69.49 points, to 8,889.77

Here mixed refers to the mixture of higher and lower.

33. There are signs of **short** selling in A-share market. There is insufficient evidence to show that foreign capital is aggressively underselling stocks or taking short positions in China's A-share market, a spokesman for the China Securities Regulatory Commission said on Friday

Here short means that the investors anticipate that the price of the stocks will be in a down trend, and they sell the stocks.

E. Color Adjectives Have Special Meaning

Colors in different cultures have different meanings.

The Chinese stocks close **red**, but American and European stocks **green**.

But in china we use red to express the fact that when the close is higher than the open, and green when the close is lower than the open. Meanwhile in American and western countries it is just the opposite. Green expresses the fact that when the close is higher than the open, and red when the close is lower than the open.

F. Adjectives Are Used as Adverbs

1. China's farm produce prices rise **slower**

2. Chinese stocks opened **higher** on Friday, with the benchmark Shanghai Composite Index opening at 2,203.89 points, up 0.21 percent.

G. Adverbs Are Used as Adjectives

1. The trend of the stock is a **down draft**.

A down draft is a downward movement, as of the stock market.

2. We'd better cut loss by selling the stock for there has appeared a **down gap**.

A down gap occurs when the lowest price in a given market day is higher than the highest price of the next day. An open space appears on the stock chart.

3. We can buy the stock with an **up volume** and sell it with a **down volume**.

When a stock's close price of one day is higher than the close price of the proceeding day, the volume in that stock is considered up volume and when a stock's close price of one day is lower than the close price of the proceeding day, the volume in that stock is considered down volume. Technical analysts often compare up volume to down volume to look for buy and sell signals.

I'm happy that I've got the **hard** spot.

A hard spot is a security that remains strong in a weak market.

He builds his investment portfolio by **bottom-up** approach while she **top-down** approach.

Bottom-up approach is the investment approach that plays down the significance of economic and market cycles. The attention is paid to the analysis of individual stocks. It tries to identify the specific companies and stocks that will go into the portfolio. This is the point at which if you are using a computer you see "screens," which are nothing more than filters designed to weed out companies that do not clearly fit your investment philosophy—Growth Investment or Value Investing. For example, worldlyinvestor.com (www. Worldlyinvestor.com) has ADR Screener that helps you select the criteria you are interested in to find the American Depositary Receipts that meet your investing goals.

Top-down approach is process of building an investment portfolio in such a way as to first analyze economic trends, then select a suitable industry, and finally invest in an attractive company in that industry. For the international investor, top-down research is aimed at identifying the regions or countries of the world that have the macroeconomic environments suitable to the kinds of companies and stocks that fit together with your investment philosophy---Growth Investing or Value Investing. For the value investor, that means identifying countries where markets have fallen because the economy is weak, there are political problems, or something else is undermining investor confidence. Growth investors, on the other hand, are looking for countries or regions where economic growth is shifting into high gear. That's where they expect to find companies profiting from that growth by increasing market share or providing new products or services. Also, that is where the Hot Money will soon be healed and where the stock market performance is most likely to take off.

H. Adjectives Are Used as Nouns

1. SHANGHAI Stocks advanced on the Chinese mainland, lifting the benchmark index from a one-month **low**, as airlines climbed on speculation that competition from the high-speed rail industry will fall after a train crash on Saturday.

Here low means the lowest price.

2. China's consumer price index (CPI) in June reached a three-year **high** at 6.4 percent. Expectations for the July figure, scheduled for release in mid-August, are that it might approach or even exceed the June figure.

High here means the highest price.

In a bullish market it is a good chance to buy stocks at **ascending bottoms**.

An ascending bottom is a technical analysis term for a chart pattern in which each bottom in a security's price is higher than the previous one. It is considered a bullish indicator.

I. Adjectives Are Used to Describe Investors

1. He is a **bargain hunter** in the stock market.

A bargain hunter refers to the investor who looks to buy shares at reduced prices in a period of market decline.

2. She is a **bottom fisher**.

A bottom fisher is an investor who seeks bargains among stocks whose prices have recently dropped dramatically.

3. We always ignore the broker's **cold calling**.

Cold calling refers to telephoning by a broker (usually one recently hired) on an unsolicited basis to individuals to get business such as pushing particular stocks, bonds, mutual funds, or other investment products. Some cold callers are dishonest and may recommend low quality investments and/or those securities not suitable for the particular investor.

4. He is an **independent (outside) director** of the company.

An independent director is member of the board of directors of an entity who is an outsider, meaning he or she is not an employee of that entity. An example is a broker sitting on the board of a client company. Such directors are important because they bring unbiased opinions regarding the company's decisions and diverse experience to the company's decision making process. In order not to have a conflict of interest, independent directors should not participate on the boards of directly competing business. Directors are typically compensated based on a standard fee for each board meeting.

III. ADJECTIVES ARE USED AS VERBS

1. China's January inflation **slows** to 2%.

2. Job growth **slows** just as spending cuts loom

3. Hiring slowed to 88K jobs in March; unemployment rate drops to 7.6 percent

4. China's vehicles exports topped the one-million mark for the first time in 2012.

IV. CONCLUSION

Adjectives play an extremely important role in securities English. They are the most difficult to be understood and translated and applied. The better we grasp the adjectives of securities English, the better we master securities English. I sincerely hope this article to help people better master securities English.

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Guineng Mei was born in Guidong County, Hunan Province, China in 1963. He received his M.A in linguistics from Hunan University, China in 1996.

He is currently an associate professor in Foreign Languages College, Zhejiang Gongshang University, Zhejiang, China. His interests include English linguistics, Applied linguistics, and translation skills.