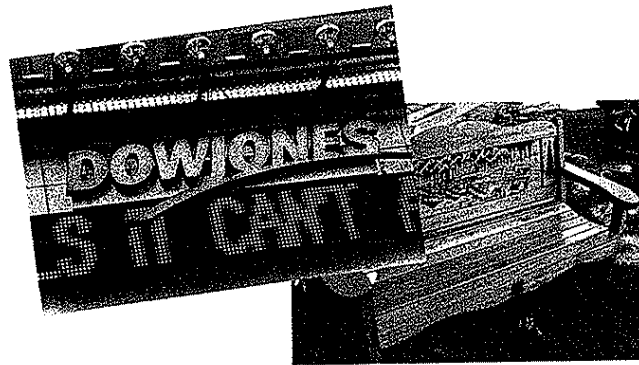
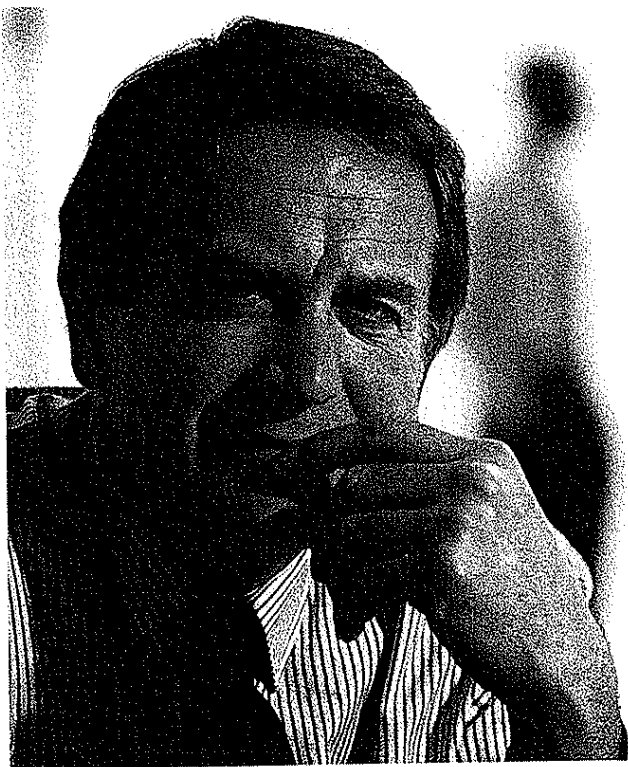


LANGUAGE LEVEL: **BASIC**

WORDS, WORDS... ANY INDICATION?

La palabra *indicator* tiene numerosos y muy variados significados. Este término, muy común en círculos económicos, se utiliza mucho en tiempos de crisis.



This month we look at indicators. In the real world a car has indicators: lights on each side of the vehicle which flash when the driver intends to turn left or right. In the business world indicators tell investors when to buy and sell shares¹.

Two famous indicators are the Dow Jones Index and the FTSE100 Index, though there are many oth-

ers. They are published by two financial newspapers, *The Wall Street Journal* and Britain's *Financial Times*, and they follow the average performance of stocks² from the top companies on the New York and London stock exchanges.

An indicator shows trends in a market: downturns and upturns³ in share prices – in other words, when share

prices decrease⁴ and increase⁵. A FTSE100 Index downturn may signal the beginning of a recession in Britain, while an upturn signals a recovery.

BENCHMARK

Indicators are sometimes benchmarks. What's a benchmark? Literally, a bench⁶ is a long wooden seat⁷.

A mark is a sign, a stain⁸ on your clothes. A benchmark is a reference point like a previous record in a sport. Investors can use the Dow Jones Index as a benchmark and then decide if it is a good time to sell their own stock or not.

BAD NEWS

If we ignore indicators, we reach tipping point⁹. This is the point when small changes accumulate and suddenly cause a catastrophic change. Imagine a child leaning backwards¹⁰ on his chair, pushing a little further¹¹ each time, then suddenly the chair tips over¹² and the child falls to the ground.

Failure to see changes¹³ in an economy can lead to a recession.

GLOSSARY

- 1 SHARE:** acción
- 2 THE AVERAGE PERFORMANCE OF STOCKS:** el rendimiento medio de los valores (acciones)
- 3 DOWNTURN AND UPTURN:** descenso y ascenso
- 4 TO DECREASE:** bajar
- 5 TO INCREASE:** subir
- 6 BENCH:** banco
- 7 WOODEN SEAT:** asiento de madera
- 8 STAIN:** mancha
- 9 WE REACH TIPPING POINT:** llegamos a un punto sin retorno
- 10 LEANING BACKWARDS:** inclinándose hacia atrás
- 11 PUSHING A LITTLE FURTHER:** empujando un poco más (lejos)
- 12 TO TIP OVER:** volcar
- 13 FAILURE TO SEE CHANGES:** no saber ver los cambios