

**University of Echahid Hamma Lakhdar- Eloued**

**Faculty of Economic, Commercial and Management Sciences**

**Level and speciality: Master 2, Quantitative economy**

**The typical answer of the English first exam**

**The Text**

If you borrow money from a bank, you'll need to pay it back. In addition to this, you'll need to pay interest. The amount of interest is decided by an interest rate, which is calculated for a given period of time. If you have a savings account, the bank will pay you interest for being able to use your money over a certain period of time. An interest rate is the cost of borrowing money: the percentage of the amount of a loan paid by the borrower to the lender for the use of the lender's money. A country's minimum interest rate (the lowest rate that any lender can charge) is usually set by the central bank, The discount rate is the rate that the central bank sets to lend short-term funds to commercial banks. When this rate changes, the commercial banks change their own base rate, the rate they charge their most reliable customers like large corporations. This is the rate from which they calculate all their other deposit and lending rates for savers and borrowers.

**The answer of question N°1:**

1. The title of the Text: Interest rates and monetary policy .....1P
2. The difference between borrow money and lend money is that borrowing money if you receive it from a bank or another institution or person, whereas lending money if you give it to them.....2P
3. Two words that have the same meaning: minimum interest rate = the lowest rate ..... 2P
4. Two words that are opposite in the meaning : borrow  $\neq$  lend .....2P

**The answer of question N°2:** Translate these words (which are from the text ) into Arabic

Borrow: يقرض., Pay it back: إعادة دفعها, savings account: حساب ادخار ..... 3P

cost of borrowing money: تكلفة اقتراض النقود, loan: قرض, Lender: مقرض,.....3P

lowest rate: سعر الفائدة الأدنى, discount rate: سعر خصم.....2P

short-term funds: تدفقات مالية قصيرة الأجل, most reliable customers: الزبائن الأكثر موثوقية.....2P

**The answer of question N°3:** the definition of « Loan » :

A *loan* is money you borrow from a bank or another institution or person. The bank *lends* (gives) you the money, and you *borrow* (receive) it. The bank is the *lender*, and you are the *borrower*.....3P