






Student name: _____

Class: _____

Date: _____

Practice

- 1  You are going to listen to a text about rogue traders. Do you know what they are? Write your ideas here:

- 2  In pairs, discuss your ideas. Your teacher will clarify them for you.
- 3 You will listen to the text twice. There are two speakers, an interviewer and an expert. As you listen, try to see if you can hear some opinions and responses.
- 4  01 Listen for the first time. When you hear an opinion, write down an O, and when you hear a response, write an R.
- 5  Compare the number of Os and Rs you have with your partner. Do you have the same number, more or fewer?
- 6  01 Now read the transcript below and listen again. Underline any examples of the following that you hear:
 - a asking open-ended questions
 - b saying clearly what you mean
 - c asking for clarification
 - d paraphrasing

Interviewer	What can you tell us about rogue traders?
Expert	Well, some people think rogue financial traders are dishonest, greedy people with a clever plan to defraud their banks. In reality, they're often very smart individuals who make a small trading mistake and then get scared, panic and try to cover up the original loss by making more and more risky trades.
Interviewer	In your experience, do all rogue traders have similar personalities?
Expert	No, not really, but generally they're confident people who do well in a competitive situation, and enjoy working under pressure and taking risks. Those are the qualities that the banks look for when they recruit traders, but they are also the qualities that can lead to risky trading, especially when controls are weak.
Interviewer	Weak controls? What do you mean by that?
Expert	Well, trading's a profitable business for banks, but banks can also lose money when trading isn't properly controlled. The lack of controls at the banks makes it too easy for traders like Iguchi and Adoboli to make unauthorized trades, and then hide mistakes and bad trades.
Interviewer	So why do traders take risks?
Expert	Most banks encourage their traders to take risks, and senior management know it's happening.
Interviewer	OK. So are you saying the banks are as much to blame for rogue trading as the individual traders?
Expert	Yes, I am. In most cases of rogue trading, the individual trader gets all the blame and may even get sent to jail, but generally no action is taken against the top management, and that can't be right.
Interviewer	I have one final question. Would you say greed is a big factor in motivating rogue trading?

Expert


Well, most rogue traders like Iguchi say they weren't motivated by money, but I'm not sure that's exactly true. OK. They don't make money directly from a trade, but they do receive very big bonuses for making big profits for the bank.

Interviewer

So you feel the bonus culture in banks is another motive?

Expert

Yes, I think so. The bigger the risk a trader takes, the higher the bonus he receives, so I'd say the payment of big bonuses encourages traders to take unacceptable risks. Another big motive is reputation. When things start to go wrong, a trader like Adoboli has two options. First, he can admit he's made a mistake, but if he does that, he risks losing his reputation as a trader. The second option is to go on trading and try to get back the losses. And that's exactly what Iguchi did – he used more and more of the bank's money for risky trades, with the aim of hiding the losses and, more importantly, protecting his reputation.

- 7**  In pairs, check your answers. You may not agree on everything, but discuss why you answered as you did. Can you think of other ways of expressing items a–d in Exercise 6? Work with your partner and write them down.

Reflect

- 8** What did you learn in this unit? Will you be able to use it in your academic listening work? What are the challenges of listening to conversations?