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The 4 page 60 minute ESL British English lesson – 05/05/13

Gold prices – What next?

Recently gold prices took a tumble. In fact, we saw some of the biggest falls for 30 years. Having said that gold prices in recent years have hit dizzying heights so a correction was overdue.

Perhaps now is a good time to buy gold? Will gold prices crash again shortly or will they quickly rebound and go ever higher? Dealers in the commodity markets are no doubt making a killing on the current gold price volatility.

Is holding gold a good idea? Is gold a safe haven to invest your money in? Recently it has proved it isn't. Hence the old saying what goes up must come down. Did the collapse in gold prices happen because of the sell-off of Cypriot gold? Maybe the recent stock market surge caused its sudden collapse?

In recent years many people have put their money into gold because of the world economic crisis, the euro crisis, the bond crisis, and the property price collapse in many European countries. Is this a good idea?

Demand for gold steadily continues, especially from emerging countries like China and India; so prices one would imagine will eventually head in the upward direction rather than downward; then again they might not! Will we all follow the herd-like mentality of the ordinary investor?

There has been increasing use by market dealers of automated trading systems. These are price triggered and can make or break a market. Indeed, the commodity and metal markets have all been hit on the back of the sudden gold price collapse. Are the hedge fund managers to blame for this price volatility? Were prices manipulated?

At the end of the day it will be interesting to see which way gold prices will go...

SPEAKING

Think of three things you know about gold prices. What is the price of gold per ounce today? What is an ounce? Go round the room swapping details with others.

LISTENING – WRITING – DICTATION

The teacher will read some lines of the article slowly to the class.

READING

Students should now read the article aloud, swapping readers every paragraph.

SPEAKING - UNDERSTANDING

1) The article – Students check any unknown vocabulary or phrases with the teacher.

2) The article - Students should look through the article with the teacher.

- 1) What is the article about?
- 2) What do you think about the article?
- 3) Was this an easy or difficult article to understand?
- 4) Was this a boring or interesting article?
- 5) Discuss the article.

3) Article quiz - Students quiz each other in pairs. Score a point for each correct answer. Score half a point each time you have to look at the article for help. See who can get the highest score!

Student A questions

- 1) What are automated trading systems?
- 2) Explain what 'a market dealer' is.
- 3) What is gold?
- 4) Explain the term 'make a killing'
- 5) What have China and India got to do with gold prices?

Student B questions

- 1) Name the countries.
- 2) What is a hedge fund manager?
- 3) What does 'triggered' mean?
- 4) What are the commodity and metal markets?
- 5) What does price volatility mean?

**Category: Economic / Commodities / Gold Price
Level: Intermediate / Upper Intermediate**

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WRITING / SPEAKING

In pairs. On the board write as many words as you can to do with '**Gold prices**'. One-two minutes. Compare with other teams. Using your words compile a short dialogue together.

WRITING / SPEAKING

Gold prices – What next? - In pairs choose three things from the article.

Write them below.

- 1) _____
- 2) _____
- 3) _____

Add three similar ideas of your own about the subject. Discuss together.

- 1) _____
- 2) _____
- 3) _____

The teacher will choose some pairs to discuss their findings in front of the class.

READING / SPEAKING

In pairs - explain the following terms: *Hit dizzying heights / quickly rebound / make a killing / a safe haven / what goes up must come down / herd-like mentality / upward direction / ordinary investor / market dealers / automated trading systems / commodity and metal markets / on the back of / hedge funds / hedge fund managers / price volatility / world economic crisis / stock market surge / emerging countries / took a tumble / correction*

DISCUSSION

Student A questions

- 1) Did the headline make you want to read the article?
- 2) Would you like more English lessons like this?
- 3) Will gold prices increase?
- 4) What will be the next 'crash'?
- 5) Will the euro crisis trigger an increase in gold prices?
- 6) Why do we follow the herd-like mentality of the ordinary investor?
- 7) Is gold a safe haven to invest your money in?
- 8) What market is regarded as 'safe'?
- 9) How does the world economic crisis affect gold prices?
- 10) Have you learnt anything in today's lesson?

SPEAKING – ROLEPLAY 1

In groups. One of you is the interviewer. The others are one of the following people. You are in the CNN Money studio. Today's interview is: 'Gold prices – What next?'

- 1) An ordinary person
- 2) A day trader
- 3) A commodity trader
- 4) A gold trader

The teacher will choose some groups to roleplay their interview in front of the class.

SPEAKING – ROLEPLAY 2

In pairs. You are in a pub in London. Start a conversation about: 'Recent gold prices'. 5 mins.

SPEAKING – GAME

Groups – 20 things you might see made of gold. 5 mins.

The teacher will choose some groups to hear their findings in front of the class.

SPEAKING – DISCUSSION

Allow 10 minutes – As a class.

Discuss the following...

Gold prices – What next?

The teacher can moderate the session.

DISCUSSION

Student B questions

- 1) What do you think about what you've read?
- 2) Is it a good idea to invest in gold?
- 3) Are hedge fund managers to blame for the gold price volatility?
- 4) Which way will the price of gold go?
- 5) Do you wear gold?
- 6) Are we likely to see another correction in the gold price?
- 7) Was the recent collapse in gold prices triggered by the forthcoming sale of Cypriot gold?
- 8) Why do people buy gold?
- 9) Has this been a difficult lesson for you to understand?
- 10) Did you like this discussion?

GAP FILL: READING

Gold prices – What next?

Recently gold prices took a (1)__. In fact, we saw some of the biggest (2)__ for 30 years. Having said that gold prices in recent years have hit dizzying heights so a (3)__ was overdue.

Perhaps now is a good time to buy gold? Will gold prices crash again shortly or will they quickly (4)__ and go ever higher? Dealers in the commodity markets are no doubt making a killing on the current gold price (5)__.

Is holding gold a good idea? Is gold a safe haven to invest your money in? Recently it has proved it isn't. Hence the old saying what goes up must come down. Did the collapse in (6)__ prices happen because of the sell-off of Cypriot gold? Maybe the recent stock market (7)__ caused its sudden (8)__?

collapse / gold / falls / rebound / volatility / correction / tumble / surge

In recent years many people have put their money into gold because of the world economic crisis, the euro (1)__, the bond crisis, and the property price collapse in many European countries. Is this a good idea?

(2)__ for gold steadily continues, especially from emerging countries like China and India; so prices one would imagine will eventually head in the (3)__ direction rather than downward; then again they might not! Will we all follow the (4)__-like mentality of the ordinary (5)__?

There has been increasing use by market (6)__ of automated trading systems. These are price triggered and can make or break a market. Indeed, the (7)__ and metal markets have all been hit on the back of the (8)__ gold price collapse. Are the hedge fund managers to blame for this price volatility?

At the end of the day it will be interesting to see which way gold prices will go...

commodity / upward / dealers / crisis / herd / demand / investor / sudden

GAP FILL: GRAMMAR

Gold prices – What next?

Recently gold prices took a tumble. In fact, (1)__ saw some of the biggest falls (2)__ 30 years. Having said that gold prices in recent years have hit dizzying heights so a correction was overdue.

Perhaps now is a good time to buy gold? Will gold prices crash again shortly or will they quickly rebound and go ever higher? Dealers in the commodity markets are no doubt making a killing (3)__ the current gold price volatility.

Is holding gold a good idea? Is gold a safe haven to invest your money in? Recently it has proved (4)__ isn't. Hence (5)__ old saying what goes up (6)__ come down. Did the collapse in gold prices happen because of the sell-off (7)__ Cypriot gold? Maybe the recent stock market surge caused (8)__ sudden collapse?

must / its / the / for / of / we / on / it

In recent years many people have put (1)__ money into gold because of the world economic crisis, the euro crisis, the bond crisis, and the property price collapse in (2)__ European countries. Is this a good idea?

Demand for gold steadily continues, especially from emerging countries like China and India; so prices one (3)__ imagine will eventually head in the upward direction (4)__ (5)__ downward; then again they might not! Will we all follow the herd-like mentality of the ordinary investor?

There has been increasing use by market dealers of automated trading systems. (6)__ are price triggered and can make or break a market. Indeed, the commodity and metal markets have all been hit on the back of the sudden gold price collapse. Are the hedge fund managers to blame for (7)__ price volatility?

At the end of the day it will be interesting to see which way gold prices will go...

still / would / their / than / this / many / these / rather

GAP FILL: LISTENING

Gold prices – What next?

Recently _____ tumble. In fact, we saw some of the biggest falls for 30 years. Having said that gold prices in recent years have hit _____ a correction was overdue.

Perhaps now is a good time to buy gold? Will gold prices crash again shortly or will they quickly rebound and go ever higher? Dealers in the _____ are no doubt making a killing on the current gold price volatility.

Is holding gold a good idea? Is gold a safe haven to invest your money in? Recently it has proved it isn't.

_____ what goes up must come down. Did the collapse in gold prices happen because of the sell-off of Cypriot gold? Maybe the recent stock market surge caused its sudden collapse?

In recent years many people have put their money into gold because of the world economic crisis, the euro crisis, the bond crisis, _____

collapse in many European countries. Is this a good idea?

Demand for _____, especially from emerging countries like China and India; so prices one would imagine will eventually head in the upward direction rather than downward; then again they might not! Will we all follow the herd-like mentality of _____?

There has been increasing use by market dealers of automated trading systems. These are price triggered and can make or break a market. Indeed, the _____ markets have all been hit on the back of the sudden gold price collapse. Are the _____ to blame for this price volatility?

At _____ it will be interesting to see which way gold prices will go...

WRITING/SPELLING

WRITING / SPEAKING

1) On the board - In pairs/small groups – list as many ways **to indicate on a graph a movement 'upwards'** and separately **'downwards'**. Talk about them. 5 mins.

2) Sentence starters - Finish these sentence starters. Correct your mistakes. Compare what other people have written.

- 1) Gold prices _____
- 2) Market dealers _____
- 3) The market _____

3) Homework - Write and send a 200 word email to your teacher about: **Gold prices – What next?** Your email can be read out in class.

GAP FILL READING

1)	tumble	1)	crisis
2)	falls	2)	demand
3)	correction	3)	upward
4)	rebound	4)	herd
5)	volatility	5)	investor
6)	gold	6)	dealers
7)	surge	7)	commodity
8)	collapse	8)	sudden

SPELLING

The teacher will ask the class individually to spell the following words that are in the article. Afterwards check your answers.

1)	eventually	11)	tumble
2)	surge	12)	overdue
3)	collapse	13)	dizzying
4)	upward	14)	economic
5)	investor	15)	especially
6)	commodity	16)	rather
7)	sudden	17)	downward
8)	volatility	18)	mentality
9)	automated	19)	dealers
10)	hedge fund	20)	triggered

ANSWERS

SPELLING

Use the following ratings:

Pass = 12

Good = 15

Very good = 18

Excellent = 20

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