



Financial English

– Conversation –

Ping-Hung Chou





Steve: The share price of NetWise dropped a lot today. What happened?

Judy: Don't worry. The stock went ex-dividend today.

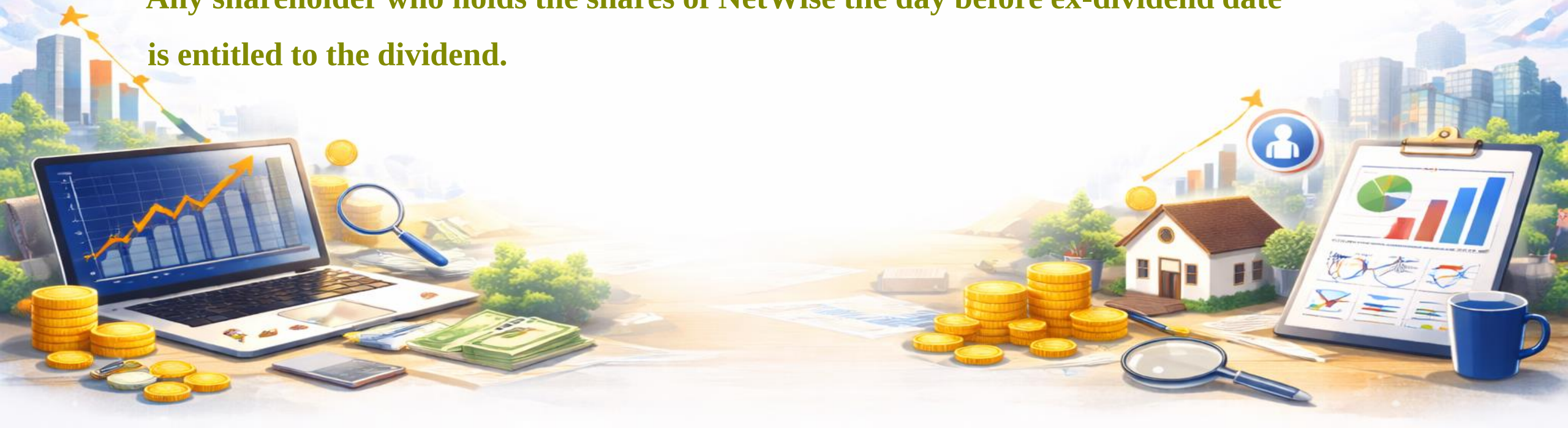




Steve: What is “ex-dividend”?

Judy: The company announced a dividend.

Any shareholder who holds the shares of NetWise the day before ex-dividend date is entitled to the dividend.



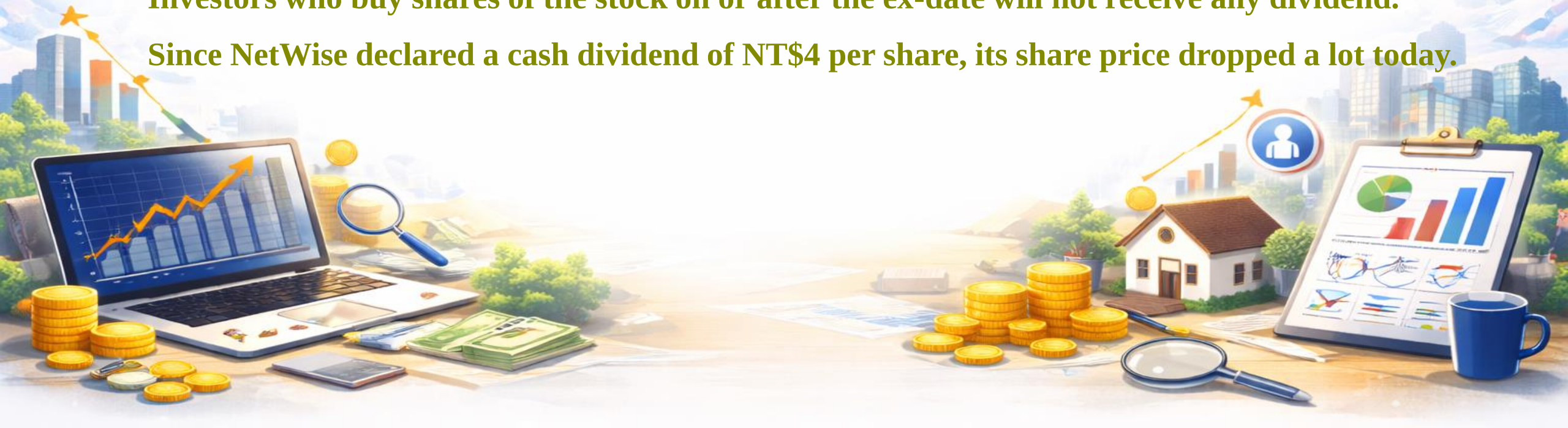


Steve: I don't follow you very well. Can you explain further?

Judy: No problem. Generally, a company's stock price drops when the market opens on its ex-date.

Investors who buy shares of the stock on or after the ex-date will not receive any dividend.

Since NetWise declared a cash dividend of NT\$4 per share, its share price dropped a lot today.



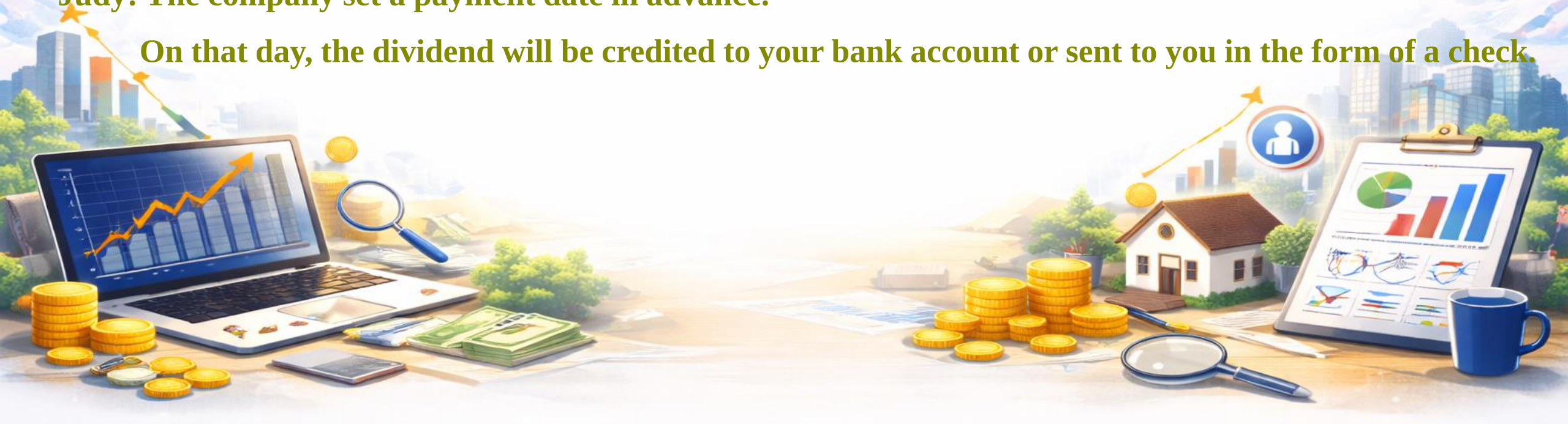


Steve: Thank you for your explanation. I can relax now.

But do you know when investors will receive their dividends?

Judy: The company set a payment date in advance.

On that day, the dividend will be credited to your bank account or sent to you in the form of a check.

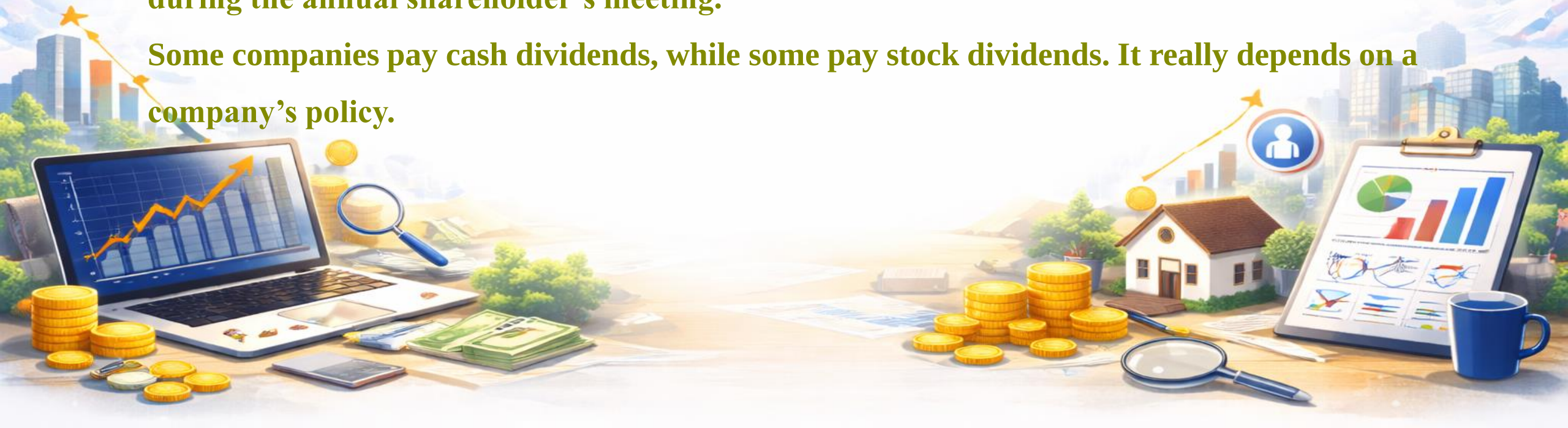




Steve: Who decides the amount of dividends?

Judy: Dividend amount must first be approved by the board of directors, and is then voted upon during the annual shareholder's meeting.

Some companies pay cash dividends, while some pay stock dividends. It really depends on a company's policy.





Steve: What are stock dividends?

Judy: Shareholders receive additional shares when a company pays stock dividends.





Steve: I see. You teach me so much about investing.

Let me treat you to Italian food after I receive my dividend.

Judy: That sounds good. Thanks.



BLUE CHIPS

藍籌股

大型績優股・穩健・領導地位

Tencent
騰訊



ICBC
工商銀行



Alibaba
阿里巴巴



China Mobile
中國移動

RED CHIPS

紅籌股

在香港上市的中資企業



中國石油
CNPC



中海油
CNOOC



中國銀行
(香港)
BOC (HK)



中國人壽
China Life

PURPLE CHIPS

紫籌股

在中國內地註冊・在香港上市



百度
Baidu



京東
JD.com



網易
NetEase



哔哩哔哩
bilibili

H-SHARES

H 股

在香港上市的內地企業



中國建築
CSCEC



中國中鐵
CREC



中信股份
CITIC



海螺水泥
CONCH



海康威視
CONOR

A SHARES

A 股

在中國內地上市・人民幣交易

上證指數 3,152.81

深證成指 10,214.67

B SHARES

B 股

在中國內地上市・以外幣交易

深振業
B

粵高速
B

錦江
B 股

大眾
B 股

QFII

合格境外機構投資者

境外機構投資中國資本市場



現金股利

公司將盈餘以現金發放給股東



股票股利

公司將盈餘以股票發放給股東



+
更多股票



減資 (減少發行的股數)

公司減少發行在外的股數，提升每股價值



Example sentences

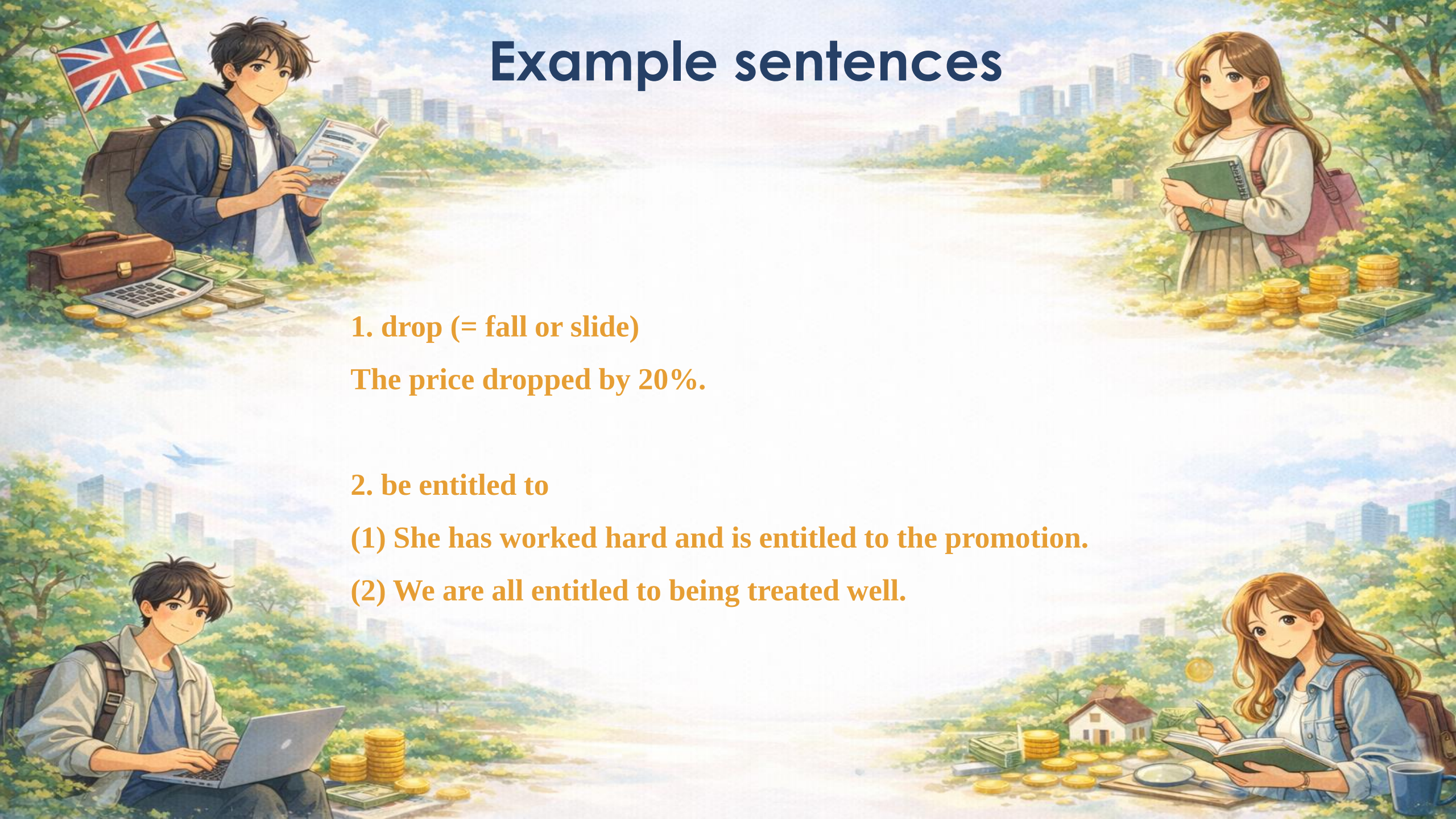
1. drop (= fall or slide)

The price dropped by 20%.

2. be entitled to

(1) She has worked hard and is entitled to the promotion.

(2) We are all entitled to being treated well.



Example sentences

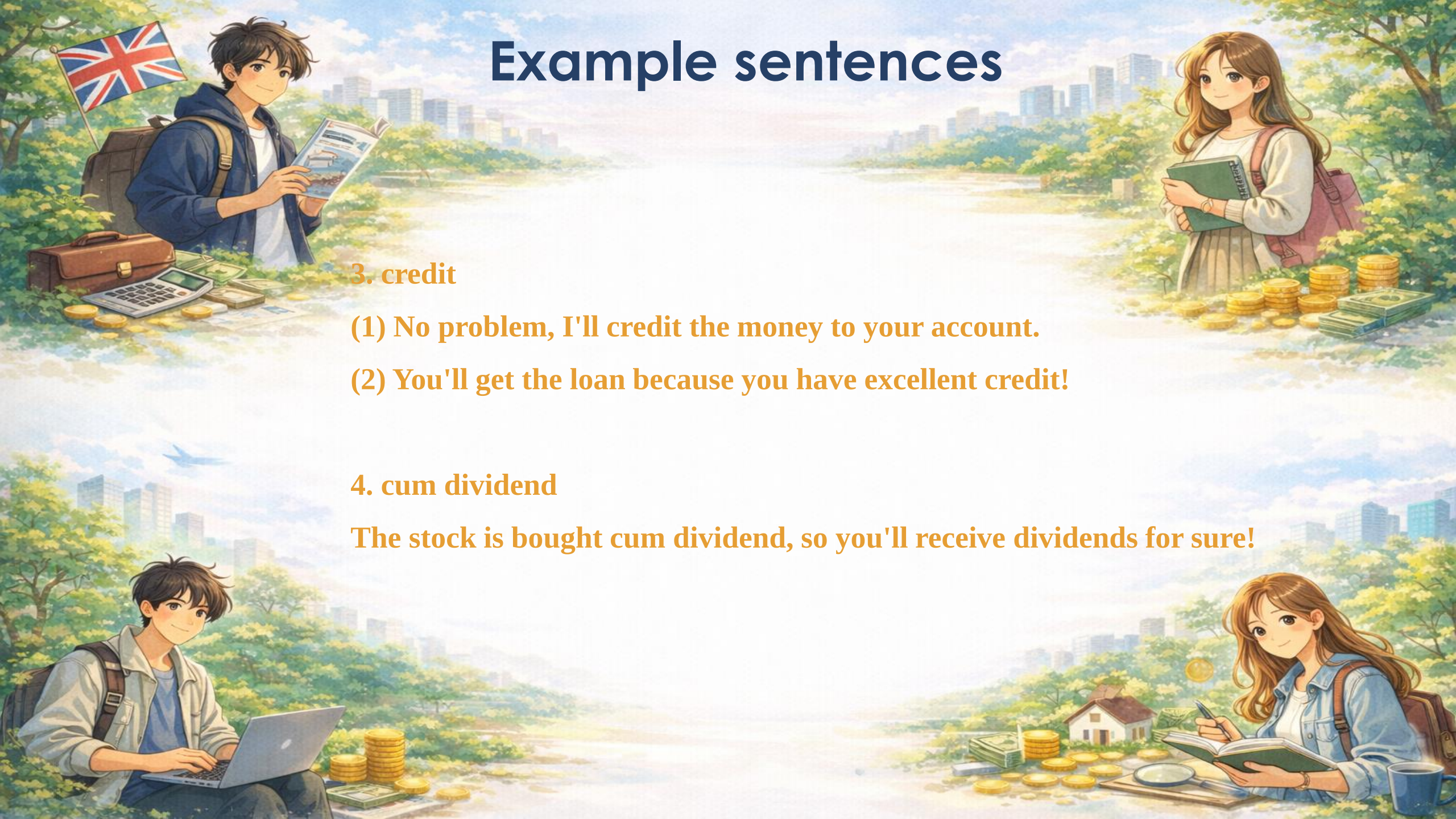
3. credit

(1) No problem, I'll credit the money to your account.

(2) You'll get the loan because you have excellent credit!

4. cum dividend

The stock is bought cum dividend, so you'll receive dividends for sure!



Example sentences

5. record date

Shareholders who have holdings on the record date are entitled to cash dividends.

6. book closure

The book closure dates for this company are from March 10th to the 15th.

Example sentences

7. par value

(1) "Par value" is the face value of a security.

(2) I've bought a US\$20,000 par value government bond.

8. the Great Crash

Many people were bankrupted during the Great Crash.

Example sentences

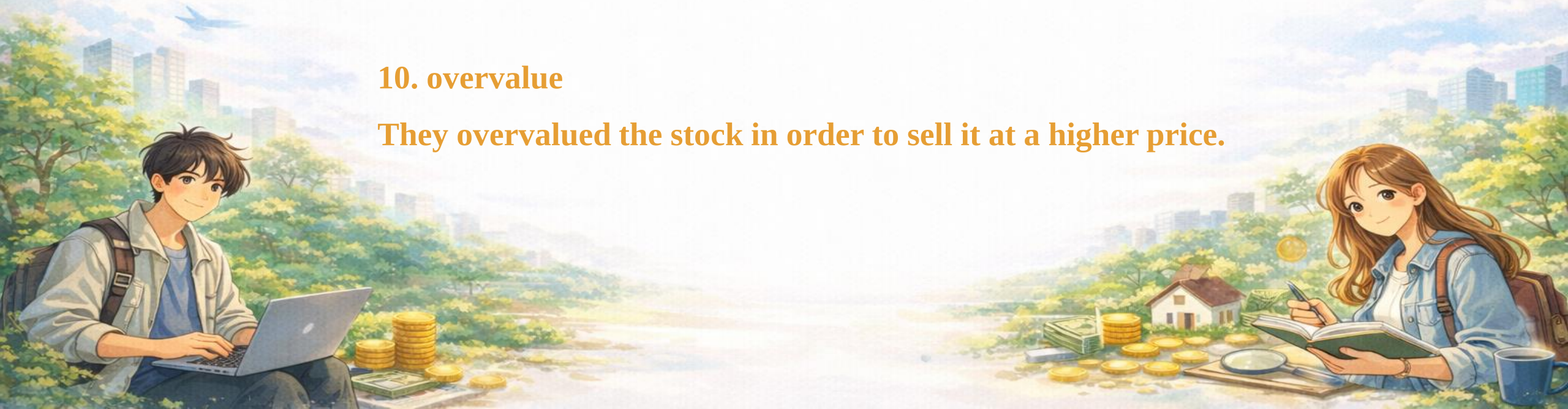


9. undervalue

Their stock price has been undervalued.

10. overvalue

They overvalued the stock in order to sell it at a higher price.



Example sentences



11. outperform

In August bungalow sales outperformed condo sales by 8%.



Dividend Distribution



Key Vocabulary



1. share

2. share price

3. drop

4. ex-dividend

5. be entitled to

6. shareholder



Key Vocabulary



7. ex-dividend date

👉 ex-date

8. open

9. declare

👉 declare a dividend

10. cash dividend

11. payment date



Key Vocabulary



12. credit

13. board of directors (BOD)

14. annual general meeting

👉 AGM

👉 shareholders' meeting

15. stock dividend



Supplementary Vocabulary



1. cum dividend
2. record date
3. book closure
4. last registration date
5. stock split
6. rights offering

👉 rights issue



Supplementary Vocabulary



7. extraordinary general meeting

👉 EGM

8. treasury stock (share)

9. par value

10. the Great Crash

11. Black Monday



Supplementary Vocabulary



12. undervalued

13. overvalued

14. outperform

👉 underperform

15. opening price

16. closing price



◆ 連連看

-
- 除息 • payment date
 - 股東 • cash dividend
 - 股息發放日 • cum dividend
 - 現金股利 • book closure
 - 含息 • ex-dividend
 - 停止過戶 • shareholder
 - 股票股利 • closing price
 - 收盤價 • par value
 - 庫藏股 • the Great Crash
 - 面額 • stock dividend
 - 大崩盤 • rights offering
 - 現金認購 • treasury stock