UEL Anglais
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UNIVERSITÉ RENNES 2

L3 MIASHS

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ENGLISH

SEMESTER 1

- Maths and finance
- The representation of finance in films

Calendar

➔ Week 1 – Week 6: classes

➔ Week 6 or 7: **Mid-term test** on linguistic points seen in class (**10 pts**)

➔ Week 7 – Week 8: classes (Week 9 is a bank holiday)

➔ Week 10: **Intermediate task** (a reading comprehension on algo-trading + written expression where you give your opinion: **25 points**)

➔ Week 11: Oral training

➔ Week 12: **Role play** in groups of 3 to 5 students (**15 pts**)

In 2020, Navinder Singh Sarao was arrested and brought to trial in the USA for his role in the 2010 Flash Crash. Play out his trial.

- Extra points will be given to those students who participate in class on a regular basis.

Improve your skills

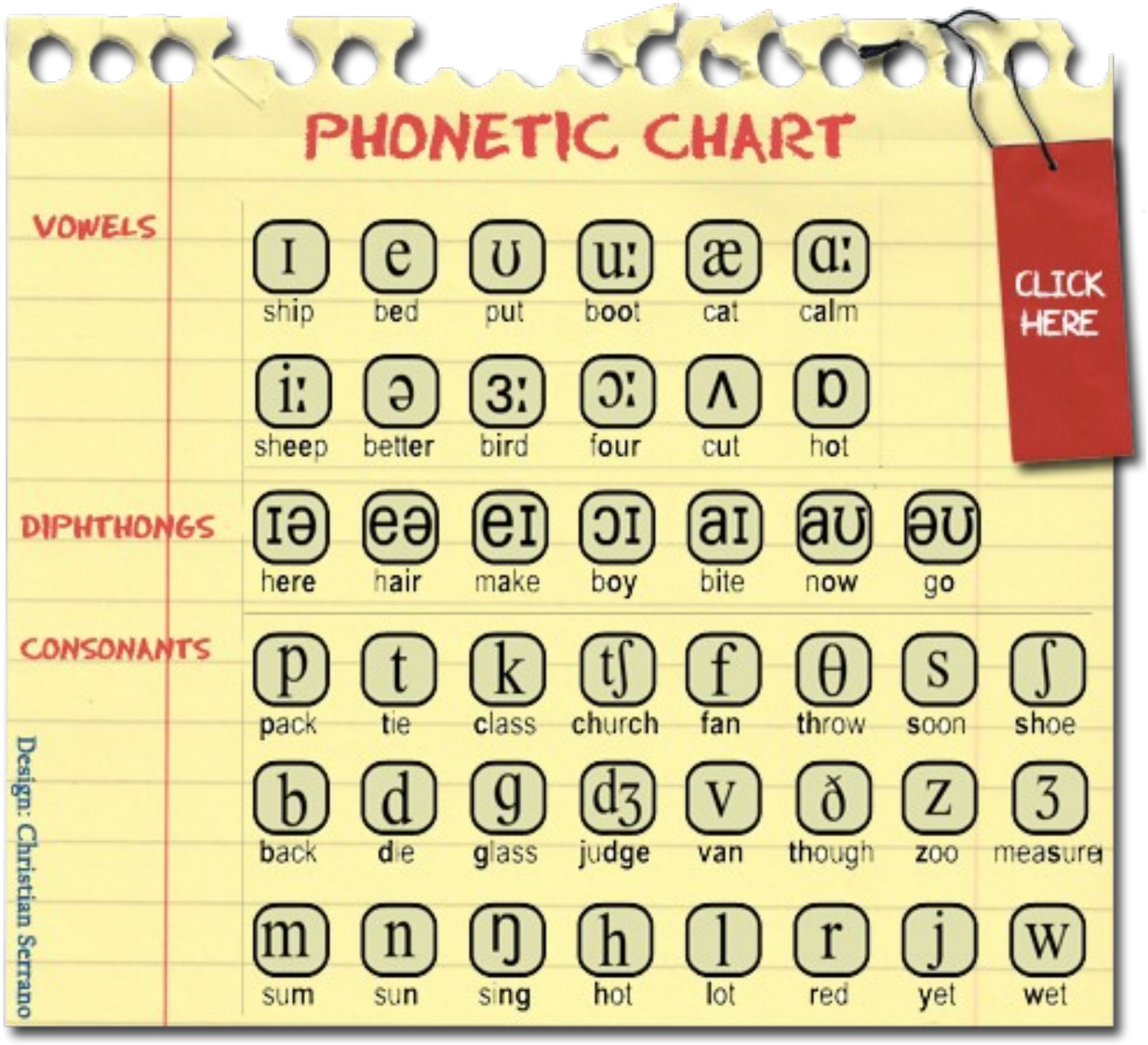
Two hours of English a week is not enough to improve your skills!

You can read (newspapers on the Internet, for example), listen to the radio (an excellent radio is BBC Radio 4), watch series and films in their original version with (English) subtitles.

There are many websites and even apps for your smartphone (as Duolingo) where you you can work on your vocabulary, do grammar exercises and other free activities.

Phonetics

To improve your oral skills, you need to know the sounds of English. Here is a reminder of the English phonetic symbols:



A few remarks about the chart:

.....
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.....

There are many websites or apps to practice your pronunciation. For example, you can check the following website:
http://cambridgeenglishonline.com/interactive_phonemic_chart/

Don't hesitate to use them!
Here are some essential words that will be used in this chapter

1. Find the words corresponding to their phonological symbols:

/kəmˈpjuː.tər/ :

/tekˈnɒl.ə.dʒi/ :

/səˈsaɪ.ə.ti/ :

/ˌɪn.fəˈmeɪ.ʃən/ :

/ˈfaɪ.næns/ :

/əˈnæl.ə.sɪs/ :

2. Do the opposite. Listen and try to find the symbols for the following words:

math:

science:

social:

economy:

data:

digital:

The phonetic symbols may be difficult but they will definitely help you improve your English pronunciation.

Learning Objectives

By the end of the semester, you will be able to:

- Explain what quant trading is
- Use key words specific to finance
- Discuss the issues connected with algo-trading
- Discuss the representation of finance in films

<u>WEEK 2</u>: What is quant trading?

I. Warming-up

You're doing an internship in a trading company. You meet your new colleagues...

What are these people? What can you say about them?

……
……
……
……
……
……
……
……..

On the first day, you check a video on the Internet to see what a quant is.

II. Listening comprehension

A. <u>Write keywords</u> you hear and then try to answer the 4 questions:

KEYWORDS:	
WHO?	**WHAT?**
WHEN?	**WHERE?**

B. <u>Let's try to organise the information</u> on quants:

.....
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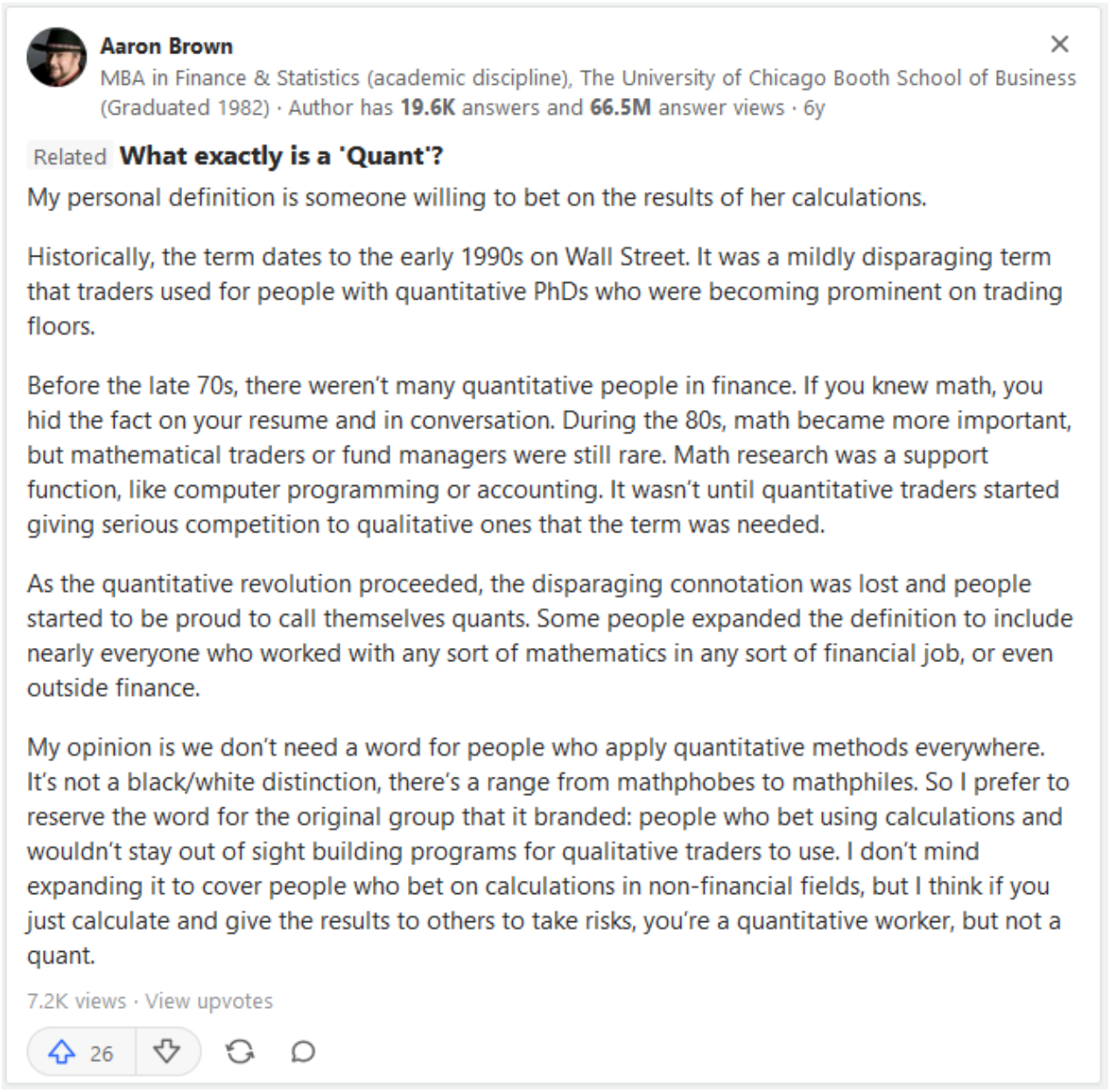
.....

You fin an article on the Web on the emergence of quant.

III. Reading comprehension



Aaron Brown
MBA in Finance & Statistics (academic discipline), The University of Chicago Booth School of Business (Graduated 1982) · Author has **19.6K** answers and **66.5M** answer views · 6y

Related **What exactly is a 'Quant'?**

My personal definition is someone willing to bet on the results of her calculations.

Historically, the term dates to the early 1990s on Wall Street. It was a mildly disparaging term that traders used for people with quantitative PhDs who were becoming prominent on trading floors.

Before the late 70s, there weren't many quantitative people in finance. If you knew math, you hid the fact on your resume and in conversation. During the 80s, math became more important, but mathematical traders or fund managers were still rare. Math research was a support function, like computer programming or accounting. It wasn't until quantitative traders started giving serious competition to qualitative ones that the term was needed.

As the quantitative revolution proceeded, the disparaging connotation was lost and people started to be proud to call themselves quants. Some people expanded the definition to include nearly everyone who worked with any sort of mathematics in any sort of financial job, or even outside finance.

My opinion is we don't need a word for people who apply quantitative methods everywhere. It's not a black/white distinction, there's a range from mathphobes to mathphiles. So I prefer to reserve the word for the original group that it branded: people who bet using calculations and wouldn't stay out of sight building programs for qualitative traders to use. I don't mind expanding it to cover people who bet on calculations in non-financial fields, but I think if you just calculate and give the results to others to take risks, you're a quantitative worker, but not a quant.

7.2K views · View upvotes

26

A. Nature of the text

What kind of text is it? ……..

What does it imply? ……

Underline in the text these characteristics.

B. Underline the definitions of quant given in the text

C. Fill in the table about the historical emergence of quants

Period			
Perception of the quants / maths			

IV. Grammar corner: AS and LIKE

A. Examples from the text:

“Math research was a support function, **like** computer programming.”
“**As** the quantitative revolution proceeded, the disparaging connotation was lost.”

The two words mean the same what is the difference in their use?
.....
.....
.....
.....
.....…

B. Exercise: AS or LIKE?

1. _____ you know, Wall Street shuts down only a couple of days during the year.

2. I'm looking for a job ____ a quantitative analyst.

3. I was so tired working on my computer project that I slept ____ a baby.

4. Study as hard ___ you can and I'm sure you'll pass your statistics test.

5. He wants to be a quant ___ he loves working in finance.

6. This financial speech sounds ___ a foreign language to me.

7. He made a mistake in his computer programme but he just continued ___ if nothing had happened.

8. Champagne was flowing ___ they celebrated their best trade this year.

WEEK 3: The evolution of trading

Now that you know what a quant is, you read an article about quant trading.

I. Reading comprehension

Quant trading: How mathematicians rule the markets

By Richard Anderson, *BBC News*, 26 September 2011 (abridged and adapted)

Trading floors were once the preserve of adrenalin-fuelled dealers aggressively executing the orders of brokers who relied on research, experience and gut instinct to decide where best to invest.

Long ago computers made dealers redundant, yet brokers and their ilk have remained the masters of the investment universe, free to buy and sell wherever they see fit. But the last bastion of the old order is now under threat. Investment decisions are no longer being made by financiers, but increasingly by PhD mathematicians and the immensely complex computer programs they devise. Fundamental research and intuition are being usurped by algorithmic formulae. Quant trading is taking over the world's financial capitals.

Mathematicians have long played a vital role in risk management at financial institutions, but their skill set is increasingly being used to make money, not just to stop losing it. Firms are now employing gifted academic statisticians to track patterns or trends in trading behaviour and create formulae to predict future market movements. These formulae are then fed into powerful computers that buy and sell automatically according to triggers generated by the algorithms.

These so-called quantitative trading programs underpin all quickfire trades - known as high-frequency trading (HFT) - in which stocks can be held for just a matter of seconds. Some are fully automated, but most require human oversight to ensure nothing goes too drastically wrong. These programs are immensely powerful, constantly monitoring market movements, trading patterns and news flows and are capable of changing strategies within fractions of a second.

As they are private companies, it is hard to know precisely how far their influence extends. Indeed, a recent government-backed study in the UK estimated that between a third and a half of all share trading in Europe, and more than two-thirds in the US, was HFT. "The vast majority of firms use quantitative trading," says Mr Patterson. "It drives almost everything that goes on on Wall Street."

The impact and ramifications of quant trading are widespread, but ultimately unclear. The UK study found that quant trading helped to reduce dealing costs and improve liquidity, and did not harm overall market efficiency. In fact, it found that HFT and quant trading have "generally improved market quality".

However, it did highlight one important concern, known in the trade as self-reinforcing feedback loops. This essentially means a small trigger leading to a series of similar events, each amplifying the last, until the overall impact is significant. Imagine a share falls in value, triggering a sale on one quant program, pushing the share price even lower. This in turn triggers a sale on another program, pushing the price lower still, and so on and so on.

The problem is exacerbated by the fact that many programs run on the same formulae, and so are piling in and out of the same stocks. Nowhere is this better demonstrated than by the so-called Flash Crash of May last year, when the US stock market plummeted 700 points in less than five minutes, wiping out about $800bn.

Hedge funds sold equities fast in order to balance heavy losses on their mortgage investments following the collapse of the US property market, triggering a domino effect across quant trading systems with devastating consequences. The Foresight study found no direct evidence that automated trading has increased volatility in equity markets, but many disagree.

Others argue the problem is more fundamental. Mathematicians, they say, do not understand markets. They deal in absolutes, not the irrational human behaviour that drives so many investment decisions. As one leading actuary says: "Prices are determined by supply and demand, not by mathematics."

A. The context

1. Look at the title. What do you understand?
……

2. What about the source of the article? ……
What does it imply? ……

B. Vocabulary:

1. Find a synonym for the following words underlined in the text

a pattern	to better / enhance
an oversight	to provoke
to improve	a model
to trigger	a supervision

2. Key finance vocabulary: find the English equivalent to the following French words

La bourse:		Un titre boursier:	
La salle des marchés:		Le marché boursier:	
Un courtier en bourse:		Un emprunt immobilier:	
Un négociant:		Un fond spéculatif:	
Une action: Une action, une part:		L'offre et la demande:	

C. General comprehension

1. What has computers / quant trading changed in finance?

BEFORE QUANT TRADING	NOW

2. Quote expressions in the text describing the impact of quant trading

POSITIVE	Lines	NEGATIVE	Lines

3. Right or wrong?

The use of mathematicians in finance is a recent phenomenon.	
Less than a half of the trading in Europe is made by HFT.	
A human presence is no longer needed since the computers do the work.	

4. Explain the following statement: “Mathematicians do not understand market”

.....
.....
.....

II. Listening comprehension

In order to understand all the vocabulary above, you are going to watch 3 different videos. Your objective is to understand a little more the financial world.

A. Listen to the documents **individually** to the two videos then share what you have understood in **groups**.

B. Try to answer the following questions (you do not need to use too many examples or details)

1. What is a stock exchange?
2. What can you tell about Peter Costa and the job of broker?
3. What is the reality of trading today?

WEEK 4: Machine-learning and finance

You have just learned that AI has also been making its way into the financial sector

I. Listening comprehension

What is machine-learning in finance?
Frankfurt School of Finance and Management, 11 October 2021

A. Do you understand what is “machine-learning”?

B. Watch the video and try to answer the following questions:

1. Write the first sentence
.....
.....

2. What do you learn about machine-learning? (definition / use)

3. What are the applications of AI / machine-learning in finance?

II. Reading comprehension

Machine-learning promises to shake up large swathes of finance

The Economist, May 25th 2017 (abridged and adapted)

> Machine learning is beginning to shake up finance. A subset of artificial intelligence (AI) that excels at finding patterns and making predictions, it used to be the preserve of technology firms. The financial industry has jumped on

the bandwagon. To cite just a few examples, “heads of machine-learning” can be found at PwC, a consultancy and auditing firm, at JP Morgan Chase, a large bank, and at Man GLG, a hedge-fund manager. From 2019, anyone seeking to become a “chartered financial analyst”, a sought-after distinction in the industry, will need AI expertise to pass his exams.

Machine-learning is already much used for tasks such as compliance, risk management and fraud prevention. It excels in spotting unusual patterns of transactions, which can indicate fraud. Firms ranging from start-ups such as Feedzai (for payments) or Shift Technology (for insurance) to behemoths such as IBM are offering such services. Some are developing the skills in-house. Monzo, a British banking start-up, built a model quick enough to stop would-be fraudsters from completing a transaction, bringing the fraud rate on its pre-paid cards down from 0.85% in June 2016 to less than 0.1% by January 2017.

Natural-language processing, where AI-based systems are unleashed on text, is starting to have a big impact in document-heavy parts of finance. In June 2016 JPMorgan Chase deployed software that can sift through 12,000 commercial-loan contracts in seconds, compared with the 360,000 hours it used to take lawyers and loan officers to review the contracts. Machine-learning is also good at automating financial decisions, whether assessing creditworthiness or eligibility for an insurance policy. Zest Finance has been in the business of automated credit-scoring since its founding in 2009. Earlier this year it rolled out a machine-learning underwriting tool to help lenders make credit decisions, even for people with little conventional credit-scoring information. It sifts through vast amounts of data, such as people’s payment history or how they interact with a lender’s website.

Perhaps the newest frontier for machine-learning is in trading, where it is used both to crunch market data and to select and trade portfolios of securities. The quantitative-investment strategies division at Goldman Sachs uses language processing driven by machine-learning to go through thousands of analysts’ reports on companies. It compiles an aggregate “sentiment score” based on the balance of positive to negative words. This score is then used to help pick stocks.

Quant hedge funds, both new and old, are piling in. Castle Ridge Asset Management, a Toronto-based upstart, has achieved annual average returns of 32% since its founding in 2013. It uses a sophisticated machine-learning system, like those used to model evolutionary biology, to make investment decisions. It is so sensitive, claims the firm’s chief executive, Adrian de Valois-Franklin, that it picked up 24 acquisitions before they were even announced (because of tell-tale signals suggesting a small amount of insider trading).

So it seems odd that some prominent quant funds are machine-learning sceptics. Martin Lueck of Aspect Capital finds the technique overrated, saying

his firm has found only limited useful applications for it. David Siegel, co-founder of Two Sigma, a quant behemoth, and David Harding of Winton Capital, have also argued that the techniques are over-hyped.

The real vulnerability may in any case lie outside trading. Many quant funds depend on human researchers to sift through data and build algorithms. These posts could be replaced by better-performing machines. For all their professed scepticism, Two Sigma and its peers are busy recruiting machine-learning specialists.

II. Reading comprehension

A. Vocabulary: find the correct French translation of those words underlined in the text

to spot	réussir à
to sift through	traiter des données
to crunch data	trouver / détecter
to achieve	trier

B. General comprehension

1. Right or wrong?

AI is a synonym for machine-learning,	
Machine-learning has been part of the finance industry for a long time.	
Machine-learning is used mainly by start-ups.	

2. Explain how AI is used by different companies, outside and in trading

Name of companies	Use of machine learning OUTSIDE trading
Name of companies	Use of machine learning IN trading

3. What is the perception of quant firms towards machine-learning?
.....
.....…

III. Grammar corner

"*These posts could be replaced by better-performing machines*." (l. 50)

Look at the **verbal** forms. Do you know how it is called? ……...
How does it work? …….
Why use it? .....

Put the following sentences into the passive voice. Watch out for the tenses!

1. Quant firms hire maths specialists to develop predictive theories.
.....

2. The increasing importance of quants is changing the face of the market.
.....

3. In the past, traders played a key role on the trading floors.
.....

4. Computers have replaced traders in the daily transactions.
.....

5. Most financial firms will adopt high-frequency trading to stay competitive.
.....….

IV. Phonetics: "-ed" pronunciation

WEEK 5: The problems of algo-trading

I. Warming-up

You find this video while browsing the Internet. What is it about?

II. Reading comprehension

You want to know more about the problems connected with algo-trading.

Explainer: the good, the bad, and the ugly of algorithmic trading

By Marco Navone and Talis Putnins, *The Conversation*, 28 november 2016

Algorithms are taking a lot of flak from those in financial circles. They've been blamed for a recent flash crash in the British pound and the greatest fall in the Dow for decades. Government agencies are taking notice and are investigating ways to regulate algorithms. But the story is not simple, and telling the "good" algorithms from the "bad" isn't either.

The ins and outs of trading algorithms

Taken in the widest sense, algorithms are responsible for the vast majority of activity on modern stock markets. There are many different types of algorithms at play, with different intentions and impacts.

Institutional investors such as super funds and insurance companies rely on execution algorithm to transact their orders. These slice up a large order into many small pieces, gradually and strategically submitting them to the market. The intention is to minimise transaction costs and to receive a good price.

Algorithms drove the human market makers out of business by being smarter and faster. Most market-making algorithms, however, don't have an obligation to maintain an orderly market. When the market gets shaky, algorithms can (and do) pull out, which is where the potential for "flash crashes" starts to appear – a sudden drop and then recovery of a securities market.

Further concerns about algorithmic trading are focused on another kind – proprietary trading algorithms. Hedge funds, investment banks and trading firms use these to profit from momentary price differentials, by trading on statistical patterns or exploiting speed advantages.

Rather than merely optimising a buy or sell decision of a human trader to minimise transaction costs, proprietary algorithms themselves are responsible for the choice of what to buy or sell, seeking to profit from their decisions. These algorithms have the potential to trigger flash crashes.

Fast vs. slow algorithms

Many traditional portfolio managers use mathematical models to inform their trading. Nowadays such strategies are often implemented using algorithms, drawing on large datasets. Although these algorithms are often faster than human portfolio managers, they are “slow” in comparison to other algorithmic traders.

In high-frequency algorithmic trading (HFT), speed is fundamental to the strategy. These algorithms operate at the microsecond scale, making decisions and racing each other to the market using an array of different strategies. Winning this race can be highly profitable – fast traders can exploit slower traders that are yet to receive, digest or act on new information.

Proponents of HFT argue that they increase efficiency and liquidity because market prices are faster to reflect new information and fast market makers are better at managing risks. Many institutional investors, on the other hand, argue that HFTs are predatory and parasitic in nature. According to these detractors, HFTs actually reduce the effective liquidity of the stock market and increase transaction costs, profiting at the expense of institutional investors.

The effects of algorithms are complicated

A recent study found considerable diversity across algorithmic traders. While some algorithms are harmful to institutional investors, causing higher transaction costs, others have the opposite effect.

A. The title

1. In your opinion, is quant trading similar to algo trading?

2. To what film does the title of the article refer to? .....……

3. From the title, can you guess the objective/ vision of the authors on algo trading?
.....……...

B. General comprehension

1. Vocabulary: find a synonym for the following words underlined in the text

to rely on	to trust
to slice up	to make use of
to pull out	to leave / withdraw
to draw on	to divide

2. Can you name the two types of algorithms and their differences?

3. What are the advantages and drawbacks of algo-trading? Quote the text to justify your answer.

ADVANTAGES	Lines	DRAWBACKS	Lines

4. Right or wrong? Tick the right answer.

The use of algorithms in finance is not regulated.	
Humans do not take most trading decisions any more.	
Speed is not essential in trading.	

You hear your colleagues talk about "spoofing". You want to know more...

II. Listening comprehension

Write keywords you hear and then try to answer the 4 questions:

KEYWORDS:	
WHO?	**WHAT?**
WHEN?	**WHERE?**

Let's try to organise the information on spoofing:

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III. Oral expression

Play out a Fintech Startup Pitch Scenario with two teams:

TEAM 1:

The "founders" pitch their algo trading startup, highlighting the pros:

- Increased efficiency and speed in trading
- Ability to process vast amounts of data
- Reduced human error
- Potential for higher returns

TEAM 2:

Some potential investors are worried about the cons:

- Potential job displacement in the financial sector
- Concerns about market fairness and equal access
- Potential to amplify market volatility
- Risk of flash crashes or other market disruptions
- Risk of spoofing

<u>WEEK 6</u>: Who's to blame?

You hear on the news that someone was arrested by the FBI for the 2010 Flash Crash. Listen to the audio document to learn more.

I. Listening comprehension

KEYWORDS:	
WHO?	**WHAT?**
WHEN?	**WHERE?**

Let's try to organise the information:

.....
.....
.....
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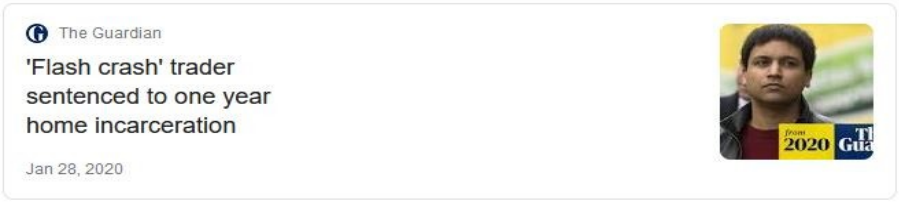
.....

II. Oral expression



Picture yourself as

- <u>Role A</u>. Sarao's defense attorney making an opening statement:

"Ladies and gentlemen of the jury, while my client Mr. Sarao engaged in high-frequency trading, it's absurd to claim he alone caused the 2010 Flash Crash."

- <u>Role B</u>. The prosecution

"Ladies and gentlemen of the jury, Today we stand before you to present a case of unprecedented market manipulation that shook the very foundations of our financial system."

Complete these statements with a few sentences of your own.

III. Reading comprehension

Flash Crashes – time to stop blaming HFT?

(abridged and adapted)

By Mark Spanbroek, *Futures Industry Association*, 24 May 2017

On the 6th May 2010, Wall Street experienced what quickly became known as the 'Flash Crash', in which markets, including the S&P 500, the Dow Jones and the Nasdaq, collapsed and rebounded almost instantly. On the 15th January 2015, the Swiss Franc experienced a similar event against the Euro. And in October 2016, there was a flash crash in sterling, following Britain's vote to leave the EU.

If you were to browse your Twitter feed or read newspapers in the immediate aftermath of each event, you'd notice fingers being pointed firmly at High Frequency Trading (HFT). In the rear view mirror of hindsight, and thanks to a number of regulatory bodies undertaking detailed analysis of each event, we now know these claims to be automatic reactions, made with a surprising lack of supporting evidence.

So what has caused these flash crash events? Let's step back and take a look at the facts. During the Wall Street Flash Crash in 2010, several indices experienced an unprecedented single day fall. The Dow Jones Index fell by six percent in a matter of minutes and "investors saw nearly $1 trillion of value erased from U.S. stocks in just minutes".

In the immediate aftermath many were quick to blame high frequency traders for accelerating price moves. However, extensive research into the causes by U.S. regulatory bodies exonerated HFT from causing the crash. And following an extensive investigation by US federal prosecutors, UK based trader Navinder Singh Sarao (who traded from his parents' home) was extradited to the U.S. where he was accused of creating an "extreme order book imbalance" which allegedly affected stock markets and exacerbated the flash crash.

In October 2016, sterling suffered a 'flash event' and once again there was speculation that HFT was to blame. It was alleged that an algorithm set to scan the news for negative Brexit stories went into overdrive. The reality is quite different. A report found 'a confluence of factors catalysing the move, rather than to a single clear driver.' The report also found that the time of day was a significant factor in increasing the vulnerability of the sterling foreign exchange market. Further, it noted that events such as this have been short lived and have not significantly impacted financial stability.

We often talk about volatility in financial markets, but we must recognise that we now live in a volatile political climate. Decisions taken by voters in 2016, in Britain and the U.S. in particular, had a significant impact on markets across the globe.

With these results in mind, and with UK and German elections to come this year, it would be naïve not to expect further market volatility and price gaps.

There are certainly lessons that need to be learned here. HFT firms are one of many market participants and the reality is that algorithmic trading is here to stay, with automated trading technology likely to develop even further over the coming years. To blame firms using HFT for these flash crashes, without closely analysing the evidence, is irresponsible. It's time to stop jumping to blame HFT and take more time to consider the facts.

A. The title

1. What could be "Futures"? (in Futures Industry Association) .....…….

2. What could be the "Futures Industry Association"? (which published this article)
.....

3. What part of the title can confirm this hypothesis? .....

4. Without reading the text, what can you guess about the objective of the text?
.....

B. General comprehension

1. Vocabulary: find a synonym for the following words underlined in the text

to collapse	proof
to browse	to look through
evidence	to fall down
gap	divide

2. Find two expressions that show HFT is accused of causing Flash Crashes:

Quote	Line

3. Right or wrong? ……. Justify by quoting the text.

The author tries to take an objective view to defend HFT.	Line
Quote:	

4. On what evidence does the author rely to support his claim?

2010 Flash Crash	2016 Flash Crash

5. What main factor is put forward to explain flash crashes? Tick the right answer.

High Frequency Trading firms are the main factor causing Flash crashes.	
Political factors like Brexit or elections have a stronger impact than HFT.	
Human traders like Navinder Singh Sarao are the main culprits.	
A variety of factors can explain Flash crashes.	

C. Grammar corner

1. Identifying the tenses

Look at lines at 28-31. Can you identify the tenses in these two sentences? ……...
When do you use them? ……..

2. Translate the following sentences by paying attention to the tenses:

a. Le premier crash éclair a eu lieu en mai 2010.
.....
.....

b. Le développement des nouvelles technologies a facilité les échanges d'action à haute fréquence.
.....
.....

c. Ces dernières années, les crash éclairs ont été plus fréquents.
.....
.....

d. Le flash crash de 2016 a été le plus important de la décennie.
.....
.....

e. La succession de crises financières montre que le besoin de régulation des échanges boursiers n'a jamais été aussi fort que maintenant.
.....
.....……

<u>WEEK 7</u>: The representation of the financial sector in film

You watch a movie on Wall Street

I. The Wolf of Wall Street

Describe and analyse the picture

.....
.....
.....
.....
.....
.....

What is the image it conveys?

.....
.....

Watch the trailer. Does it confirm your opinion? Do you think this image reflect the reality?

II. The Big Short

Let's watch another extract from a different film. It is about the 2008 subprime crisis. What have you understood?
What representation is made of the financial world?

III. Reading comprehension

You read this review of the movie online

'The Big Short' movie review: Wall Street drama paints funny but infuriating portrait of absurdity, audacity

By Mike Scott, *NOLA.com* | *The Times-Picayune*, Dec 21, 2015 (abridged)

Shot in New Orleans and based on the best-selling Wall Street expose of the same name by local author Michael Lewis, "The Big Short" sets out to explain deliberately complex financial instruments that, as McKay tells us, were essentially designed to confuse the average investor at the benefit of the nation's biggest banks.

Needless to say, making sense of it all is a decidedly tall order for a film-maker. Weaving it into a compelling and entertaining story for mainstream audiences is a taller order still. Granted, it's an infuriating comedy, and one that doubles as a very timely, very relevant cautionary tale. But, against all expectations, it is a comedy nonetheless. Because sometimes, as the saying goes, you've got to laugh to keep from crying.

The obvious comparison, if for no other reasons than the setting and the comedic tone, is "The Wolf of Wall Street," Martin Scorsese's 2013 tale of excess. But while that film sought to highlight the greed of a handful of decidedly hedonistic stockbrokers / fraudsters, "The Big Short" widens its scope to include the entire financial services industry.

Every bit as important as that tone is the fact that McKay's cast clearly bought in to his vision. That starts with Christian Bale, all angst and anxiety as Michael Burry, the physician-turned-investor who discovered that the nation's mortgage bonds, normally a picture of utmost stability, were nothing but a house of cards in actuality.

When he told representative of America's major banks what he learned and that he wanted to short the housing market – essentially betting that the cornerstone of the American financial system would collapse – they laughed in his face.

When the industry did, indeed, fail, our intrepid investors stood to make untold millions. What they got instead, as McKay tells it, was a lesson in the culture of fraud, abuse and deceit upon which the nation's banks operate. McKay's audience gets the same lesson by the time it's all done.

Every year, it seems, Hollywood cranks out an ironically timed horror movie as a bit of holiday-season counter programming. But "The Big Short" just might

be it. That's because this isn't some snowy fantasy. It's not a myth. This stuff actually happened. In fact, it's *still* happening, McKay film tells us.

1. What difference is made between the two films about their vision of Wall Street?

The Wolf of Wall Street	The Big Short

2. How is the behaviour of bankers described in the film? Give two elements from the text.

Quotes	Lines

3. Find two opposite expressions describing the housing market.

4. Explain the following sentence: “you've got to laugh to keep from crying”
.....

IV. Oral expression

Popular media like films can significantly influence public perception and understanding of complex issues like finance.

"The Wolf of Wall Street":
- May reinforce stereotypes of financial professionals as greedy, morally bankrupt individuals.
- Could glamorize the lifestyle associated with finance, potentially attracting individuals to the field for the wrong reasons.
- Might lead to public distrust of financial advisors and institutions.

"The Big Short":
- Portrays some financial professionals as perceptive and ethical, challenging stereotypes.
- Could increase public skepticism towards financial institutions and practices.
- May inspire viewers to become more financially literate and question the system.

Do films have an influence on your perception of the world on issues / events you

do not really know?
Can you think of **one** film or **one** series in particular that had an impact on your vision of society or the world?