



[Glossary]

[Foreign Investment]

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Glossary:

- ❖ **External debt:** The portion of a country's debt that was borrowed from foreign lenders including commercial banks, governments or international financial institutions. These loans, including interest, must usually be paid in the currency in which the loan was made.
- ❖ **Debentures:** is a loan issued by a firm. It usually involves a fixed repayment schedule, in terms of both time and interest.
- ❖ **Share-holders:** An individual, group, or organization that owns one or more shares in a company, and in whose name the share certificate is issued.
- ❖ **Dividend:** is a distribution of a portion of a company's earnings, decided by the board of directors, to a class of its shareholders. Dividends can be issued as cash payments, as shares of stock, or other property.
- ❖ **Shares:** The capital of a company is divided into shares. Each share forms a unit of ownership of a company and is offered for sale so as to raise capital for the company.
- ❖ **Bonds:** A bond is a debt investment in which an investor loans money to an entity (typically corporate or governmental) which borrows the funds for a defined period of time at a variable or fixed interest rate.

- ❖ **Foreign Aid:** money, food, or other resources given or lent by one country to another.
- ❖ **Natural resources:** materials or substances occurring in nature which can be exploited for economic gain.
- ❖ **Balance of Payments:** the difference in total value between payments into and out of a country over a period.
- ❖ **Inflationary pressures:** refers to the demand and supply-side pressures that can cause a rise in the general price level.