

## 04.06-Chinese companies

### Chinese companies

#### Red chips, red faces

The **creditworthiness** of China's big state firms is worsening  
Dec 5th 2015 | SHANGHAI | From the print edition

#### Vocab

1. chip n. **blue chip** 优值股票；高值筹码；蓝筹股 所以这里 red chip 指红筹股
2. creditworthiness n. 好信誉；有资格接受信用贷款

THERE was a time when China's biggest state-owned enterprises were seen as the country's **crown jewels**. The government cleaned up the balance-sheets of the best of the firms, and listed their shares on stockmarkets at home and abroad. The firms were dubbed "red chips", the supposed blue chips of state capitalism, by fawning analysts.

#### Vocab

1. crown jewel n. (国王或女王在重要的正式场合佩戴的)王冠，权杖，珠宝 **The Crown Jewels** are the crown, sceptre, and other precious objects which are used on important official occasions by the King or Queen.
2. dub v. 给...起绰号;把...称作 If someone or something **is dubbed** a particular thing, they are given that description or name.  
e.g. At the height of her career, Orson Welles **dubbed** her 'the most exciting woman in the world'. 奥森·韦尔斯把处在事业巅峰的她戏称为“世上最令人兴奋的女人”。
3. capitalism n. 资本主义(制度) **Capitalism** is an economic and political system in which property, business, and industry are owned by private individuals and not by the state.
4. fawn v. to try to please sb by praising them or paying them too much attention 恭维；讨好；巴结  
e.g. People **fawn** over you when you're famous...你出了名，大家就会来讨好你。

#### Sentence

The firms were dubbed "red chips", the supposed blue chips of state capitalism, by fawning analysts.

主干：The firms were dubbed "red chips"

这里 supposed 在这里是“所谓的”的意思，即所谓的资本主义国家的蓝筹股

by fawning analysts 这个是对 red chips 的解释，即，red chips 是被阿玉奉承的分析师所称作的

In fact, China's big state firms were largely a **bloated**, inefficient and **cosseted** lot. The real **dynamism** in the Chinese economy has long come from its **entrepreneurial** private firms, which now **account for** perhaps two-thirds of the country's entire economic output.

#### Vocab

1. bloated adj. (机构) 臃肿的，人浮于事的 If you describe an organization as **bloated**, you mean that it is larger and less efficient than it should be.

e.g. ...its massive state apparatus and **bloated** bureaucracy. 它那庞大的国家机关和臃肿的官僚机构

2. **cosset** v. =**pamper** If someone **is cosseted**, everything possible is done for them and they are protected from anything unpleasant.

**cosseted**

• I don't want to be treated like a **cosseted** movie queen. 我不愿意被人当作是个娇纵惯了的电影皇后。

3. **dynamism** n. energy and enthusiasm to make new things happen or to make things succeed 精力；活力；劲头

4. **entrepreneurial** adj. 具有企业家素质的；富于企业家精神的 **Entrepreneurial** means having the qualities that are needed to succeed as an entrepreneur.

5. **account for** **PHRASAL VERB** 短语动词 (数量或比例上) 占 If a particular thing **accounts for** a part or proportion of something, that part or proportion consists of that thing, or is used or produced by it.

Thanks to weak commodity prices, a troubled property market and slowing economic growth, the outlook for all Chinese corporations is dimmer than it was a few years ago. But debt is a much bigger problem at the largest state firms. A report released on November 30th by Standard & Poor's, a credit-rating agency, looks at 200 public and private Chinese firms in 18 industries and warns that the creditworthiness of many big state firms has worsened significantly. S&P found that the average **ratio** of **gross** debt to earnings (before interest, tax, **depreciation** and **amortisation**, or EBITDA) at state firms rose from roughly 3 in 2008 to over 5 last year.

### Vocab

1. **commodity** n. (*economics* 经) a product or a raw material that can be bought and sold 商品

e.g. rice, flour and other basic commodities 稻米、面粉和其他基本商品

2. **corporation** n. (*abbr.* **Corp.**) a large business company (大) 公司

e.g. multinational corporations 跨国公司

3. **dim** v. (使)(前景、希望等)变渺茫；(使)(感情等)淡化 If your future, hopes, or emotions **dim** or if something **dims** them, they become less good or less strong. 这里 **dimmer** 是比较级

4. **ratio** n. 比；比率；比例 A **ratio** is a relationship between two things when it is expressed in numbers or amounts. For example, if there are ten boys and thirty girls in a room, the ratio of boys to girls is 1:3, or one to three.

e.g. In 1978 there were 884 students at a lecturer/student **ratio** of 1:15... 1978年有884名学生，师生比为1比15。

5. **gross** adj. (尤指金额) 总的，毛的 **Gross** means the total amount of something, especially money, before any has been taken away.

6. **depreciation** n. [*mass noun*] a reduction in the value of an asset with the passage of time, due in particular to wear and tear (尤指财产因损耗而造成的) 折旧贬值；(财产因时间而造成的) 折旧

7. **amortisation** n. 分期偿还 分期偿还债务

### Sentence

Thanks to weak commodity prices, a troubled property market and slowing economic growth,

the outlook for all Chinese corporations is dimmer than it was a few years ago.

主干: the outlook is dimmer

前面 Thanks to A, B and C 这里 thanks to 的意思是 多亏了

it was a few years ago 这里的 it 指代 the outlook

The worries are most **acute** among metals firms, such as Hebei Iron & Steel, and transport companies, such as China COSCO, a shipping line. The agency gives both of those companies a maximum financial-risk rating of 6. The main exceptions to the trend, the report notes, are state firms in industries such as telecoms and energy, which the government protects from serious competition.

### Vocab

1. **acute** adj. **very serious or severe** 十分严重的

e.g. There is an acute shortage of water. 水严重短缺。

2. **telecom** n. 电信, 远距通信; 电讯

3. **exception** n. **a person or thing that is not included in a general statement** 一般情况以外的人 (或事物); 例外

e.g. Most of the buildings in the town are modern, but the church is an exception. 城里大多是现代建筑, 不过教堂是个例外。

### Sentence

The main exceptions to the trend, the report notes, are state firms in industries such as telecoms and energy, which the government protects from serious competition.

主干: the report notes

notes 的具体内容的主干是: The main exceptions are state firms in industries such as telecoms and energy

which the government protects from serious competition. 这个非限定性定语从句的先行词自然是 telecoms and energy

Private firms are not without their problems, although the ratio of gross debt to EBITDA at such firms remains below 4 on average. The property sector and “bricks-and-mortar” retailers have been hit hard of late, and private firms with exposure to them—such as Fosun, one of China’s largest private conglomerates—are also seeing a deterioration in their creditworthiness. But most private firms are in e-commerce, consumer businesses and technology services, which are less **politicised** industries that are still doing well.

### Vocab

1. **bricks-and-mortar** n. 传统的实体企业

2. **exposure** n. ~ (to sth) **the state of being in a place or situation where there is no protection from sth harmful or unpleasant** 面临, 遭受 (危险或不快)

e.g. prolonged exposure to harmful radiation 长时间接触有害辐射

3. **conglomerate** n. (business 商) **a large company formed by joining together different firms** 联合大公司; 企业集团

e.g. a media conglomerate 大众传媒联合体

4. **deterioration** n. 恶化; 退化; 堕落

5. **politicize** v. **to make sth a political issue** 使政治化; 使带有政治色彩

e.g. the highly politicized issue of unemployment 高度政治化的失业问题

6. of 'late' (*formal*) recently 最近；新近；近来

7. property sector n. 房地产行业

### Sentence

The property sector and “bricks-and-mortar” retailers have been hit hard of late, and private firms with exposure to them—such as Fosun, one of China’s largest private conglomerates—are also seeing a deterioration in their creditworthiness.

主干：The property sector and “bricks-and-mortar” retailers have been hit hard **of late** 这里 of late 是 最近

and private firms with exposure to them 这里 them 指前面说的 The property sector and “bricks-and-mortar” retailers

—such as Fosun, one of China’s largest private conglomerates 举例，后面是解释这个例子 are also seeing a deterioration in their creditworthiness. 这个的主语是 private firms

The **conventional wisdom** has long been that China’s biggest and best-known state firms will never be allowed to **default**, no matter how weak their finances. But doubts are now **creeping** in. Christopher Lee of S&P, an author of the agency’s report, says, “there is a growing sense that the weakest are not default-free.” The question for officials now, he reckons, is “how to let them go without **sparking a systemic meltdown.**”

### Vocab

1. **conventional** adj. (行为、观念等) 传统的, 符合习俗的 Someone who is **conventional** has behaviour or opinions that are ordinary and normal.

e.g. ...a respectable married woman with **conventional** opinions. 一位观念传统、受人尊敬的已婚女性

2. **conventional wisdom** **IDM** **conventional/ received 'wisdom** the view or belief that most people hold 大多数人的看法；普遍信念

e.g. Conventional wisdom has it that riots only ever happen in cities. 人们普遍认为，只有城市里才发生暴乱。

3. **default** n. failure to do sth that must be done by law, especially paying a debt 违约 (尤指未偿付债务)

e.g. The company is in default on the loan. 这家公司拖欠借款。

4. **creeping** adj. happening or moving gradually and not easily noticed (不知不觉地) 逐渐发生的；缓慢行进的

5. **spark** v. ~ **sth (off)** to cause sth to start or develop, especially suddenly 引发；触发

e.g. The proposal would spark a storm of protest around the country. 这一提案将引发全国性的抗议浪潮。

6. **systemic** adj. 系统的;影响全面的;全身的 **Systemic** means affecting the whole of something.

e.g. The economy is locked in a **systemic** crisis. 经济陷入全面危机。

7. **meltdown** n. (公司、机构或系统的)崩溃, 彻底失败 The **meltdown** of a company, organization, or system is its sudden and complete failure.

e.g. Urgent talks are going on to prevent the market going into financial **meltdown** during the summer. 正在进行紧急会谈，以防止市场在夏季出现金融危机。

From the print edition: Business

## Chinese companies

## Red chips, red faces

### 中国公司：红筹股，红了脸

The creditworthiness of China's big state firms is worsening.

中国大型国有企业的信用正在恶化。

There was a time when China's biggest state-owned enterprises were seen as the country's crown jewels. The government cleaned up the balance-sheets of the best of the firms, and listed their shares on stock markets at home and abroad. The firms were dubbed "red chips", the supposed blue chips of state capitalism, by fawning analysts.

中国最大型的国有企业曾被视为民族“皇冠上的宝石”。中国政府清算了业绩最佳的国有企业的资产负债平衡表，并让它们在国内外上市。对政府阿谀奉承的分析师将这些企业称之为“红筹股”，也就是所说的国家资本主义蓝筹股。（译者注：中国在国际上有时被称为红色中国，相应地，香港和国际投资者把在境外注册、在香港上市的那些带有中国大陆概念的股票称为红筹股。）

In fact, China's big state firms were largely a bloated, inefficient and cosseted lot. The real dynamism in the Chinese economy has long come from its entrepreneurial private firms, which now account for perhaps two-thirds of the country's entire economic output.

事实上，中国大型的国有企业在很大程度上集膨胀、低效、过度保护于一身。长期以来，中国经济真正的动力都来自于有企业家精神的私营企业，目前这些私营企业大概占中国全部经济产出的三分之二。

Thanks to weak commodity prices, a troubled property market and slowing economic growth, the outlook for all Chinese corporations is dimmer than it was a few years ago. But debt is a much bigger problem at the largest state firms. A report released on November 30th by Standard & Poor's, a credit-rating agency, looks at 200 public and private Chinese firms in 18 industries and warns that the creditworthiness of many big state firms has worsened significantly. S&P found that the average ratio of gross debt to earnings (before interest, tax, depreciation and amortization, or EBITDA) at state firms rose from roughly 3 in 2008 to over 5 last year.

由于大宗商品价格疲弱、房地产行业低迷以及经济增长放缓，中国企业的前景都比前几年要暗淡一些。但对庞大的国企来说，负债是个更大的问题。11月30日，信贷评级机构标准普尔发布了一篇报告，评估了中国18种行业中的200家国有和私营企业，并警告称，许多大型国企的信用评级已显著恶化。标准普尔机构发现，国有企业的负债收入比（未计利息，税项，折旧及摊销前的利益，或者说息税折旧摊销前利润）从2008年大概的3，增长至去年的超过5。

The worries are most acute among metals firms, such as Hebei Iron & Steel, and transport companies, such as China COSCO, a shipping line. The agency gives both of those companies a maximum financial-risk rating of 6. The main exceptions to the trend, the report notes, are state firms in industries such as telecoms and energy, which the government protects from serious competition.

最令人担忧的是钢铁企业和运输公司，如河北钢铁以及中国远洋。标准普尔给这两家企业的财务风险等级评定为6——最大的风险级别。报告指出，像电信和能源这种行业，因有政府保护而免受严峻竞争，因此少见这种信用评级恶化的现象。

Private firms are not without their problems, although the ratio of gross debt to EBITDA at such firms remains below 4 on average. The property sector and "bricks-and-mortar" retailers have been hit hard of late, and private firms with exposure to them—such as Fosun, one of China's largest private conglomerates—are also seeing a deterioration in their creditworthiness. But most private firms are in e-commerce, consumer businesses and technology services, which are less politicised industries that are still doing well.

民营企业也有自身的问题，尽管这些企业的平均负债收入比维持在4以下。近来，房地产行业和实体零售商已受到严峻打击，涉及到这些行业的民营企业，如中国最大的综合类民营企业之一复星国际，信用也在恶化。但大部分的民营企业都属于电子商务、消费交易和科技服务行业，这些政治色彩不强的行业仍然经营得很好。

The conventional wisdom has long been that China's biggest and best-known state firms will never be allowed to default, no matter how weak their finances. But doubts are now creeping in. Christopher Lee of S&P, an author of the agency's report, says, "there is a growing sense that the weakest are not default-free." The question for officials now, he reckons, is "how to let them go without sparking a systemic meltdown".

长期以来人们的传统观念是，不管财务状况多么糟糕，中国最大、最知名的国企从来都不会违约。但现在疑虑悄然而至。标准普尔机构的克里斯托弗·李是报告的作者之一，他表示：“越来越多的人意识到，财务状况最糟糕的国企也并非不会违约。”他认为目前官员所面临的问题是“如何让这些企业发展下去，而不会引发系统性崩盘。”