

Talk About Money in English – Video

In this lesson, you're going to learn how to talk about money in English.

You'll learn useful English words and phrases to talk about money topics that are common like your spending habits, salary, borrowing money, and more. You'll be able to expand your money vocabulary (<https://www.oxfordonlineenglish.com/vocabulary-notebook>) and talk about money in English conversation (<https://www.oxfordonlineenglish.com/natural-english-conversation-responses>).

1. Talking About Spending

Kasia: You're going on holiday again?! How can you afford it? I can barely pay my rent each month.

Mikey: Well, I've been saving up for it.

K: How do you do it?

M: I make a budget for each week, so I decide how much I can spend, and what I can spend money on. That way, I know how much I'll save.

K: But how does it work? I'm pretty careful with my money, but I find it really difficult to save much.

M: It's the little expenses that add up. You buy a bottle of water here, a sandwich there, a takeaway pizza in the evening... They don't cost much, but over time you end up spending more than you realise.

K: I guess you're right. But, how do you stick to it? Don't you just want to have a takeaway pizza once in a while?

M: Ask yourself: which would you rather have? Most people waste a lot of money on things they don't really want. I really love travelling, so I'm happy to cut back on some less important things so that I can pay for it.

K: You're right, but I don't think I could be that frugal. I'm not a big spender or anything, but I really enjoy splashing out and treating myself occasionally.

(<https://www.oxfordonlineenglish.com/wp-content/uploads/2015/04/sunset-pool-couple-relax.webp>)

Here's a question: can you name three things you can do with money when you talk about money in English?

You heard a lot of useful phrases in the dialogue.

Of course, you can *spend money*. You can also *save money* or *waste money*.

You spend money **on** something. For example:

*I don't spend much **on** food.*

*He spends a lot of money **on** gadgets and technology.*

*How much do you spend **on** rent every month?*

You can use *waste money* in the same way:

*They waste a lot of money **on** things they don't need.*

Someone who spends a lot is a *big spender*. The opposite? Someone who spends very little money is *frugal*.

These words are neutral; they don't have positive or negative associations.

What about *save money*? You can *save for something*, or you can *save to do something*.

Often, instead of saying *save money*, you can use the phrasal verb *save up*, which has the same meaning.

For example:

I'm saving up for a holiday next year.

We're saving up to buy a car.

In order to save money, you can *make a budget*: you make a spending plan, and write down everything you spend so that you stick to your plan.

If you're saving for something, you might need to *cut back* on other things, meaning that you spend less than usual.

On the other hand, some people aren't so good at saving. Some people like to *splash out*; they spend money on things they enjoy. You can also *treat yourself*, by spending more money than you usually would in order to do something nice for yourself.

What about you? Are you a big spender, or are you more frugal? Do you find it easy to make a budget and save money, or do you like to splash out and treat yourself?

Think about these questions and how you could answer them when you talk about money in English. If you aren't sure, remember that you can go back and review the dialogue and the explanations again.

Let's move on.

2. Talking About Salary and Expenses

(<https://www.oxfordonlineenglish.com/wp-content/uploads/2017/04/money-copy.webp>)

K: So, I'm thinking of moving to London. I got a job offer, but I'm not sure about the salary. It sounds good, but I've heard London is expensive, so I'm not sure.

M: I guess it depends on your lifestyle, but you definitely need more than in other places. My friends who live in London all make decent money, but they don't have much left over at the end of the month. Mostly, they're just getting by.

K: They offered me 25k. That would be okay in most places I've lived, but I'm not sure I'll be able to make ends meet in London.

M: It'll be challenging! That's on the low side, for sure. Put it this way: I know someone who makes around 45k, and she says she struggles in London. Anywhere else, you'd be very well-off making that sort of money.

K: Hmm... I guess I'll look for something better.

In most English-speaking countries, people talk about annual salaries: the amount you make each year.

Also, it's normal to talk about the amount before tax.

For example, '25k' (<https://hinative.com/en-US/questions/1709413>) in the dialogue means 25,000 pounds per year before tax.

In case you're wondering, the average salary in London is around 29,000 pounds per year, while the average cost of living for a family of four is around 4,000 pounds per month, assuming a comfortable but fairly basic lifestyle.

If your salary is higher than average, you can say you *make good money* or *make decent money*.

In this case, you'll probably be *well-off*: not rich, but with enough money to have a nice lifestyle and not worry about money.

On the other hand, if you only just make enough to cover your costs, you can say you're *just getting by*.

This means that you have enough money to live, but not much more. If you say, *I'm just getting by*, it suggests you don't have a lot of extra money to spend on eating in restaurants, going out, travelling, and so on.

For example:

I don't earn a lot, but I get by. -> Meaning: I make enough to pay all my bills, but I don't have much spare money.

If someone doesn't even make enough to cover their basic expenses, like rent, bills, food and transport, then they are struggling. You can also use the phrase *make ends meet*, which you heard in the dialogue. Do you know what it means?

Make ends meet means to cover all of your expenses. Let's see some examples:

I can barely make ends meet.

He's struggling to make ends meet.

I don't know how we'd make ends meet if we had another child.

If you say that someone *can barely make ends meet*, you mean that they don't earn much money, and so it's difficult for them to pay all their bills and cover their regular expenses.

What salary do you need to make to get by where you live? How much does someone need to make to be well-off? Think about these questions and how you would answer them.

Let's look at the next section to talk about money in English.

3. Talking About Debt and Borrowing

M: Did you hear? He might lose his house. He told me he's six months behind on his mortgage (<https://www.merriam-webster.com/dictionary/mortgage>) payments.

K: Seriously? I knew he was in debt, but I had no idea it was that bad.

M: He has other loans too, apparently. The car, the furniture: everything was bought on credit. He has three or four credit cards, all maxed out. He owes a lot of money.

K: What's he going to do?

M: Well, he can't even keep up with the interest, let alone the actual repayments. He'll have to declare bankruptcy, but he'll lose everything.

K: That's awful. Of course, he should have been more responsible, but how could they lend him so much money? They must have known he wouldn't be able to pay it back.

M: I don't know. It's a bad situation.

When you borrow money from the bank, you *take out a loan*. If you're borrowing money to buy a house or an apartment, there's a special word for it: *mortgage*.

The spelling is strange, so practice the pronunciation: /'mɔ:ɡɪdʒ/

You need to *repay a loan*. Generally, you do this by making payments every month. Some of the payment is *interest*: an extra percentage which you pay to the bank.

When you finish paying back a loan, you *pay it off*.

If you have a lot of loans, then you're *in debt*. This means you owe money. In the dialogue, you heard the phrase *he owes a lot of money*.

Let's look at some more examples with this language:

It'll take us another ten years to pay off our mortgage.

The interest on our car loan is ridiculously high.

I never borrow money; I don't like being in debt.

In the dialogue, we were talking about someone who had *bought a lot of things on credit*. If you buy something on credit, you take out a loan just to buy this one thing.

We also mentioned that he has *maxed out credit cards*. You max out a credit card when you borrow the maximum amount you can on it.

Finally, if you can't pay back your debts, you'll have to *declare bankruptcy*. Your debts are cancelled, but you also lose anything you have which is worth money.

So, think about some questions: have you ever taken out a loan or bought something on credit?

In your country, if someone is in a lot of debt, can they declare bankruptcy? What happens to the money they owe?

Again, think about how you would answer these questions, and review the dialogue and the explanations if you need to.

Learn more vocabulary with this Oxford Online English lesson on Opening a Bank Account (<https://www.oxfordonlineenglish.com/opening-bank-account>).

Ready to move on? Let's talk about money in English with one more thing.

4. Talking About Investment and Savings

(<https://www.oxfordonlineenglish.com/wp-content/uploads/2014/09/bank-money-save-woman-finance.webp>)

M: Can I tell you something?

K: What?

M: I'm so excited! I'm going to be rich!

K: Really? How's that?

M: I found this article online. It told me about all of these shares which are definitely going to go up very soon. I bought as many as I could. Now I just have to sit back and wait for the money to come rolling in.

K: Are you sure about this? How much did you put in?

M: All the savings I had.

K: And... Are you sure that's a good idea?

M: Why not? These shares will take off, and I'll double or triple my money. It's easy.

K: What if they go down? You could lose everything!

M: It's not likely. These companies are solid. It's a one-way bet!

K: So, which companies did you invest in?

M: Well, one was... er... and then... er... I can't actually remember the names, but it's very exciting stuff. Biotech, you know?

K: Oh, really? Well, good luck. You can buy me dinner when you've made your first million.

M: Deal!

What can you do with your savings?

You can keep them in the bank in a *savings account*, but you won't earn much interest. Alternatively, you can invest in something, like *shares*, *bonds*, or *funds*.

You can say *shares* or *stocks*; both have the same meaning. You say *stock market* (<https://www.learn-english-today.com/business-english/investment-vocabulary.html>), but in other cases, *share* is more common.

You can *invest in* or *put money into* something. More informally, you can also *get into* something. For example:

Do you think I should get into crypto?

He put half of his savings into government bonds.

You should only invest in shares if you know what you're buying.

When you buy an asset, like a share or a bond, its price can go up or down. If it goes up very far or fast, you can say it *takes off*. If it goes down very fast, it *crashes*. For example:

I bought Apple shares in 1989. I knew they'd take off one day!

They lost a lot of money when the stock market crashed in 2008.

If you do well, you might double or triple your money. *Triple* means you increase something three times; for example, if you turn 100 dollars into 300 dollars.

If you don't do well, you could lose everything or *get wiped out*. If you get wiped out, you lose all of the money you invested.

Let's look at some example sentences:

If you make 7 per cent a year, you can double your money in ten years.

He put his life savings into Enron shares, then got completely wiped out.

If you had savings to invest, what would you invest in? Think about how you would answer.

Hopefully you got some helpful phrases, vocabulary and conversation examples to talk about money in English. Thanks for watching!