Terminology and Compound nouns
in a translation of a financial text
Abstract
The object of this paper is to examine the translation of compound nouns found in financial terminology. The study is based on a translation of a financial report from the Bank of England. During the translation process it became clear that financial terminology is an intricate field with many synonyms and closely resembling terms, often in the form of compound nouns. Parallel texts, especially those provided by the Swedish Riksbank, proved particularly useful as a source of information. The theoretical backbone is founded on Vinay & Darbelnet’s direct and oblique translation strategies. Further theory on terminology, compound nouns and word formation is provided by Quirk, et al., Plag, Cabré and Ingo among others.

The results show that it is not evident when to use direct translation for compound nouns and when to search for the lexicalised equivalent. Word-for-word recognition of a term did not automatically lead to comprehension or an adequate translation. Some compound nouns were not translated with a term but rather with a phrase or with an explanation of a concept i.e. there was a disparity in lexicalisation (Ingo 2007:191). Another aspect was the ambiguity of compound nouns as they are very similar to noun phrases. Therefore, in such a complex topic, the knowledge of both context and concept is vital in order to achieve a translation that will function in the target language.

Keywords: compound nouns, noun phrases, financial terms
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1. Introduction

Translation is a “go-between” profession, meaning that the translator operates as the missing link in converting the information from the source language to the target language. It is a particularly difficult position to be in when professional groups use specialised language to describe their activities. Specialised language and terminology are necessary in order to explain processes and concepts in a concise and relevant manner (Hellspong & Ledin 1997:67), but it puts high demands on the translator’s knowledge of the topic and/or their research skills.

This paper is about problems encountered during the translation of specialised language from English to Swedish. The basis of the study is my translation of a recent finance report from the Bank of England. One of the striking issues in the report was the huge amount of information in a relatively short text, and this density was underlined by a lack of redundant words and few adjectives. Another issue was the terminology, and especially the terminology that occurred in the form of multiple noun combinations or compound nouns, which further emphasised the impression of dealing with a dense text. In this paper I will discuss some problems that occur when translating terminology in the form of compound nouns such as money market mutual funds.

The paper is organised in two main parts: the first explains the aim and method of the paper, as well as the theory which serves as a background to the analysis. The analysis is undertaken in the second part of the paper together with the conclusion.

1.1. Aim

The aim of this paper is to investigate what methods and strategies can be used when translating a financial text from English to Swedish. Focus will be on problems related to the translation of compound nouns found in financial terminology. The three problem areas concern:

- compound nouns close resemblance to noun phrases
- lexicalisation of financial terms
- ambiguous and closely related terms and concepts belonging to international finance,
1.2. Method

The information for this study was obtained in two stages. First I translated an English financial text into Swedish, and in that process I identified some areas of specific importance for the particular text. One of those areas was terminology in the form of compound nouns. The source text and the target text will be presented in section 1.3 below.

In the first stage – the translation of the source text – various means of assistance were used. My main source of information concerning the definition of terminology was the Svenska Riksbanken website, (Riksbank below, the Swedish equivalent of the Bank of England) which provided excellent bilingual parallel texts. These parallel texts were useful not only in terms of vocabulary but also as a source of information on the topic of finance. Another good source was EUR-Lex, the European Union database resource [www], which also provided parallel texts that were useful both in terms of context and terminology. Regarding the topic of finance I consulted specialist internet sites to ensure that I had understood the source text correctly. To confirm the use of correct Swedish I frequently consulted Svenska Språkrådet [www]. In addition I used dictionaries: Longmans, Norstedts and Svenska Akademins ordlista for example and thesauruses such as Oxford I-finger and Stora Synonymordboken. They were all useful providers of varied, nuanced and accurate vocabulary.

In the second stage of obtaining information, several theoretical models were used in order to identify and categorise the strategies for the translation process. The model of Vinay & Darbelnet, i.e. the theory of direct and oblique translation, forms the theory base for the analysis followed by Teresa Cabré (Terminology 1999) and Rune Ingo’s valuable knowledge about terminology (Konsten att översätta 2007). Various grammar books were consulted on compound nouns and word formation, most notably A Comprehensive Grammar of the English Language (1985) by Quirk, et al. but also Word-formation in English (2002) by Ingo Plag. These models will be further described in the theory section.

1.3. Material

The source text (ST below) is part of the Financial Stability Report of July 2011 from the Bank of England (excluding diagrams, captions and footnotes). The title of the text is, “Risks from the international financial system” and it can be found on the Bank of England website. The author is anonymous.

The report describes the risks in the financial world from the perspective of British banks and their conditions from January to June 2011. The language is formal and concise in style. It is rather general and wide-ranging in scope and not overly detailed in its descriptions and analyses. This is possibly because the report strives to meet the need for transparency as it is available to the public
on the Bank of England’s website. It is interesting for anyone who wishes to keep up with the general state of finance and trends although the use of specialised terminology, including lengthy compound nouns, tends to make the text dense and difficult to understand for anyone outside the world of finance.

The target text (TT below) has been approached with the ambition of remaining as close to the original as possible while translating the terminology accurately. The TT retains the multitude of terms found in the ST since the world of finance obviously has specific terms for its operations, as does any other profession. On the other hand, in the TT I have attempted to avoid the density of the ST, particularly the high concentration of compound nouns. The lengthy noun strings have, as far as possible, been reconstructed. Needless to say, the TT is probably still difficult to comprehend for anyone who does not have at least some specialist knowledge and an interest in national economics and global finance. The target reader is someone familiar with finance who wants a different perspective than a Swedish financial text is likely to provide.

2. Theoretical background

This section focuses on theory and techniques of translating which have relevance for the analysis in section 3. First I will present the theory of direct and oblique translation by Vinay & Darbelnet, which serves as a framework for this paper. The nature of terminology and concepts will follow under 2.2 and in 2.3 compound nouns will be treated.

2.1. Direct and oblique translation

The theory of direct translation and oblique translation was presented by Vinay & Darbelnet in 1958. The theory runs parallel with the perennial discussion of literal versus free translation (Ingo 2007:17, Munday 2008:56) but rather than posing the concepts against each other, Vinay & Darbelnet use them as complements. Direct translation includes, for example, the strategies of borrowing and literal translation. Oblique translation contains, among other aspects, the strategies of transposition and equivalence. These four strategies will be explained in this section.

When a direct translation strategy is used the text keeps the same grammatical structure in the transference from the source language (SL below) to the target language (TL below). The direct translation method of borrowing means that a foreign word, i.e. from the SL, is integrated directly in the TL, filling a semantic gap that arises due to an unknown concept or a new product (Vinay & Darbelnet 1995:31). As borrowed words eventually become a part of the new language they adopt the grammatical structure of the TL. One example is the SL term subprime loans, which in the TL is subprime-lån (Riksbank [www]).
The direct method of literal translation involves word-for-word substitution, which conveys the same meaning, structure and cultural message. This strategy requires the same hierarchy and level of precision in the TL as in the SL and is reversible, meaning that the translated phrase will translate back to the original SL phrase (Vinay & Darbelnet 1995:33–34). Vinay & Darbelnet argue that due to “periods of bilingualism, with the conscious or unconscious imitation which attaches to a certain intellectual or political prestige”, literal translations are more common (1995:34). When languages share the basic structure as well as ideas and culture, which is the case with European languages as well as global finance, it is quite natural if the way of expressing topic-related phenomena becomes so similar between the SL and the TL that a literal translation is possible and even the best choice. One example of this is: ...simplifying the network of intra-financial exposures which translates literally as ...förenkla nätverket av intrafinansiella exponeringar. Should the literal translation appear strange due to differences in meaning, grammatical structure or hierarchy in relation to the ST and thus not be reversible, the alternatives available are the strategies described by oblique translation (Vinay & Darbelnet 1995:34–35).

The oblique translation strategy offers a more flexible approach to the solving of translation problems such as differences in the syntactic order or the lexis. The procedures of transposition, for example, take place when a change from one word class to another is necessary in order to convey the same message (Vinay & Darbelnet 1995:36). An example of transposition is the pre-modified noun phrase euro-area banks, which translates as the post-modified banker i euroområdet. The modifying noun in the ST has become a prepositional phrase in the TT through transposition.

The oblique strategy of equivalence is used when an idea, concept or situation exists in both languages but is described using a different stylistic or structural method, i.e. the original message is explained with a totally different set of words. (Vinay & Darbelnet 1995:38, 42, 342). The method of equivalence works well with idioms and proverbs but also with nominal or adjectival phrases. An example of a pre-modified noun or compound noun translated with the method of equivalence is basis swap (a type of ‘currency exchange’, see example (10) in the analysis) with its equivalent expression valutaswap in Swedish, although half of the TL compound noun, swap, is a borrowed term.

The two methods of direct and oblique translation complement each other, and within one sentence both can be active at the same time (Vinay & Darbelnet 1995:40–42). Next follows a section on terminology which will look deeper into how terms relate to concepts, the function of terms and how they are constructed, followed by a section on compound nouns.
2.2. Terminology

“Terminology is the most important characteristic of specialist communication because it differentiates special languages from the general language and also the various special languages from one another.” (Cabré 1999:45)

A common definition of terminology found in dictionaries is the following: the vocabulary of technical terms used in a particular field, subject, science, or art (Free On-line dictionary). Cabré states that “A term is a unit referring to a reality that is expressed by means of a form and used for intercommunication.” (1999:41). Terminology originates from concepts which are formed by the characteristics, material and/or function of a new product or idea (Ingo 2007:100–101, Temmerman 2000:5). There are three basic aspects of terminology: cognitive, linguistic and communicative.

The cognitive aspect thus refers to the understanding of the concept (Cabré 1999:45). The linguistic aspect describes the type of communication as in spoken or written language. Finally, the communicative aspect is concerned with how terminology facilitates communication in specific fields (ibid.45). For the specialist, terminology is the best way of ensuring that the message is concise, precise and contains accurate references to the specialized topic (Cabré 1999:47).

A translator must remember that the main function of terminology is to convey information and that accuracy in translations of specialised texts is of vital importance (Ingo 2007:226, Cabré 1999:40). In order to acquire accuracy, terminologists have for many years tried towards a model where concepts are clearly delineated, logical and where relationships to other concepts exist in a perfect hierarchy (Temmerman 2000:7). Terms should as a result, be unambiguous and each should have one entry in a dictionary. Cabré argues, however, that in reality terms are often ambiguous where “the polysemy of the common dictionary is treated as homonymy in a terminology dictionary” (1999:40). This state of affairs calls for awareness among translators, especially as there is a tendency to give already existing words a new status as terminology in the English language (Ingo 2007:190, Temmerman 2000:5). Another aspect of terminology which adds to the ambiguity is lexicalisation, where the full meaning of a term cannot be derived from its construction (Hellspong & Ledin 1997:72).

New terminology emerges when rapid development in specialised and technical sectors demands new terms (Cabré 1999:4). When terminology is created it is often in the form of nouns (ibid, 36). One of the most common methods of creating a term in English and in Swedish is by

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1 “The Vienna School” with the founder of modern terminology Eugene Wüster (1898-1977) who in the 1930s started to reflect on standardisation of terminology (Cabré 1999:2).
combining two or more words (nouns, adjectives etc.) which correspond to a grammatical unit of one word. This process is called compounding (Ingo 2007:229, Quirk, et al., 1985:1535, Hellspong & Ledin 1997:72) and the next section will describe compound nouns in more detail, their structure and how to understand them.

2.3. Compounds and compound nouns

There are many definitions of English compounds and Merriam-Webster’s on-line dictionary describes them in the following way: “A compound is a word or word group that consists of two or more parts that work together as a unit to express a specific concept” ([www]). Quirk, et al. in *A Comprehensive Grammar of the English Language* give this definition of a compound word: “… a lexical unit consisting of more than one base and functioning both grammatically and semantically as a single word” (1985:1567). Plag, in *Word-formation in English* (2002), defines compounds as a word consisting of two elements of which one element can contain more than one word (173).

These three definitions explain clearly 1) the relation to concepts, 2) the function as a lexical unit, and 3) the grammatical construction of compound nouns. Terminology and concepts have already been accounted for in the previous section. In this section the compound noun will be explained in more detail.

Compound nouns belong to the group of pre-modified nouns that can be sub-divided into compounds or noun phrases. Most pre-modified nouns can be rephrased as post-modifying prepositional phrases: *commodity investor* or *investor in commodities*. One way of distinguishing a compound noun from a noun phrase is the stress pattern. A compound noun is usually stressed on the first constituent whereas a noun phrase is stressed on the second. Hence *co’mmodity market*, which is stressed on the first word, is a compound noun while *market con’ditions*, which is stressed on the second word, is a noun phrase.

English compound nouns appear in three different forms. They can be solid as in *firebreak*; hyphenated as in *end-investors*; or separate words as in *duration hedging*. Swedish compound nouns on the other hand, mostly appear in a solid form as in *ekonomiavdelning* (financial department) (Ingo 2007:187, Hellspong & Ledin 1997:72) although hyphenated compound nouns exist as well, as in the previously mentioned example *subprime-lån*. It is when a sequence of words becomes institutionalised as a lexical item that a compound is coined (Quirk, et al., 1985:1330). As compounds become accepted lexical items the tendency is for them to progress from open to solid (Ingo 2007:187, Quirk, et al., 1985:1569) and eventually be included in general or specialised dictionaries (Cabré 1999:40)
Another way of distinguishing a compound noun from a noun phrase is that it must be “reasonable and useful to classify the second element in terms of the first” (Quirk, et al., 1985:1568), which means that the second word in a compound noun is thematic and the first is categorising. In a noun phrase the opposite is true: the first constituent is thematic and the second is categorising. The previous two examples illustrate this: the compound noun commodity market where the second constituent market is classified by the first constituent commodity which tells the reader what kind of market it is. In the noun phrase market conditions the first constituent is classified by the second as in the conditions of the market.

Plag calls the same construction a “modifier–head structure” and argues that the head always appears on the right-hand side of the compound (2002:173). The compound inherits most of its grammar from the head. Consequently, if the head is a noun the whole compound is a noun (ibid. 173). Thus, a compound consists of two elements: one right-hand head and a left-hand modifier, which can be more than one word. A three-word compound follows the same structure (ibid. 173). In example (a) credit rating agencies, agencies is the head. It is modified by credit rating, which in itself is a compound noun.

In theory there is no limit as to how many constituents can be put together, although more than four words together is unusual (Quirk, et al., 1985:1338). The above example (a) could in theory become (b) credit rating agency group or even (c) credit rating agency group meeting. The head noun, element one, in (c) meeting, is always in the right-hand position and is modified by credit rating agency group, element two.

Quirk, et al. argue further that as compound nouns become longer, the risk of ambiguity increases, and it may not be evident which term pre-modifies which since the words or terms are often linear in relation to each other (1985:1343). Plag argues, in contrast, that as the right-hand rule applies (2002:173) ambiguity becomes less, going from right to left, deconstructing the compound accordingly. In the above examples (a), (b) and (c), the base unit is found in the compound credit rating. With the binary effect a new meaning appears for each new head added or, the other way around, removed.

Lexicalisation may also obscure the understanding of a text and Cambridge Dictionaries Online confirms that the meaning of compound nouns cannot always be discovered by knowing the meaning of each word in the compound ([www]). Therefore, when it comes to lexicalised terminology, the above means of analysing compound nouns is of limited use. Consider the term investment vehicles, which is defined as ‘a product used by investors with the intention of having positive returns’ (Investopedia [www]). One equivalent term in the TL is investeringsinstrument (Riksbanken [www]). The signification of the term is not easily interpretable from the form.
Authors have a large degree of freedom to create their own compound nouns which, from a translator’s point of view, is especially problematic as new compound nouns are seldom found in dictionaries (Merriam-Webster [www]). The specialist does not usually find specific words ambiguous, lexicalised or not, but unless they are well researched compound nouns may be baffling to other readers (Quirk, et al., 1985: 1343, 1519). Another aspect is the difference in lexicalisation between the SL and the TL, which means that English compound nouns may not translate into compound nouns in Swedish, but as noun phrases or longer explanations of a concept (Ingo 2007:191).

This section has covered the background theory of direct and oblique translation, terminology and compound nouns. The following section will give a brief introduction to situational factors when translating financial texts, followed by the analysis of compound nouns.

3. Analysis

Finance today is an international business with a global market and the participants, i.e. the countries’ monetary authorities or large financial institutions, operate in this market in the hope of managing their country’s internal finances. The accelerated development over the last 20 years has produced a great number of new concepts and much terminology (Cabré 1999:4). The participants in the global market are highly interconnected, which means that they have to use and understand the same terminology. Comprehension of the financial system is necessary, although legislation and national banking systems differ between the countries. In terms of language, English is the lingua franca on an international finance level, but at a national level the local language usually continues to function with or without interference from English language elements (Crystal 2003:24). This phenomenon can be seen in the Riksbank, where almost all the Swedish documents on their website are translated into English. When it comes to terminology in Swedish there are many borrowed words from English (Hellspong & Ledin 1997:72–73), as well as other types of translations and native terminology.

The starting point for the analysis is the translation of terminology found in two-word compound nouns in 3.1.1. Terminology in the form of three- and four-word compound nouns will be discussed in 3.1.2. The supporting theoretical framework consists of Vinay & Darbelnet’s strategies of direct and oblique translation as well as Quirk, et al., Plag, Cabré and Ingo’s many viewpoints on terminology and compound nouns. The examples of terminology and compound nouns which will be discussed are marked in italics.
3.1. Compound nouns and terminology

The dense information in the ST was initially difficult to penetrate due to the cumbersome compound nouns and esoteric terminology. However, insight into the structure of compound nouns and the combined use of direct and oblique translation facilitated the translation process. Further research in the area of finance was also necessary, since it was not only a question of understanding the terminology but the context as well, in order to translate the text adequately. In this respect the Swedish Riksbank’s website offered both informative and educational bilingual parallel texts in Swedish and English.

3.1.1 Terminology in the form of two-word compound nouns

Two-word compound nouns consist of one head noun and one modifying noun or adjective. The stress patterns follow the principles of stress on the first constituent i.e. the modifier (stress patterns indicated in examples). In the following three examples direct translation is illustrated.

(1) Contagion risk could be amplified by uncertainty over where sovereign exposures ultimately lie or doubts over whether any voluntary debt restructuring would trigger a ‘credit event’ for CDS.

The compound noun in (1) consists of two nouns where contagion functions as the modifier to the head noun risk. It is possible to rephrase it as the risk of contagion, which in the TL would translate as risken för smitta. However, a general search on Google [www] confirmed that this phrase is mainly associated with diseases. A literal and a reversible translation of (1) is smittorisken, i.e. a TL compound noun. Although still used in medical contexts (Google [www]), the term is also used in finance, which was further confirmed by the Riksbank [www]. The next example (2) contains a fairly common term although the compound noun as such did not exist in the dictionary (Engelsk-Svenskt Affärslexion).

(2) Against this backdrop of adverse shocks, ’asset prices have generally edged higher since the December 2010 Report, despite some falls in May and June.

The compound can be paraphrased as in the price of the assets and the dictionary acknowledged asset as in tillgång and price as in pris. Consequently the translation of the term has two
possibilities: *priset på tillgångarna* or as shown in (2) *tillgångspriserna*. The usage of both TL alternatives were verified in bilingual parallel texts by the Riksbank [www]. The choice in (2) got the most hits. The translation method in this example is literal or word-by-word (Vinay & Darbelnet 1995:33–34) and the same is valid in the following example (3).

(3) Low interest rates, combined with an unusually steep 'yield curve', have allowed banks to generate interest income — or carry — from lending at long maturities and borrowing short.

Låga räntor i kombination med en ovanligt brant *avkastningskurva* har gett bankerna möjlighet att generera ränteinkomster – eller föra över – genom att låna ut mot långfristig förfallotid och låna kortfristigt.

In finance terminology *yield* means *förräntning* or *avkastning* and the above phrase in (3) corresponds literally to the existing terminology in the TL: *avkastningskurva* in the TT (Svenskt-Engelskt Affärslexikon). Although it is tempting to believe that two-word compound nouns are mostly translated using direct translation methods, the translator always has to verify the significance of terminology since words sometimes have multiple meaning (Ingo 2007:107, 189). Thus, a seemingly simple term with a corresponding word-for-word in the TL which should be a straightforward translation, can cause some trouble. The compound noun in (4) is an example of that situation.

(4) Improvements in near-term global growth prospects earlier in the year helped to underpin financial markets, though *downside risks* have increased more recently.

Förbättringar i de kortsiktiga globala tillväxtmöjligheterna tidigare under året hjälpte till att stöta finansmarknaderna, trots att *nedåtriskerna* har ökat på sista tiden.

The modifying *downside* corresponds to *nedåtgående* in Norstedts dictionary and the compound noun in (4) could therefore translate literally as *nedåtgående risker*. It seemed to fit the context but the Riksbank did not acknowledge the use of this phrase. Instead this is an example of a common word which has been made a term. The lexicalised term *downside risk* “...explains a worst case scenario for an investment, or how much the investor stands to lose (Investopedia [www])”. This progress led to searching the Riksbank bilingual website for the SL term which confirmed the corresponding TL term as *nedåtrisk* (Riksbanken [www]). Before 1998 there are no Google hits for *nedåtrisk* and in 1999 there are four; all from the Riksbank. It seems reasonable to assume that this is not a literal translation but a term that the Riksbank has created to represent the above definition of Investopedia’s in order to differentiate between the noun *nedåtrisk* as a specific term and the adjective *nedåtgående*. The creation corresponds to what Rune Ingo calls word formation by logical relation which is based on the similarity between words or ideas (2007:101). Therefore, although
there is a close resemblance between the common dictionary entry and the term, this is the method of equivalence as Vinay & Darbelnet describe it where the situation rather than the grammatical structure has been translated (1995:42).

The common factor in the previous four examples was that all the ST compound nouns containing two words became solid compound nouns in the TT. The ST terminology corresponded well to the TT in terms of literal translation all part from one which was lexicalised and therefore called for a different mode of translation, in this case equivalence. Ambiguity was not an issue and the “stress test” was easily applicable on all of the examples, with primary stress on the first constituent of the compound noun. The next section will discuss terminology in the form of longer compound nouns, i.e. more than two words.

### 3.1.2 Terminology in the form of longer compound nouns

A long compound noun contains more than two words which function as one grammatical unit, and these words are either separated, solid or hyphenated (Quirk, et al., 1985:1569). The next example (5) illustrates what initially looks like a hyphenated three-word compound noun consisting of the head banks and the modifying hyphenated compound noun euro-area (two words). However, Quirk, et al. pointed out earlier that compound nouns are usually stressed on the first constituent which in this case would mean either *’euro-area banks or *euro-’area banks. As example (5) is pronounced euro-area ’banks the indication is that this word group is not a compound noun but a noun phrase.

(5) This form of funding is presently not important for UK banks, but is a sizeable source of funding for a small number of euro-area ’banks.  

Denna typ av finansiering är för närvarande inte betydande för brittiska banker, men för ett litet antal banker i euroområdet, är det en ansenlig finansieringskälla.

Nevertheless, euro-area is a compound noun but, as the first constituent in a noun phrase, it is thematic and the second constituent, banks, is categorising, which confirms (5) as a noun phrase. A direct translation would produce a solid TL compound noun such as euroområdesbanker or eurozonbanker. Together they get 8 hits on Google [www]. Oblique translation strategies, in contrast, offer a different set of tools such as transposition or equivalence (Vinay & Darbelnet 1995:35, 38). When using transposition the TT word order in (5) is changed to a noun followed by a prepositional phrase banker i euroområdet, which produces a fluid and natural TL. The next example (6) shows a compound noun where a mix of translation methods is used.

The compound noun in question is financial instrument structures. The stress pattern here is not evident but Plag’s right-hand rule works, at least to some extent. The head is structures and the
base constituent and modifier is *financial instrument*. The term *financial instrument* is defined as a real or virtual document representing a legal agreement involving some sort of monetary value (Investopedia [www]). A literal translation of this term is *finansiellt instrument*, which was verified by the Riksbank. However, the full ST phrase got few hits on Google (about 2,000), which mostly referred to the Financial Stability Report of June 2011\(^2\) or to Islamic financial instrument structures. There were no hits on the Riksbank website. The small number of hits may indicate that this is not a standard phrase.

(6) *Financial ‘instrument structures* can also amplify and propagate stress across markets, as discussed in Box 1.

However, the author indicates what is meant by *structures* in the ST. The full sentence in (6) refers to certain financial instruments being designed or structured in a way that can cause risks or stress to the financial system (Financial Stability Report June 2011:14). The translation methodology is based on literal translation and transposition: the compound noun is transposed to a pre-modified noun phrase. This term, I believe, was a creation of the author, which made it difficult to find in parallel texts.

The interpretation of terminology in the next example was not obvious. Consider the ST sentence:

(7a) For example, new EU regulations for the insurance sector (‘Solvency II’) introduce a *common risk framework* for insurance firms, including greater use of modelling.

If it is indeed a three-word compound noun in (7a), then the head noun is *framework* and the modifying compound is *common risk*, which would constitute the base. The translation of such a compound noun could be a) *ett regelverk för gemensamma risker* following the structure of Plag (2002:173). The phrase *gemensamma risker* was not confirmed by Riksbanken, nor was the full phrase recognised on Google. The “stress test” did not function as an indicator either. Further research was necessary.

The reasoning behind Solvency II is to avoid financial problems in Europe arising due to each country trying to handle its own financial risks according to its best interest. Because the financial market is so interconnected, all the other European countries would be affected by one country’s decisions – good or bad. Therefore, Solvency II has been introduced in order to regulate and ensure

\(^2\) The primary source of this paper.
that the countries in Europe handle financial risks in the same way following these new directives. Consequently it is not common risks that are the biggest problem but the fact that Europe needs a common strategy for handling risks.

Instead this is a two-word compound as in risk framework, where the head is still framework but the modifying noun is risk. The word common is still part of the phrase but as an attributive adjective to the grammatical unit of one word as in the compound noun, and the new translation is b) ett gemensamt regelverk för risker. This reflects the previous concerns of Quirk, et al., who argued for the possible ambiguities of compound nouns (1985:1343) and how to differentiate noun phrases from compound nouns.

The above translation of the terminology omits one word, however. The established phrase risk management framework with the base risk management confirms that (Praxiom [www]. The solution, which I believe to be appropriate, is to add a word to translation alternative b) in what Ingo calls a semantic addition (2007:166). The reason for doing this is that risk (TL) is out of place on its own in the TT position. Based on the definition offered by the Swedish Financial Supervisory Authority (Finansinspektionen [www]) on Solvency II, I settled for riskhantering. See their definition:

Solvent regulations are built on three pillars: 1) quantitative requirements for the calculation of capital, 2) qualitative requirements for risk management and internal controls, (or in Swedish kvalitativa krav på riskhantering och intern kontroll), 3) requirements for public information to the market (my translation).

(7b) For example, new EU regulations for the insurance sector (‘Solvency II’) introduce a common risk ‘framework for insurance firms, including greater use of modelling3. Till följd av nya EU-regleringar avseende försäkringssektorn (Solvans II), till exempel, introduceras ett gemensamt regelverk för riskhantering i försäkringsbolagen. Regelverket omfattar också ett större användande av riskberäkningsmodeller.

As it transpired (7b) was not an example of a three-word compound noun but a two-word compound noun i.e. risk framework with common modifying the compound noun. However, had the more established term of risk management been used as the base unit in the SL, the full phrase of common risk management framework would have been easier to interpret in terms of the stress pattern and the modifier – head analysis. The base unit in (7b) was less common and made the compound noun difficult to analyse.

3 Modelling in this context means using various models for calculating risk.
The ST contains many compound expressions that are specific to the financial sphere. One of the difficulties is to distinguish between which require a word-for-word translation and which are lexicalised phrases and therefore in need of an equivalent expression in the TL. Here is an example of a compound noun where there are several closely related terms:

(8a) Banks remain vulnerable to *funding liquidity risks*…,

The stress pattern in (8a) is placed on liquidity, the second syllable, which is an indication that this is a compound noun. The head of the compound is always the word furthest to the right, *risks* in this case, and the modifying noun in a three-word compound is a compound noun in itself (Plag 2002:173). The base term is the last remaining compound as the right hand term is removed, here *funding liquidity*. *Funding liquidity* is defined as the ability to pay as required (as in now) whereas *funding liquidity risk* defines the possibility of a bank *not* being able to pay in the future (Drehmann & Nikolaou, BIS, 2010: 2–3). This provides a definition of the terminology in the SL although it appears that the phrase is half-way lexicalised, since a time aspect has been incorporated: now vs. the future. The third closely related term is *liquidity risk*. The definition of this term has no time aspect: *liquidity risk* is the risk of running out of money or access to money and the corresponding term in Swedish is *likviditetsrisk* (SPK [www]). However, this is the Swedish term that is used and another definition by the Riksbank [www] confirms the time aspect:

> Liquidity risk means that the bank does not have, or cannot gain access to, a sufficient amount of liquidity at all times in order to fulfil its obligations to its counterparties in time. (my translation)

(8b) Banks remain vulnerable to *funding liquidity risks*…

Bankerna är fortsatt utsatta för *likviditetsrisker*…

The three-word compound noun of the ST in (8b) has become a solid compound noun made up of two words in the TL. The process is a combination of direct translation and equivalence (Vinay & Darbelnet 1995: 33, 38): *likviditetsrisker* is a literal translation and as there is a lexicalised time aspect plus a change in expression, it also exemplifies equivalence. Another aspect of equivalence in this case is that the base units in the SL and the TL did not match each other which made the analysis more difficult.

Terminology of such close resemblance as in example (8) creates precarious situations. Drehmann & Nikolaou argue likewise that the concepts presented here cause confusion within the finance sector as they are similar to each other as well as to other closely related concepts (2010:2).
Also, variants in terminology do not facilitate translation work since they can lead to misunderstanding or obscurity (Swedish Translation Office, EU [www]).

An example of terminology existing in more than one form is the term a) money market mutual funds, which also exists in a shorter version b) money market funds (Investorwords [www], Securities and Exchange Commission [www]). The terms share the definition of an open-ended mutual fund which invests only in money markets. The following step was the searching of the Riksbank database for the ST terms. Both a) and b) were represented in the hit list, although b) was more common. Both were referred to as penningmarknadsfonder in corresponding bilingual Riksbank texts [www].

(9) Section 3 describes the role of US money market mutual funds in providing short-term dollar funding to European banks.

The compound noun in (9) is thus an example of equivalence where the ST term is expressed using a different term in the TL or, as there is a parallel term in the SL, a literal translation or word-for-word translation of (b) (Vinay & Darbelnet 1995:42). The translation resulted in a TL solid compound noun. The existence of two parallel terms was not problematic in this case as the definitions were clear, and the corresponding hits in the TL also gave clear indications. Consequently there was no reason to deconstruct the compound noun.

The meaning of compound nouns cannot always be discerned by the translator knowing the meaning of each word in the compound (Cambridge on-line [www]). On the other hand, in order to grasp a difficult concept (and a compound noun) it is sometimes important to understand the reason for the terms being there. Consider the compound noun in (10a):

(10a) The euro-dollar basis swap spread …

The ST compound noun is a construction of three parts. The first part, euro-dollar or euro to dollar, expresses two different currencies in an exchange or swap (Natixis [www]), and is consequently not a compound. From a translator’s point of view it would have been better if the author had used the established currency terms of EUR/USD to avoid confusion with the hyphenated compound, euro-dollar, or its solid form, eurodollar. A eurodollar is an American dollar held in deposits outside the United States (Investopedia [www]).

The second part is basis swap which is a compound within the compound and constitutes the base. A basis swap is a currency exchange between two currencies with floating rates (Natixis
The third part and the main constituent of the full compound is *spread*. The spread is the cost involved when swapping currencies i.e. the price adjustment (Riksbanken [www]). The translation of (10) is thus:

(10b) The *euro-dollar* ‘basis swap spread* has also narrowed, suggesting a reduced premium for UK and other European banks acquiring US dollars.

So far I have explained the concept and terminology of example (10b). The translation in (10b) follows the principles of direct translation and oblique translation (Vinay & Darbelnet 1995:31–38) containing a borrowed word, *spread*, with the added TL definite suffix -*en*; equivalence and borrowing in the lexicalised expression *basis swap* which is called *valutaswap* in the TL. The term *swap* is borrowed and, as in the previous example, well integrated and adjusted to TL grammar which can be seen in parallel texts:...*genom den så kallade TED-spreaden. Spreaden visar skillnaden mellan...* and *De vanligaste derivatinstrumenten är optioner, terminer och swappar...* (Riksbanken [www]).

The ST euro to dollar has not been translated as such because the currencies are the same between the languages. They have, however, been adapted to suit the context better. Another possible alternative would be *EUR/USD*, but the clarity of the chosen alternative functions better in an already complicated sentence. The grammatical structure of (10b) in the TL is a head noun followed by two post-modifying prepositional phrases.

As shown in this section, the translation process becomes more challenging as there are more words in the compound noun, especially when each is a term in its own right. The close resemblance to noun phrases posed problems in some cases when it transpired that supposed three-word compound nouns were in fact either noun phrases or pre-modified two-word compound nouns. The terms were more difficult to interpret due to the author’s use of less established terms and phrases. This also had an effect on the stress patterns, which did not function as well as predictors. The modes of translation were, as in the section on two-word compound nouns, borrowing, literal translation, transposition and/or equivalence. In one case a four-word compound noun was translated as a solid TL three-word compound noun, but all the others in this section were translated as noun phrases or longer explanations were used.
4. Conclusion

The aim of this paper was to analyse what methods and strategies can be used when translating specialised terminology in a financial text from English to Swedish. The source text was a finance report from 2011, “Risks from the international financial system” from the Bank of England. One distinguishing quality of the report was the many compound nouns that formed much of the terminology.

The theoretical background was based on the strategies of Vinay & Darbelnet – direct and oblique translation. For a deeper theoretical understanding of terminology and compound nouns, reference was made to Quirk, et al. as well as Plag, Cabré and Ingo among others.

The analysis shows that the translation methods, i.e. the “stress test” for compound nouns, Plag’s modifier – head model (2002:173), and parallel texts for verifying definitions of terminology all function well with two-word compound nouns. There were few problems with ambiguity and it appeared that the compound nouns from the ST were well established, and although they were not found in general dictionaries (Ingo 2007:226), they occurred on the internet and in parallel texts.

Regarding the longer compound nouns, however, the situation was immediately more difficult. The “stress test” did not function well as a predictor. The modifier – head structure worked better as a static form of analysis although if a full phrase internet search did not confirm the entire phrase, the next step would be a search using the supposed base unit. If that gave no response, the phrase had to be reconsidered as a smaller compound noun or a noun phrase. In some cases this method was a little "hit-and-miss" but owing to informative parallel texts on the subject, this type of search became less useful. It seemed as though the longer compound nouns were a result of the author’s creativity. In several cases there were more established terms verified in parallel texts and internet financial dictionaries, very similar to those found in the ST, but either with a word extra or a word less in comparison with the ST compound nouns. In addition to this situation there were a multitude of closely related terms and concepts belonging to the complex structure of international financing, which further contributed to the ambiguity already pointed out by Quirk et al. and others regarding compound nouns vs. noun phrases and lexicalisation (1985:1343).

Lexicalisations were found in all types of two-, three- and four-word combinations, and there was no clear pattern regarding which types had become lexicalised. The compound nouns became more difficult to interpret as they got longer. Sometimes they deviated from the more established terms, which also meant that they were more difficult to distinguish from noun phrases. If the base unit of the compound noun was not recognised as an established term the subsequent interpretation was not straightforward.
From a grammatical point of view, the theory provided by Vinay & Darbelnet explained the translation processes well. Regarding the two-word compounds the literal translation was more common and appeared as solid compound nouns in the TL. For the longer compound nouns the method of translation was often a mix of literal translation, borrowing, transposition and/or equivalence. The examples were translated using literal translation and/or transposition and took the form of a head noun followed by a prepositional phrase in the TL. The lexicalised compound nouns in the SL, were often translated with a mix of oblique and direct methods and the corresponding structure in the TT was often a noun phrase followed by one or two prepositional phrases.

I have argued in this paper that the ambiguity which is found in the close resemblance between compound nouns and noun phrases, and lexicalisation of financial terms in combination with closely related terms and concepts of finance makes thorough knowledge of the finance field indispensable. It is clearly not sufficient to have a passing knowledge of the subject and hope that dictionaries will provide all the answers.

In the future it would be interesting to make a comparative study of different subject areas that tend to use many compounds and noun phrases, to confirm whether the above methods have a more general application than the field of finance.
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