

Inflation describes the increase in an economy's overall price level.

Investment Grade (IG) describes bonds judged by rating agencies to be of at least medium quality (usually BBB or above).

Leverage attempts to boost gains when investing through the use of borrowing to purchase assets.

Liquidity refers to the ability to sell securities quickly without having to significantly reduce the price.

Listed companies are traded on a public exchange; non-listed companies are traded privately.

Ludwig von Mises was a follower of the Austrian School of Economics, which attributed the booms and crashes on money creation and money destruction. From 1945 to 1969 he taught as a professor at New York University.

The Maastricht rules set down five criteria which aspiring Eurozone members must comply with.

Maturities indicate the length of time to, or date on which, a security will cease to exist and any principal will be repaid.

Mergers and acquisitions (M&A) are the two key methods of corporate consolidation. A merger is a combination of two companies to form a new company, while an acquisition is the purchase of one company by another in which no new company is formed.

Monetary policy focuses on controlling the supply of money with the ulterior motive of price stability, reducing unemployment, boosting growth, etc. (depending on the central bank's mandate).

MSCI is a company providing indices and other analytical tools for investors.

The MSCI AC World Financials Index includes large and mid-cap firms in the financial sector (principally banks) across 46 developed- and emerging-market countries.

The MSCI AC World Index includes stocks from 23 developed and 23 emerging-market economies.

Net asset value (NAV) is the value of an organization's assets minus the value of its liabilities.

The People's Bank of China (PBoC) is the central bank of China.

A peg, in the context of currencies, is the artificial fixing of an exchange rate between two currencies.

The PowerShares Dynamic Leisure and Entertainment Portfolio is an ETF focused on the U.S. leisure, travel and entertainment sector.

The price-to-earnings (P/E) ratio or multiple compares a company's current share price to its earnings per share.

A primary budget surplus is a surplus of government revenues over expenditure before interest payments on debt.

Private equity is a direct or indirect investment by a financial investor in a substantial part of a company's equity. Usually the company invested in is not listed.

Public-to-private refers to the process of buying out a company to remove it from a public stock-market listing and returning it to private ownership.

Quantitative easing (QE) refers to broad-based asset-purchase programs conducted by central banks; these assets can be government bonds, but also other assets like asset-backed securities.

REITs (Real Estate Investment Trusts) are companies, mostly listed, that own and often operate various types of real estate. They are obliged to pay out a minimum of 90% of earnings.

The risk premium of an investment is determined by the expected return of this investment minus a risk-free rate.

The S&P 500 Consumer Discretionary Index tracks the performance of companies included in the S&P 500 Index that are classified as members of the GICS consumer discretionary sector.

The S&P 500 Index tracks the performance of 500 leading U.S. stocks and is widely considered representative of the U.S. equity market.

A secondary buyout is when a private-equity company buys a stake in a company directly from another private-equity company.

A smart grid is an electricity grid that uses information about production and consumption to more efficiently manage distribution.