

Nova Investment Club⁺

JOB package

Fall 15

Applying to the Investment
Banking Industry

NOVA
School
of Business
& Economics

Shaping
powerful
minds

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1 THE APPLICATION PROCESS

Although application processes are not equal throughout financial institutions, the procedures are more or less standardized across the industry. When applying to an Investment Bank, you can expect the following:

1.1 RESEARCH

Before you apply, make sure you prepare yourself properly. If you read through this brochure, you will understand which challenges can be found in each phase of an application process. If you do your **homework**, your chances of being successful increase significantly. From personal experience, everyone who is either from NIC or who has attended the Mastering Your Own Career course can tell you that the people from the industry **consider this early phase** of an application to be crucial, both to pass through to following phases and to be successful in those same phases.

Visiting companies' websites, attending to NIC and NovaSBE Corporate Relations' Office seminars and company presentations, interacting with people who work or have done an internship, can be very useful for you to understand which companies you relate the most with. Believe it or not, this aspect is fundamental, as it comes across to your interviewer whether your enthusiasm for that company is true or you just want to get into Investment Banking, regardless of the institution itself.

Understanding **which division to apply** to is also very important. Companies typically have a description in their websites for every position but talking to older students might be more enlightening. Everyone from NIC who has done so or the Career Services will be more than happy to help you with your doubts and to put you into contact with some alumni who are willing to help NOVA's students succeeding!

1.2 ONLINE APPLICATION

The first step in your application is most probably going to happen online. At this point, you will either deliver your CV and Cover Letter, or fill in online applications (covered in **Section 4**). It is also very frequent that you are asked to complete numerical, logical or verbal aptitude tests online depending on the divisions you are applying to.

1.3 PHONE INTERVIEWS

If your application is selected, you will typically be faced with a phone interview with someone from the division that you applied to (or someone from Human Resources). Many times there will be more than one phone interview. Please refer to **Section 5** of this booklet to have a clearer idea of what types of questions (personal, competency and technical) are more frequent at this stage and the next ones.

1.4 ASSESSMENT CENTRE

If you are successful, the next step is generally an Assessment Centre (although some companies do not use these), most likely in Madrid or London. Here, you will meet several employees from the company, as well as other applicants. It is common to see company presentations, do aptitude tests (quantitative and verbal, very often a repetition of those you performed online), group exercises, and individual presentations to the interviewers.

1.5 INDIVIDUAL INTERVIEWS

It is highly unlikely that you will be hired for a full-time position or summer internship without being individually interviewed. This is typically the last stage of a recruitment process, and perhaps the one where you will need the strongest preparation. In many companies you will be interviewed more than once as well. We remind you that **Section 5** provides you some useful information for you to be prepared.

2 COMPANIES & APPLICATION DEADLINES

2.1 WHERE TO APPLY?

Most students apply only to 3 or 4 Investment Banks, either because they are the most well-known, were recently on the news or someone familiar works there. Being realistic, the **Investment Banking industry is highly competitive** and the chances of getting a good position with just a few applications are rather small. In the following sub section, we provide you with a list of IB and Financial Services companies that we believe to be very much worth considering.

Although this guide was built on an international framework, there are fantastic opportunities in Portugal as well. All the largest commercial banks have Investment Banking divisions, Trading Floors and recruit for many other finance-related positions, in departments such as Risk Management, Corporate Finance or Asset Allocation. Besides the largest ones, Novo Banco, BCP, CGD, Montepio, Banif and BPI, do not forget to consider Banco de Portugal, BiG, Haitong and other small Portuguese Asset Managers, Family Offices and Private Equity companies. These, despite being less well known, most of the times allow you to gain increased exposure to senior associates, giving you more responsibilities, while offering competitive conditions.

To find out information on how to apply to each of these companies, just google company name + careers, i.e. google for “jpmorgan careers” and you will probably find the correct webpage immediately in the first couple of links. Most companies have career websites, containing a lot of valuable information about the different programs and divisions, so do read trough in order to make a more informed decision.

If you aim for something less mainstream, there are a myriad of hedge funds and boutique investment banking firms, which you can apply to. This is also a great starting point of your career, as senior managers at these places usually have a vast experience in bulge bracket banks, and you will typically be able to benefit from a closer relationship with the people you will be working with. However, the recruitment process is somewhat different from what was described above and **will be addressed in Subsection 5.2**.

2.2 WHEN TO APPLY?

Below, you can check the deadlines for a number of banks, both for full-time positions as well as Summer Internship programs.

In general terms, **January is definitely too late**. Either if you are applying for summer internships or full time positions, particularly in London, you can expect the **typical deadlines to be around October, November and December**. This means that you are highly encouraged to start your homework by early September, and conclude your application processes (depending on the deadlines)

at maximum by late November if you want to have a serious shot at a position – remember that each year thousands of candidates apply to the same positions you are applying to.

Every year the website eFinancialCareers (<http://www.efinancialcareers.co.uk/>) lists the application deadlines for a number of banks listed below. Please also note that the **Symlicity** platform, managed by the Career Services, lists all company presentations on campus and Job Offers. Although most of these will also be e-mailed to you, make sure you consult it on a regular basis, and remember that even if you are not specifically interested or attracted to some of these companies, networking is always valuable.

Firm	Graduate Deadline	Internship Deadline	How to Apply	Area
3i PLC	04-Nov-2015	N/A	Online form	Investment
Allianz	Rolling recruitment	27-Nov-2015	Online form	Insurance
Amlin	Unspecified	N/A	Application form & CV	Insurance
Aon	Unspecified	Unspecified	Online form	Insurance
Ardian Investment UK Ltd	Rolling recruitment	Rolling recruitment	CV & cover letter	Various
AXA	07-Dec-2015	07-Dec-2015	Online form	Various
Bank of America Merrill Lynch	29-Oct-2015	26-Nov-2015	Online form	Various
Bank of England	31-Jan-2015	20- Dec-2015	Online form	Various
Banque Pictet & Cie SA Geneva	Rolling recruitment	N/A	Online form	Various
Barclays	17-Nov-2015	05-Jan-2016	Online form	Various
BDO	Rolling recruitment	Rolling recruitment	Online form	Various
BlackRock	06-Dec-2015	15-Nov-2015	Online form	Investment
Blackstone Group	25-Oct-2015	TBC	Online form	Various
Bloomberg	Rolling recruitment	Rolling recruitment	Online form	Various
BMO Capital Markets	Rolling recruitment	Unspecified	Resume, cover letter & transcripts	Various
BNP Paribas	30-Nov-2015	Rolling recruitment	Online form	Various
Canaccord Genuity	Rolling recruitment	Rolling recruitment	Email ukandeurope_careers@canaccord.com	Investment
Catlin	Rolling recruitment	Rolling recruitment	Online form	Various
Centreview Partners	Rolling recruitment	Rolling recruitment	Online form	Various
Citi	Rolling recruitment	Rolling recruitment	See website	Various
Commerzbank	Rolling recruitment	Rolling recruitment	Online form with CV & cover letter	Various
Credit Suisse	22-Nov-2015	13-Dec-2015	Online form	Various
Deloitte	Rolling recruitment	Rolling recruitment	Online form	Various
Deutsche Bank AG	27-Nov-2015	Unspecified	Online form	Various
Duff & Phelps	Rolling recruitment	Rolling recruitment	Online form	Various
European Investment Fund	Various	N/A	Online form	Investment
Evercore	30-Oct-2015	27-Nov-2015	Online form	Investment
Fidelity Worldwide Investment	25-Oct-2015	06-Dec-2015	Online form	Investment
Financial Conduct Authority (FCA)	TBC (open in October)	TBC (open in October)	Online form	Various
Generali Group	Rolling recruitment	Unspecified	Online form	Various
GIC Private Limited (GIC)	23-Oct-2015	Unspecified	Online form	Various
Glencore	30-Oct-2015	Unspecified	Online form	Investment
Goldman Sachs	01-Nov-2015	06-Dec-2015	Online form	Various

GRCH Smith Howard	N/A	N/A		Investment
Hiscox Insurance	TBC (open in October)	TBC (open in October)	See website	Insurance
HSBC	22-Nov-2015	10-Jan-2016	Online form	Various
ICAP	29-Nov-2015	31-Jan-2016	Online form	Various
ING	Various	N/A	See website	Various
ION Trading	Rolling recruitment	Rolling recruitment	Send CV to recruitment@iontrading.com	Various
J P Morgan	Various	30-Nov-2015	Online form	Investment
Jefferies International	Various	Various	Online form	Investment
KPMG	Rolling recruitment	Rolling recruitment	Online form	Various
Lazard	Various	15-Nov-2015	Online form	Investment
Lloyds	Unspecified	Unspecified	Online form	Insurance
Lloyds Banking Group	Unspecified	Unspecified	Online form	Various
London Stock Exchange Group (LSEG)	20-Dec-2015	Rolling recruitment	Online application	Various
M & G Investments	Various	Various	Online form	Investment
Macquarie Group	02-Nov-2015	Late November	Online form	Various
Mandara Capital	Rolling Recruitment	N/A	Online application	Various
McGraw-Hill Financial	31-Dec-2015	13-Nov-2015	Online application	Various
Moelis & Company	Rolling recruitment	Rolling recruitment	Online form	Investment
Morgan Stanley	01-Nov-2015	29-Nov-2015	Online form, CV, & cover letter	Various
Nationwide	Various	Rolling recruitment	Online form	Various
Nomura	10-Jan-2016	10-Jan-2016	Online form	Investment
Norges Bank Investment Management	04-Oct-2015	N/A	Online form	Investment
Oliver Wyman	Unspecified	Unspecified	Online form	Various
PIMCO	30-Nov-2015	N/A	Online application	Various
PwC	Rolling recruitment	04-Dec-2015	Online form	Various
RBC Capital Markets	08-Nov-2015	03-Jan-2015	Online form	Investment
RBS	27-Nov-2015	27-Nov-2015	Online form	Various
Rothschild	08-Nov-2015	15-Nov-2015	Online form	Investment
Santander	Rolling recruitment	Rolling recruitment	Online form	Various
Schroders	08-Nov-2015	20-Dec-2015	Online form	Various
Smith & Williamson	Rolling recruitment	Rolling recruitment	Online form	Various
Société Générale	Rolling recruitment	Rolling recruitment	Online form	Various
Standard Bank	Various	Unspecified	Online form	Various
Standard Chartered	Rolling recruitment	Unspecified	Online form	Various
Standard Life	Not yet open	Not yet open	Online form	Various
State Street	Unspecified	Unspecified	Online form	Investment
SunGuard Systems Ltd	Various	Various	Online form	Various
Swiss Re Ltd	Various	Various	Online form	Insurance
TD Securities	Unspecified	Unspecified	Online form	Various
Towers Watson	Rolling recruitment	Rolling recruitment	Online form	Various
UBS	08-Nov-2015	31-Dec-2015	Online form	Various
UniCredit Group	24-Jan-2016	Unspecified	Online form	Various
Wells Fargo	Various	Various	Online form	Various
Willis	Unspecified	Unspecified	Online form	Various
Zurich	TBC (open Sept/Oct)	TBC (open Sept/Oct)	Online form	Insurance

Note that in the previews table there are no Portuguese institutions. That is mainly because Portuguese banks' recruitment process tend to occur later on in the year and to be much less standardized as well, not only regarding deadlines amongst them, but also deadlines year on year. Nevertheless the majority of Portuguese banks mentioned in the beginning of the Subsection, do recruit on a yearly basis, so it is good to pay close attention to those, especially from January onwards.

A good site to keep up to date with all the international deadlines is <http://www.graddiary.com/>, or if you wish to receive information about various opportunities in the financial industry or be aware of ongoing recruitment processes make sure to subscribe to www.targetjobs.co.uk newsletters.

3 CURRICULUM VITAE & MOTIVATION LETTER

While in some applications you will be asked to fill in an online form, in most of them you will have to upload a CV and a Cover Letter. Thus, it is imperative that both are flawless.

If you are not experienced in preparing CVs or writing Cover Letters, make sure that you put plenty of effort and time onto these, since you might need some attempts before you get the hold of it. Remember that **these two documents are everything that your potential employer is going to know about you**, before passing or failing the first step of your application. Keep in mind that it is highly recommended that you target each Cover Letter for every company that you apply to. Changing the company name and division is definitely not enough and HR's can easily spot that. Therefore mention the company on every cover letter, why and how does it fit into your motifs.

The **Career Services** has a **free booklet** that provides you with all the hints you will need to write successful CVs and Cover Letters. Make sure you go through the document, either if you are creating your first CV or if you feel that your current one needs improvement. Keep in mind that leading Investment Banks are global recruiters, i.e. you will be running for the same place as thousands of other recent graduates, which are typically older and more experienced than the average Master student at NovaSBE. Thus, you should definitely highlight all your extracurricular activities, volunteer work, contributions to clubs and associations, etc. – differentiation is key!

The **Career Services** is also available to help you in person. Simply schedule an appointment with someone from the office namely Joana Pita Negrão (joana.negrao@novasbe.pt) and they will provide you with meaningful input on your application instruments. Just make sure you do these appointments in due time and not under pressure of an impending deadline together with many other colleagues of yours.

Without needing to stress the importance of these two documents in your application any further, make sure you take advantage of the help both NIC and the Career Services can provide you.

4 ONLINE APPLICATIONS

As previously mentioned, the first step of any application occurs online. The application style varies from company to company and from division to division. Perhaps the most common procedure is to upload a CV, Cover Letter and possibly a Transcript of Records as well as responding some academic, professional and personal questions.

In some cases, you will be asked to fill in an online form, which can also include a number of other questions besides your personal information, either regarding the firm or the business itself. Some applications are very large and can take **hours** to complete, so make sure to put some time aside for filling them in, just as you would do to study for a course. Several NIC alumni sense that being serious about the online applications actually helps you to focus and be methodic, allowing you to be more productive.

Below, you can find a small list of questions that have been asked to students that have completed the applications in previous years (a more comprehensive list is provided for each company in **Section 5**). Please note that all these questions that you may be asked in an interview, despite some variance between banks, are most likely to target the same aspects like your **personal fit to the company and to the business area you are applying to**. Bear in mind that in the case of boutiques, given their focused and smaller-dimension nature, this fit may be much more of a determinant in the success of your application than to a large, global institution.

Barclays

1. **[Why Barclays for you]** From the research you have done on our industry, how does our firm fit in with your career aspirations? (90 words max)
2. **[Why Barclays as a company]** From the research you have done on our industry, how does Barclays differentiate itself from our competitors? (90 words max)
3. **[Why this business area]** Describe a recent development in the industry. What implications might this development have for our firm or the division to which you have applied? (90 words max)
4. **[Why you]** What makes you suited for the role to which you applied? (90 words max)

BlackRock

1. **[Why BlackRock and business area]** Why are you interested in a career at Black Rock and chosen business area? (Please limit your answer to 300 words).
2. **[Why you]** Please outline any positions of responsibility you have held, within or outside of your formal academic study. Describe the nature of your responsibilities and any achievements of which you are personally proud. (This may include clubs, societies, hobbies, voluntary or paid work, travel or career roles). Please limit your answer to 450 words.

Deutsche Bank

1. **[Soft skills]** Given current market conditions what do you think Deutsche Bank should do to remain competitive? (Max 100 words)
2. **[Soft skills]** What extracurricular activities have you been involved in that you think we would be interested in hearing about? (Max 100 words)
3. **[Why this business area]** Briefly explain the main role of your division of choice, how it contributes to the Bank and why you are interested in working in this division. (Max 150 words)
4. **[Why this business area]** What is the impact of the division you are applying to on the Investment Banking Industry?
5. **[Why this business area]** Briefly explain the main role of division of choice, how it contributes to the Bank and why you are interested in working in this division. (Max 150 words)
6. **[Why you]** What makes you a strong candidate for this division, considering the key attributes that would make someone successful in this business? (Max 100 words)
7. **[Why you]** Please include any additional information to support your application, for example leadership experience, academic awards, professional qualifications, personal circumstances.

8. **[Business Area]** In your opinion, what are the main challenges for the Financial Services industry and what are the opportunities for Deutsche Bank in the current economic climate?

HSBC

1. **[Why HSBC]** Why are you applying to HSBC?
2. **[Why this business area]** Outline your knowledge of the business area you have applied to.
3. **[Why you]** Why do you feel you are suitable for the program you have applied to?
4. **[Industry]** In your opinion, what are the top three risks HSBC is facing globally and why?
5. **[Soft skills]** Please describe a situation when you have challenged someone about a decision or an action you felt was wrong.
6. **[Soft skills]** Tell us about a time when you have worked with others and achieved successful results. What was your role in the team and what impact did you have on what the team achieved?

JPMorgan

1. **[Why JPMorgan & Industry]** Why Financial Services as an industry and JPMorgan as a company? (200 words)
2. **[Why this business area]** Why Sales, Trading and Research as a business area within JPMorgan? (150 words)
3. **[Soft skills]** Please explain the key skills you have developed that make you potentially suited to a career with JPMorgan and the area to which you have applied. Please be specific and provide concrete examples from a broad range of experiences to demonstrate each skill. (250 words)

Morgan Stanley

(750 character max. per question)

1. **[Soft skills]** What skills would you like to develop in order to be successful in this role?
2. **[Soft skills]** Describe a non-academic personal achievement that has significantly impacted you. How has this shaped you into the person you are today?
3. **[Why Morgan Stanley & business area]** Why are you interested in a career in the Investment Management division at Morgan Stanley?
4. **[Soft skills & business area]** Which personal skills have you developed that you would regard as beneficial for a role within the Investment Banking Division of Morgan Stanley?
5. **[Business area]** What attracts you to pursuing an Internship within Investment Banking?
6. **[Soft skills]** Describe a situation where you achieved a challenging goal. How did you achieve this? What have you learned from this?
7. **[Soft skills]** Give an example of when you worked as part of a team, to overcome a difficult situation. What was your contribution to the team and what was the final outcome?
8. **[Soft skills]** Have you ever done summer and/or charity work? If yes, explain what you learned from it and what the main challenges were.

If you want to know more about a company or the different divisions when applying online, there are a couple of websites that can come in handy, besides the companies' websites of course, such as www.vault.com and www.wallstreetoasis.com.

Has mentioned before it is also very common that you are asked to complete online quantitative reasoning, logical and verbal tests. Be aware that these may be very complicated if you do not have proper training, so it is worth spending some time practicing it before taking your tests.

Most of these tests are made by IBM's Kenexa (<http://www.psl.com/practice/>), used by JP Morgan, Morgan Stanley, HSBC, UBS, Lazard, Nomura, Citi and BNP Paribas among others, or by CEB's SHL (<https://www.cebglobal.com/shldirect/en/practice-tests/>), used by Credit Suisse, Bank of America, Deutsche, etc. Other types of test are also very popular in the recruitment processes of strategic consultancy firms. These tests, although very different from Kenexa or SHL, can give you some guidelines for your posture in the interviews, how to approach certain questions and think through different problems. Below, we give you some links for you to have a look on some of these, which you can use to practice as well, despite most of the questions for IB still being less subjective and far more direct and close ended.

Bain & Co.

<http://www.joinbain.com/apply-to-bain/interview-preparation/default.asp>

Boston Consulting Group

http://careers.bcg.com/join/practice_cases.aspx

McKinsey & Co.

http://www.mckinsey.com/careers/join_us/interview_prep

Oliver Wyman

<http://www.oliverwyman.com/careers/join-us/interview-preparation/practical-tips.html>

5 INTERVIEWS

The interview is definitely the most important part of an application, not just because it is the last one, but also because there is where the company gets to know the most about you. It is the step where, understandably, students tend to be more nervous. In this section we list a few example of interviews that students went through in previous years, so that you can have an idea of the type of questions that you may be asked (don't forget those listed in the previous section as well). As you can imagine, these tend to vary according to the division you are being interviewed for. If you would like to know more about the style of interviews for other areas not covered in this section, or to read through other candidates more recent interview experiences, you can visit Glassdoor (<http://www.glassdoor.com/>). There you can find endless amount of information apart from interviews, especially for the bigger intuitions, such as positions, company reviews or salaries.

Here you will find some interview processes for: Banco BIG, Barclays, BlackRock, BPI, Citi, Goldman Sachs, Haitong, HSBC, JP Morgan, Merrill Lynch/BofA, Morgan Stanley, Nomura, Société Générale, UBS, Affiliated Managers Group, The Blackstone Group, Evercore Partners, Guggenheim Investment Advisors, Lazard Frères & Co and Perella Weinberg Partners.

5.1 INVESTMENT BANKING INTERVIEW EXAMPLES

The information regarding interviews was provided by former students who participated in recruitment processes between 2008 and 2015, therefore some questions or remarks about current topics at the time might be outdated. The structure we present in this book was based on their experience and does not mean it will be repeated. Interview structures and recruitment processes may change every year, so please use the following information only as a guideline.

Banco BiG

Trading/Structure Analyst Program – Assessment Center

You are asked both personal and technical questions. Be prepared to discuss current topics and to answer to some brainteasers.

Personal/Competency based

- Questions about CV.
- Questions about favorite courses.
- Do you invest your own money? How would you invest it right now with a 1 year timeframe?

Technical

- How would you price an option? Which models do you know?
- What variables are important when pricing an option? What methods do you know to estimate them?
- Questions and discussions on Risk & Diversification, option pricing and VaR (Value at Risk).

Barclays

Barclays recruitment process is one of the firsts to end, most Assessment Centers for full time take place in September so if you want to apply you should do it on August/September.

Equity Research Summer Internship – 1st Phase Phone Interview

The interview is mostly competency based. You should expect the following questions:

- Questions about my CV
- Why Barclays? Have you applied only to Barclays?
- Can you tell me recent news that you've read on Barclays?
- Where do you see the (investment banking) industry in the next few years? And where do you see Barclays in that frame?
- What do you think that will change in the division you applied for, after crisis?
- Can you tell me a situation where you had to manage risk? How did you handle it?
- If you were about to start an equity research project on a firm, what would be the first thing you would do?

Trading Analyst Program – 1st Phase Phone Interview

The interview is competency based, will last approximately 25 minutes, and it's conducted by an HR representative.

- Tell me about yourself.
- Why have you applied for an Investment Bank?
- Why have you applied for Barclays? Where do you see the (investment banking) industry in the next few years? And where do you see Barclays in that frame?
- Tell me about a recent development at Barclays.
- Why have you applied for a Trader position?
- Why do you think you can succeed as a trader? What skills does a trader need?
- Which desk would you like to be placed in? Why?
- Tell me a situation what you have taken a risk and how you handled that risk.
- Tell me a situation where you had to make someone change their mind.
- Tell me a situation where you implemented a new idea from scratch.
- Tell me a situation where you have put your own needs aside to help a colleague.

- Tell me a situation where you have had an impact when working in a team in your internships.
- Tell me a situation where you have disagreed with a colleague and how did you sort it out.
- Tell me a situation where you have arrived in the middle of a conflict and what was your stance.
- What do you like to do in your spare time?

Trading/Structure Analyst Program – Assessment Center

The Assessment Center of Barclays in London is rather different than most Assessments from other banks. Firstly your group can have up to 30 other candidates and the process will consist on several interviews. Each desk currently recruiting is represented (e.g.: equity, commodities, FX...) and peaks, from the 30 candidates present, which ones they want to interview. The interviews are mostly technical, so be well prepared.

FX Structuring Desk Example

- Tell me about your CV.
- What did you learn on your Derivatives course?
- What are the inputs of the Black-Scholes?
- Explain the economic intuition behind the Black-Scholes.
- If I sell a call XYZ to a client and in the end the EURUSD is X or Y does the bank wins or loses?
Tip: delta-hedge
- How can I avoid losing in some situations?
- How can I hedge this call X, which positions do I have to make?
- Why is it an option with more volatility more expensive?
- What is your market felling right now?

Brain Teaser: You have an infinite number of lamps and they are all switched off. You start on the 1st and you switch them on one by one (i.e. all of them). Then you start on the 2nd and you change the switch every 2 lamps (i.e. you change the switch of the 2nd, 4th, 6th...). Then you start on the 3rd and you change the switch every three lamps (i.e. you change the switch of the 3rd, 6th, 9th...). You keep doing this... In the end, which ones are on?

Barclays Fund Solutions Example

- Imagine a structured product so complex that you can't even price it (you have to ask it to a quant). Explain me what are Greeks and how you would calculate in this case without a closed solution.
- If research tells me to put more weight into US equities what should I do?
- Discussion regarding margins, beta, alpha seeking, etc.

Brain Teaser 1: You have a tunnel and you have 4 people that want to go through that tunnel. They take 10, 6, 2 and 1 minute respectively to cross. There is only one lamp, which they need to cross the tunnel and they always have to be two. How can they cross the tunnel in 17 minutes?

Brain Teaser 2: A rabbit is climbing n steps. He can climb one or two steps at a time. How many different possible ways of climbing does he have?

Brain Teaser 3: You have $z=x^n$. Calculate $z'(n)$.

Brain Teaser 4: How much is $5/32$ exactly?

IBD

- What was your biggest achievement this year?

- What do you know about IBD and Barclays?
- How important is ethic in your life?
- Provide some insight about a time in your life in which you had to lead a team.

BlackRock

Portfolio Management Group Analyst Program – 1st Phase Phone Interview

The phone interview covers the typical questions on situations and motivation, why you are applying, etc. You are also asked why you are applying to the buy side instead of the sell side.

Portfolio Management Group Analyst Program – Assessment Center

The assessment is divided into two individual interviews, an individual case and a group case. The group will likely consist on about 4 people.

Individual Interviews

The individual interviews will mostly focus on your CV and your personal experiences and competencies. Be prepared to talk about trading and markets. They will take around 40/45 minutes each. Example of questions:

- Do you enjoy taking risk?
- How have you managed something that went wrong?
- Why BlackRock?
- Why Fixed Income?
- Which areas inside fixed income are you most interested in? And which role?
- Buy side vs. sell side?
- How do you deal with different opinions?
- How do you deal with someone that is not working along the group?
- Tell me about the situation in Portugal.
- Would you sell Portugal or Italy's yields?

Individual Case

You are given four companies from the Energy and Oil&Gas sector and you have to choose one for the fund. Important details are the investment horizon, firm fundamentals and the economic environment that support your trade. For each company you are given several Bloomberg screens with information on ratios, sectors the company is into (e.g. gold, oil, aluminum, etc.), a description of the fundamentals that drive each commodity, and the economic sentiment of the economy/investors. You have 45 minutes to choose one and prepare a 5 minute presentation. In the end, be prepared to support your choice and to talk about the current macroeconomic situation.

Group Exercise

The group is given a book with several funds that are sold by BlackRock and a description of three individuals (with different incomes, ages, family status, and other specificities). Then the group has 45 minutes to discuss the optimal portfolio allocation for each individual between instruments with different risk profiles and to prepare a 5-minute presentation.

BPI

Analyst Program – Assessment Center

BPI's analyst program is very popular among Portuguese graduates, although they do accept foreign student's applications as well. First you have to send the CV and a cover letter. If you are accepted you have a first round of interviews, mainly personal and technical. If you make it through the first round you will spend a day together with other candidates visiting BPI's Asset Management, which is essentially the last round.

The first round is divided into two parts, interview and analytical:

Interview

Two interviewers will assess your personality and problem solving skills, with questions such as:

- Who are you?
- Why BPI?
- Where do you see yourself in 10 years?
- Biggest strengths?
- Any major goal in life?
- Some questions regarding a specific experience on your CV.
- There might be a period where there won't be any questions, just an open conversation regarding some topic you previously mentioned, a current economic issue, etc. After, they will pose you a dozen of brain teasers and ask you to think out loud (You are not allowed to use a calculator)
- There are 50 golf balls in a bag, 25 yellow and the remainder white, how many you have to take out without looking to assure you have different colors.
- Present value of 5000€ in two years discounted at 1.5% a year.
- 47×12
- A stock goes down 3% on the first day and 7% on the second, how much can it still go down on the 3rd?
- You have a perfectly balanced two-pan weighting scale and 12 equal weighted snooker balls except for one, how do you find it with the minimum amount of weights possible. With the same amount of weights, how many equal weighted balls can you have in order for it to be possible for you to find the different one.

Analytical and Market Knowledge

This section is divided in two parts (You are still not allowed to use a calculator). The first one being a small GMAT alike test, with 20 minutes for 12 questions. The second being is an unlimited time questionnaire, with both quick and composition brain teasers, and a couple of macro analysis questions.

- How many pharmacies are there in Portugal? Explain how you got to your answer.
- What's your view on the Greek crisis? How did it start?
- Come up with a business idea. How would you grow that business to be financially sustainable?
- Distance from Lisbon to Ponta Delgada?
- Height of 25 de Abril bridge.
- EURUSD exchange rate.
- BPI's share value?
- Gold spot price?

Second Round

After making it through the first round you are invited to come and spend a full day at BPI's Asset Management headquarters. Throughout the day you will visit a dozen of different divisions and

listen to an half an hour pitch about each one. It's an open presentation so questions and doubts that you might have are welcomed. Take notes, since at the end of the day, you have to fill in some questions about each section as well as ranking them according to your preferences.

Citi

Private Banking Analyst Program – 1st Phase Phone Interview

Personal/Competency based questions

- Why Citibank?
- Why Private Banking?
- Why do you think you could fit Citi Private Banking?
- Tell me about a project you were involved in that went wrong and why?
- Tell about one major weakness you have in working terms? Please avoid common clichés as they will not be accepted.
- What is in your opinion the item on your CV that you are most proud of?
- Why do you like golfing? And what about football?
- Why Erasmus?
- Why Nova?

Current topics

- Please resume briefly your perception of the current situation of EU sovereign debt crisis.
- What do you think will be the main impacts from that on the future?
- How do you think the 2008 crisis was responsible for leading to this situation?
- Tell me about major changes that happened in the financial industry recently.
- How is the situation in Portugal?
- Provide 3 concrete measures you think could help solving it out (A - as a Portuguese government officer; B - as a member of the ECB).

Technical questions

- How would you measure the effects of allocation, selection and currency attribution in a portfolio?
- What are the major types of risk a portfolio manager should hedge against? How?
- Pitch me an asset class in which you would be bullish right now? And bearish?

Investment Banking Analyst Program – Assessment center

It is divided in four parts:

- Numerical Tests
- Half an hour to read FT, pick 3 articles and discuss with assessors.
- One hour to prepare a Case Study. Few time to read and a lot of things and prepare a presentation. Choose one from 3 suppliers of raw materials given what clients want, price, time, types of coffees. Discuss with assessors
- Two personal interviews
 - Why Citi? What is special about you?
 - Pick someone to talk with.
 - Tell me about the Portuguese situation.

Goldman Sachs

Sales & Trading Summer Internship – Assessment Center

The AC consists of four interviews. You are asked both personal and technical questions. Be prepared to discuss current topics.

Personal/Competency based

- Questions about CV.
- Why are you applying for this position?
- Questions about favorite courses.
- Do you prefer sales or trading?
- Why do you think you would be good in sales or trading?
- What was the biggest mistake you did recently?

Technical

- What kind of option has a risk-return profile similar to the one of a bond?
- How to make hedging of different positions using options (e.g.: if you have an oil company how should you protect yourself from fluctuations in the price of oil)?
- Conversation about securitization, how and why banks do it. Sometimes interviewers start explaining some topic and you should try to ask pertinent questions and make some good points.
- How would you price an option?
- Telefonica and PT are two companies with a stock price of 30 (and we are assuming similar market capitalizations). The price of a call option on any of these companies is 15. If the two companies merge what is the price of a call option on the merged company? Discuss the result.
- Conversation about Business model of securities division.
- Explaining the Solow Model with both technological progress and not, comparing it with the Harrod-Domar. What is the optimal saving rate? Discuss the implications of this model.
- Explaining the IS-LM model. Explaining monetary policy in the context of the IS-LM model. What are the drawbacks of the IS-LM model? Why is monetary policy neutral in the long-run?

Current Topics

Questions about current economic and financial news (e.g.: Greek and Portuguese debt crisis and how could it impact on the sustainability of the European Union).

Sales & Trading Analyst Program – Assessment Center

The AC consists of three interviews. You are asked both personal and technical questions. Be prepared to discuss current topics and to answer to some brain teasers.

Personal questions

- Tell me about your CV/thesis/internship.
- Do you prefer sales or trading?
- Why GS?

Technical questions

- Which one is more expensive: a call or a put? Why?
- How would you hedge a long position in swaps (paying floating) if your view is that Interest Rates are going up, using options?
- Discuss the smile effect.
- A Spanish company is going to be bought by one of two companies: either a Spanish one or a French one. Which one is willing to pay more and why?
- What is a Hedge Fund? Tell me about the strategies they use.

- If you have €1 Million to invest in a HF in which would you invest?
- Discuss how can you do arbitrage with a volatility curve on the USDYEN.

Brain Teasers

- What is the angle of a clock's tickers when its 11:50?
- If you have 300 socks in a drawer (100 white, 100 blue and 100 black) how many do you need to take out to have at least one pair? And to have a blue pair?

Current Topics

- Give your view on the current situation.
- Discuss the spread between the WTI and the BRENT.

Securities Division – Global Fund Products Off-Cycle Internship Program – 1st, 2nd and 3rd Phase Phone Interviews

In your **first phone interview**, you should expect to answer both personal and technical questions, while you introduce yourself and while guiding the interviewer (in this case a Structurer) through your CV.

Tip: Try to mention final projects that you have done in courses like Hedge Funds, and to talk about your Thesis, if adequate. They tend to be impressed. In the end, the interviewer gives you 30 minutes to ask questions.

In your **second phone interview**, you should expect to answer personal, competency based and technical questions, such as:

- Do you have any experience with factor models? Can you tell me about it?
- Do you see yourself more in asset management or do you see yourself more in derivatives?

You are also asked to solve some brainteasers:

- Imagine a small 1x1x1 cube. Now I get a lot of those and make a 10x10x10 cube. I dip it in a bucket of paint and then take it out. How many cubes are not painted?
- I ride my bike to work and back. In the morning go at 12km/h and at the end of the day I come back at 8km/h. What is my average speed?
- Imagine that at my bus stop there are 2 busses per hour. One stops at 20 minutes past each hour and the other at 40. If I go there without checking the time, how much time do I wait for the bus on average?

In your **third phone interview**, you should expect to answer personal, competency based and technical questions, such as:

- Why do you want to work here and why do you think you're suitable?
- So I know you have been talking to my colleagues about what we do here, so could you tell me what you understood?
- Specific questions regarding past internships (in this case, technical questions were asked).
- Do you feel comfortable with excel? (Probably something never asked for a summer position)

In the end, the interviewer gives you some time to ask questions.

Haitong

The mentioned assessment center took place at BESi before Haitong's acquisition. Therefore some changes in the recruitment process might be implemented.

IBD - M&A Analyst Program Lisbon – Assessment Center

The AC consists in four interviews in a row with four M&A directors (one per sector) and common questions are about:

- Academic path
- Extracurricular interests
- Company valuation knowledge
- M&A in general
- Computation of FCFs and discount rate estimation problems

HSBC

Markets/Trading Analyst Program – 1st Phase Phone Interview

The first phase consists in a first phone interview. You should expect questions on your competencies and motivation and on HSBC.

Competency based

- Why HSBC?
- Why this industry?
- What skills do you possess that makes you think you would be suited for the role?
- Would you consider it is reasonable in some occasion to take a profit at the expense of a client?
- Do you consider yourself trustworthy?
- Do you think others consider yourself trustworthy?
- What skills do you think a leader has?
- Give me an example of a time when you had to lead a team. How did you manage this team successfully?
- Tell me about a leader you admire.
- What skills do you think a follower has?
- Do you consider yourself a leader or a follower?
- Describe a time when you had to present a persuasive argument.
- Tell me a time you had to put your needs aside to help a colleague.
- Tell me a situation where you faced an ethical dilemma. How did you solve it?

About HSBC

- Tell me about a recent development at HSBC.
- Tell me how you see this event's evolution in the following weeks.

Finance Summer Internship – 1st Phase Phone Interview

The phone interview is conducted by an HR representative. Typical questions and topics discussed include:

- Why HSBC?
- HSBC vs. Competition (Differentiation)
- Why Finance?
- Something you didn't like but had to do.
- Work experience & what can it bring to the Finance Division.
- Challenging project in group.
- Situation without any guidance from the beginning.
- Describe situations where you had to work in team.
- Long hours & your adaptability.

- Do you work well under pressure? & How would I notice you're under pressure?
- Tell me your weaknesses.

IBD Global Transaction Analyst Program – 1st Phase Phone Interview

The phone interview lasts about 20 minutes and it is conducted by an HR representative.

Typical questions include:

- Do you know any relevant news concerning HSBC?
- How is HSBC distinct from its competitors?
- How do you manage to balance your personal and work life?
- Tell me about a deal you followed closely.
- Tell me about a deal HSBC participated in.
- Why M&A?

Market Sizing questions:

- How would you estimate the size of a country's tire market?

JP Morgan

Emerging Market Sales Summer Analyst – Assessment Center

The AC consists of 4 interviews. Usually you will not be asked technical questions. Typical topics include:

- Your CV.
- The role of a salesman.
- Sales vs. structuring.
- Current situation in Portugal/Europe.
- JP Morgan (Example: do you know the name of the Chief Investment Officer?)

Sales & Structuring - Assessment Center

The Assessment consists of numerical tests (similar to the ones you are asked to solve on your online application) and interviews. Interviews are competency based. Usually you are also asked to solve some brainteasers.

Personal/Competency based

- Why JP Morgan?
- Besides what's on your CV, what do you have to offer?
- If you had an offer from Goldman Sachs and one from JP Morgan and GS paid more which one would you choose?
- Why sales/structuring?
- Tell me a bad decision you regret.
- Tell me about a group work and your role. Tell me the outcome.
- Tell me about a time when you persuaded someone into something. What were your arguments?
- Tell me about something that didn't go as planned. What were your decisions?
- Tell me about a strategy that you've designed and implemented.
- Tell me about a time when you were working in a group and the argument turned unfavorable to your side. What did you do?

Recent topics:

- How is the economic situation in Portugal? Is it going to deteriorate?

Brain Teaser:

- You have 2 strings with the same length and a lighter. Both strings take 60 minutes each to burn completely, however the rate of deterioration is not constant along its length (e.g. after 30 minutes if not half burnt) and is also different between the two strings (e.g.: after 10 minutes there is one that has burned more than the other). How do you measure 45 minutes?
- You have a cube made of 1000 smaller cubes. You paint the entire cube all around. How many cubes have at least one face painted?

Merrill Lynch/BofA**IBD M&A Analyst Program Madrid – 1st and 2nd Phase Phone Interviews**

The 1st and 2nd phase interviews are extremely similar. In each one you have 2 interviews of 30/45 minutes each. The interviews will be conducted both in English and Spanish, so be sure you master Business Spanish vocabulary. The interviews start with a couple of personal questions and you may be asked to talk about a deal you followed closely or current topics. Finally the vast majority of the interview will be technical based. Typical questions may include:

Personal questions

- Guide me through your resume.
- What did you do on your internship?
- Why Merrill Lynch?
- Why M&A?
- Why Spain?

Current Topics

- Tell me about a deal you followed closely.
- Tell me about a deal ML participated.
- Tell me about the PT/VIVO-Telefonica deal.
- What are the biggest Spanish companies?
- Tell me the largest companies on IBEX.
- Do you know the size of Telefonica (in terms of Profits)?

Technical Questions

Usually on the technical part the interviewer will start by asking the valuation methods you know and then he will choose one and the rest of the interview will be spent focusing on that method. The interviewer will also provide you with exercises for you to solve.

- What types of valuation methods do you know?
- You are selling a company and the possible buyers are: a competitor and a Private Equity firm. Which one will pay more?
- Guide me through a cash flow statement/net income statement.
- Which types of multiples can you use to perform a valuation?
- Is the P/E a good multiple?

IBD M&A Analyst Program Madrid – Assessment Center

The Assessment Center consists of 4 parts: numerical tests, group dynamics exercise, individual interviews and an individual case.

Numerical Reasoning Tests

The same as the ones you are asked to solve on the online application (SHL type).

Group Dynamics Exercise

The following situation is presented: a bank wants to increase its Charity activities to improve its brand image; its main goal is to raise X amount of money to give to one of three organizations. You are asked to discuss between the group which organization to give the money to and how to perform the fund raiser (how to organize, how to publicize, etc.). You have 15 minutes do discuss and prepare a 5 minute presentation.

Individual Interviews

Two interviews of 30/45 minutes each, the first 15 minutes you are asked to talk about your CV and personal competencies and motivations. The last 30 minutes you are asked technical questions and questions on the current situation of Spain and Portugal. Similar to the ones on the 1st and 2nd phases.

- Talk about an ethic problem you had.
- Why IBD? Why not consulting?
- Pick a deal, explain which one and why?

Individual Case

You are given information regarding a company that wants to grow through acquisitions and 3 possible acquisition candidates (the information includes: history, markets they operate, challenges, balance sheets, etc.). You have 15 minutes to read and choose one of the three candidates and then you have to present your choice and support it.

Morgan Stanley

Summer Internship – 1st Phase Phone interview

The interview is focused on your personal competencies and motivations:

- What are you most proud of on your CV?
- Why didn't you do any internship so far?
- The fact you have not done an internship affects you with respect to your colleagues. What can you offer to compensate this?
- You were in London only two weeks and you had to prepare a presentation for a company that wanted to sell one of its divisions. How would you structure your index?
- Make a DCF of VIVO.
- How is a bank's capital structure?
- What is leverage?
- What valuation methods do you know? Which are the ones who provide the highest valuations?
- Who pays more? Strategic Buyer or Financial Buyer?
- Why Morgan Stanley?
- Given the fact you've been in McKinsey, why do you want IBD?
- Walk me through your CV
- What is your favorite country?
- DCF – why do you divide by 1-t
- Why EV/EBITDA and not EV/EBIT? (Pharmaceutical companies)
- Why is the ratio Equity Value/EBITDA wrong?
- How should Terminal Value be calculated? Using Gordon model or Exit Multiple? Private Equity (EM)
- What types of debt exist? (Subordinated Debt)

- Multiples...
- What companies have higher betas?
- Views about Spanish Crisis

Summer Internship – 2nd Phase Phone interview

- How to value banks? (DDM)
- Tell me two important assumptions behind a DCF?
- Why should not the DCF method be used to value a bank?
- Who is Morgan Stanley's CEO?
- Why Morgan Stanley?

Tip: in the end most interviewers give you time to ask questions. Have at least 2 questions prepared beforehand.

Sales & Trading Graduate Program – 1st Phase Phone interview

The first phase would consist in two phone interviews. Questions are usually similar and the interviews are personal and competency based. You should also be prepared to answer questions on current relevant topics and simple technical questions. Typical questions include:

- Tell me about yourself (university, work, what you like to do).
- Guide me through your resume.
- Tell me a situation when you worked in a team.
- Tell me about a conflict in a team.
- Tell me about a creative idea you put into practice.
- Tell me about a creative idea to improve something.
- What is needed for a team to work well?
- Tell me about a tricky situation with a very simple solution.
- Tell me something you are proud of.
- Tell me about a situation where you had to manage a lot of data.
- Tell me a situation your analytical skills were tested.
- What did you do in your internship (if you have one).
- Why Morgan Stanley?
- Why Trading?
- Why are you going to be a good trader?
- Which role (trader, structure, sales or research) and the asset class you prefer?

Current situation and general market knowledge

- What do you think about the situation in Europe?
- Comment on the market and a trade.
- Tell me about a stock.
- How is the stock market?

Technical questions

- If you know a stock is at 10 and will be at 15 in the end of the year what do you do and using which instruments?
- Questions on options and futures.

IBD Graduate Program Analyst– 1st Phase

The first phase would consist generally in two phone interviews, where you will be asked personal questions regarding why you are applying and whether you have the right profile. Be prepared to

discuss your CV and to answer some technical questions as well. You should also be ready to discuss current economic/business topics. Typical questions include:

- Elevator Pitch
- Why Investment Banking?
- Why Morgan Stanley?
- Why do you feel you have the right profile for this area/job?
- What do you think your job will consist on? What kind of work do you think analysts do?
- Looking at your CV, what is the achievement you are most proud of?
- What are your weaknesses?
- Tell me about a recent development in the Portuguese/European economic situation.
- What is it about you that is not on your CV?
- Imagine you had an idea for a company and you wanted to launch it. You need capital. How can you get the capital needed to start the company?
- Imagine you were presented with a proposal to acquire the company from a syndicate of buyers. How do you infer on whether the bid is fair or not?
- Provide some detail about one of the experiences in your CV

Example of technical questions:

- How would you structure a pitchbook for a deal MS is applying for?
- How would you evaluate a pharmaceutical star-up?
- Please guide me through an Income Statement of a luxury products group.
- Which models of valuation do you know?
- If time was an issue, how would you quickly find the value of your company?
- Imagine the syndicate was made up of 17 investors and each one is going to buy an equal share of the company for 1.7 million Euros adding up to 100% of the company. How much is the value of the offer? Explain your computations out loud.
- Given a chart in which the y axel has PER and x axel has RoE, please distinguish two companies according to the different axels
- When two companies merge, is the PER accrued or diluted?

Relevant topics:

- MS likes to emphasize the greater sustainability of its strategy over its competitors. This sustainability comes from choosing usually to advise target companies rather than bidders.
- They believe what distinguishes them from competition is the quality of its employees. They especially highlight the strong team oriented culture and the fact that employees are given responsibilities since day one.

In the end, the interviewer gives some time to ask questions.

Sales & Trading Summer Analyst – Assessment Center

The AC usually consists in 4 parts: personal interviews, individual presentation, group dynamic exercises and numerical reasoning tests.

Personal interviews:

Three interviews of half an hour each. Candidates are asked to talk about their motivations and their CV. Typical questions include:

- Describe yourself in 2 minutes.
- Why Sales & Trading? Why sales and not trading?

- Why MS? If you have to choose between MS and other bank what will be the key decision factors?
- Do you have a specific asset class in which you want to work? Why? Why not?
- Tell me a situation in which you had to create something new.
- Tell me a situation when you felt frustrated and how you deal with that.

You should be prepared to answer questions regarding current issues such as:

- What is going on in Portugal? Do you think Portugal and Spain will be bailed-out? What will be the consequences of that? Why is Portugal in this situation? How can they overcome this problem? How can the EU overcome this problem?
- What is the future of the euro?
- What do you think will happen this year? How will the Fed and the ECB behave this year?

Individual Presentation

You have 20 minutes to prepare an individual 10 minute presentation to a jury. In the end you have to answer to a couple of questions. Example of presentations:

- You are given two newspaper articles and asked to present your view in the market for the short run. Here you should make an analysis of the economic outlook etc. and you may suggest trades.

Group Dynamics Exercise

In a group of 5 you are presented a series of tasks. Example:

- First you are given 5 minutes to come up individually with 3 business ideas related to technology and import/exports. Then, the group is given 30 minutes to choose 4 and prepare a 2 minute presentation about them. In the end the group will be faced with questions regarding their ideas. **Tip:** offer to check and manage the time.

Numerical Reasoning Tests

Similar to the ones you have to do in your online application (20 minutes to answer 20 questions).

Tip: take your own calculator in case you are allowed to use it – you are accustomed to work with it and it is usually faster than the ones provided by the bank. In a Summer AC it is more likely they will test your general knowledge of current affairs rather than technical skills. Read newspapers and the bank's economic outlooks.

Interest Rates Trading Graduate Program – Assessment Center

The AC consists in 5 interviews. You are interviewed by traders from different desks, so be prepared to answer technical questions regarding different asset types. Examples of questions:

Personal

- What is your dissertation/thesis about?
- Tell me a situation where your analytical skills were put to the test.
- Tell me about a time when you had to use Econometrics to work with a large data sample.
- Walk me through your CV.
- What skills should a trader have?
- Tell me about a time you had to convince someone.

Current Topics

- What is the current situation of Portugal/Europe?
- What do you think about inflation in the US/EU?

- Give me an idea for a trade.
- What was the price of MS share yesterday?
- What is the overnight rate in the US and EU?
- What is the actual term spread of Germany?
- If you were to buy a house now would you prefer to pay fix or float rate?

Technical Questions

- What drives interest rates?
- What is the normal shape of a Yield Curve? Why? Can invert? Why?
- What measures can be used to evaluate the risk of a bond?
- What is riskier: a 2 year bond or a 10 year bond? And if it has coupons?
- Calculate the forwards given a set of spots.
- Carry and Rollover in SWAPS
- Forwards and SWAPS
- Give examples of flatteners and steepeners and how to use them.

Brain Teaser

- How much is 49x49?

Trading/Structuring Graduate Program – Assessment Center

The Assessment Center is usually divided in groups of 10-12 people. It is divided in 4 parts: tests, presentation, group dynamic exercise and interviews.

Numerical Reasoning Tests

The same you are asked to do on your online application (SHL type).

Tip: take your own calculator in case you are allowed to use it.

Individual Presentation

You are given 10 minutes to prepare a 10 minute presentation. With the help of 2 articles on a current topic (e.g.: China) you are supposed to do a presentation in a “Research Macro” style, and propose trades. Be prepared to answer questions in the end of the presentation regarding the macroeconomic and market situation.

Group Dynamics Exercise

Groups of about 5 people, you are given 5 minutes to individually come up with 3 business ideas (for instance that focus on technology and internationalization). Then the group is given 20 minutes to decide the 4 best ideas and prepare a 2 minutes presentation to the jury. In the following 10 minutes the jury will make questions.

Interviews three interviews of 30 minutes each. Typical questions may include:

Personal and competency based

- Tell me about yourself.
- Tell me about your thesis.
- What have you learned in your masters?
- Why MS?
- Why trading/structuring?
- What makes a good trader?

Current situation and markets

- Tell me about the current situation in the markets.

- Tell me about Portugal and Spain economic situation.
- What may happen if Spain is bailed out?
- Tell me a trade you would like to try.
- Tell me a 1-year and a 5-year trade.
- Explain me the crisis.
- What is the role of the rating agencies?
- How were the subprime mortgages sold as AAA?
- Do you think the Euro will collapse?

Technical questions

- Questions on derivatives – payoffs, call value, delta, variation of delta with implied volatility, etc.

Nomura**Equity Derivative Sales Analyst Program – Assessment Center (Lisbon)**

You should expect two interviews of 30 minutes each.

First Interview

Personal and competency based

- Tell me about yourself and your CV
- What courses did you take in your bachelors and your masters?
- Why do you think you are a good fit for this position?
- What was the last book you read?
- What do you do in your spare time?
- What is your excel knowledge? Do you know what does the Vlookup function does?
- Can you program on Virtual Basic?

Current situation and markets

- What would you do if you were in the government now?
- What is the market cap of PT and BPI?
- How are the S&P500 the gold and the EUR/USD trading today?
- If you have 1 million euros, in what would you invest?

Technical questions

- What factors affect the price of an option and how?
- What is delta?
- What is gamma?
- What is the market cap of a company?
- Draw me the payoff of a put.
- Draw me the payoff of a put spread.

Brain teaser

- You have two envelopes; one has twice the cash of the other. You take one and you get 500€. Would you do it again if you have the chance? Why? Why not? Explain your rationale.

Second Interview

Personal and competency based

- Tell me about yourself and your CV
- Do you think you are a good seller? Sell me something that is here in this room.
- How much is 11/18?

Current situation and markets

- What is the current 3-month and 6-month Euribor?
- If you have 100 USD how many JPY do you have? And CHF?

Technical questions

- How do you price a bond?
- What is duration and convexity?
- Write me the Black-Scholes formula.
- Do you know what a butterfly is? Draw me the payoff.
- When is the maximum gamma of an option?

Société Générale**IBD M&A – 1st Interview**

The first phase consists of 3 phone interviews. Interviews may contain personal and technical questions and cases.

Personal questions

- Why M&A?
- Do you only want M&A?
- Why SocGen?
- Tell me about your CV.
- Are you prepared to work long hours?
- Do you know how to use Bloomberg?
- If on your first day your boss gave you a ton of work and wanted everything by the next morning, and you couldn't possibly finish it – what would you do?

Recent topics

- Tell me about a recent deal.

Technical questions

- Make me a pitch for a buy-side transaction.
- What type of valuation methods you know?
- Explain me the CAPM.
- Explain Basel (What is Tier 1 ratio? What are risk-weighted assets?)

Market Sizing and Brain Teasers

- Estimate how many light bulbs there are in Australia.
- Estimate how many shoe repairers there are in London.
- You go to the supermarket and pay 21€. You buy bread, milk and butter. The butter costs twice as much as the milk. The bread costs twice as much as the milk. How much does the bread cost?
- Why do you think in the London tube, in the morning, there are more escalators going up than down?

Case Example 1

You are given the following data: risk-weighted assets, net income, P/E of comparable companies, cost of equity. You are asked to calculate the ROE and a perpetuity. Then you are supposed to value the company with different methods and explain why the results are different.

Case Example 2

You are given two individual balance sheets, one from the buyer and one from the seller. You are asked to do the individual balance sheets and the consolidated after acquisition.

IBD M&A – 1st Phase Phone Interview

This phase consists on a phone interview. The questions tend to focus on personal experiences and your knowledge about SocGen and the market.

Personal and competency based

- What do you have to offer to SocGen?
- What do you expect from this internship, and how do you see yourself in five years?
- Tell me about a group work you have done.
- Tell me about a time you felt under pressure.
- Tell me about a time you demonstrated leadership.
- Tell me about a time you have shown integrity and professionalism.
- Tell me about some communication problem you had.
- Tell me about a time when you showed pro activeness and imagination/creativity to solve a problem.
- Why M&A?
- Why SocGen?

Market Overview

- Tell me about a recent deal.
- Tell me about a recent deal SocGen participated in.

IBD M&A – Assessment Center (Paris)

In the assessment usually you are integrated in a group of 15 people. It is divided in 3 parts: interviews, numerical tests and group dynamics exercise.

Interviews

Mainly related to motivation and personal competencies to work in M&A. Typical questions include:

- Why M&A/IBD?
- Why SocGen?
- Tell me about a time you worked in a group.
- Tell me about a time you demonstrated leadership.
- Tell me about a time you had to solve a problem under pressure.
- Why do you feel you have what it takes to work in M&A?
- What are the qualities necessary to be a good analyst? Do you have them?
- Why Paris and not London?
- Can you work for long hours? And under pressure? How do you balance your work/personal life?

SocGen and the markets

- Tell me about a deal SocGen did?

- Why SocGen and not BNP Paribas or other bigger bank?
- How does the M&A business work?
- What are the main tasks of an analyst?

Tip: If the interview is done by someone of the HR department try to keep it simple, they are not experts in M&A and may be annoyed if you try to show how much technical knowledge you have.

Numerical Tests

Similar to the ones you are required to do on your online application.

Group Dynamic Exercise

In a group of 8 people you have 15 minutes to discuss and prepare a 5 minute presentation. Not all of the participants present, and the team is responsible for choosing them. Example of a dynamic: you work on the ECB and you have to convince the Heads of State of the member countries to cut spending on €300 Billion on the next 3 months.

Tip: Try to participate and have some weight on the discussion for instance by bringing new ideas or by controlling the time. Also argument on other's ideas and bring them up later, shows that you listen and that you are a team worker.

Credit Sales – 1st Phase Phone Interview

The first phase consists in a phone interview with an HR representative. Typical questions may include:

- Why did you apply to credit sales?
- Tell me about a time when you were in a difficult situation with a lot of pressure.
- Tell me about a time when you had communication difficulties.
- Tell me about a time when you had a creative idea and put it into practice.
- Tell me about a time when you showed integrity and professionalism.
- Tell me about your hardest subject at university and what did you do to overcome it.

Tip: don't lie! The interviewer will likely make questions about the stories you tell.

UBS

Private Wealth Management – Structured Products Summer Internship – Assessment Center

The AC consists of 4 parts: numerical tests, group dynamic exercise, individual interview and presentation.

Numerical Reasoning Tests

You have to answer 40 questions in 35 minutes. The test is similar to the ones you solve in your online application (SHL type). From the 13 candidates present on the AC the 10 with the best score move forward.

Group Dynamic Exercise

The group is given a case about a company. Each member has a different role in the company (e.g.: the head of a specific department). You have an annual budget of \$100 M to be allocated and it cannot be shared. Everyone will then try to support why the budget should be allocated to his/her department. In the end, the group is supposed to reach an agreement. You have 10 minutes to analyze the case, each one has 2 minutes to present its case and finally the group has 15 minutes to discuss.

Individual interview

The interview will focus on your motivation and competencies:

- Why UBS Wealth Management?
- Tell me about a rewarding situation on your academic life.
- Tell me about a conflict situation. How did you overcome it?
- Tell me about a frustrating/disappointing situation.
- Tell me about a situation when you worked in a team.

Individual Presentation

You are given a case study about a company. You are then asked to do a SWOT analysis. You have 30 minutes to read the case and present.

Tip: When you are preparing a case the interviewer will provide you with a lot of unnecessary information. You should be able to pick the information, which is going to be important for your solution of the case.

Private Wealth Management – Structured Products Summer Internship – 1st Phase Phone Interview

The first phase consists in a phone interview with an HR representative. Typical questions may include:

- Why UBS?
- Why did you choose this business area?
- Provide examples where you have: worked in a team; shown commitment to working in banking; been motivated to complete a task, and when you have motivated others; when you have been successful in completing a task; when you have been disappointed in failing a task; when you had to sell an idea/something; had problems where working in a team
- What is your role in a team?

5.2 BOUTIQUES INTERVIEW EXAMPLES

Interviewing with boutiques implies a more thorough preparation than for major investment banks, namely, for two reasons. First, these firms tend to interview a **much smaller pool of candidates**, and they expect you to be aware of the fact that being there is a privilege. This translates into a **more focused nature** of their questions, as well as to a much more careful treatment of the cultural fit issues. Second, as they do not usually suffer from the ‘bureaucracy syndrome’ of large organizations, their **recruitment processes are much more flexible** in terms of questions posed, and you should **expect meeting a significant number of people** from various ranks of the organization as you go through your recruitment process.

This said, it becomes evident that these interviews are a great opportunity for both **self-improvement** and for **networking** – even if you do not succeed. On one hand, you will be faced with technical and competency questions that are, if not more than, at least as tough as you would find in interviewing for large investment banks, and thus this is an excellent learning landmark. On the other hand, the fact that you are able to contact with people who are prime experts in their industry and well-connected gives you an edge to establish relationships that, if well nurtured, may prove very useful in the future.

The main reason why you should be interested in applying to these boutiques (besides those already mentioned) is very simple: these are powerful names in their respective industries, and having interned/worked with them is a **great addition to your CV!** Moreover, you typically get to participate hands-on on projects rather than just doing errands for your superiors, and get, by all reports, an extremely vivid contact with the dynamics between the several ranks of the organization. This, in turn, results in you getting a true feel of the culture and how it fits you.

In the following text you will find some questions that our research has dug up to be consistent show-ups at interviews with these boutiques. These are divided in three main areas: Private Equity, M&A Boutiques, and Asset Managers.

Affiliated Managers group

Personal/Competency questions

- Why did you decide to study Economics/Management/Finance? Why did you choose NOVA SBE?
- How do you make decisions? How fast do you make decisions? Do you like making decisions (i.e., responsibility)?
- What are the advantages of managing institutional money? What are the advantages of managing retail money? What are the differences?
- Why not other alternatives in financial markets such as investment banking or consulting? (Could also be asking you for a distinction between asset management and investment banking in their sales/trading divisions)
- What are the advantages of working for a private company?
- What is the greatest challenge you see our firm facing in the near future?
- Do you simulate investment portfolios (Atrium Portfolio Challenge, competitions by brokerage firms, etc.)? What ideas are you testing at the moment?

Technical questions

- How would you build a financial model?
- What is the best strategy when advising clients: to be persistent, or to be flexible?
Tip: Be careful about your answer's compatibility with the firm's culture!
- How do you value companies? Which method(s) do you use? What is the rationale for you to use your selected models?
- What key indicators do you look at when analyzing a stock? (could also be about other asset classes)
- Would you say this is a good time to buy or to sell? Depending on your answer, what and at what price?
- If I gave you \$200M to invest with a 3-year horizon and expected a 7% minimum return, where would you invest in? How much risk would you be willing to take?
- What do you think about the EU/US/Emerging markets economic profile? How would you invest in these regions? Inside these regions, do you see any sectors particularly worth looking at in more detail?

The Blackstone Group

Personal/Competency questions

- What qualities do you think make someone successful in business?
- What do you think are some good investments in an economic downturn?
- Based on your CV, what do you think concerns us about you? Knowing what you know about yourself, what would concern us most about you? How do you try to improve?
- Blackstone is both a private equity firm and provides M&A and restructuring advice.
- Why would you be better in the area you applied to and not on the other?
- Describe the project or situation that best demonstrates your analytical abilities. What was your role?

- What did you like and dislike about your past working experiences?

Technical questions

- What are the pros/cons on a stock vs. cash acquisition?
- What percent of total DCF value is usually in the Terminal Value? What proportion did the Terminal Value contribute to the Enterprise Value? Why? What concerns are there?
- Would your valuation approach change depending on the side of the transaction you are (i.e., buying versus selling)? If yes, why?
- What is the IRR of an equity investment of £100 million and exit equity value of £300 million after three years? Give me the calculation formula.
- If convertible debt is converted, what is the impact on the balance sheet?
- If you could choose one public company (with which you are familiar!) to take private and make a portfolio firm, which one would it be? Tell me the rationale behind your proposed transaction.

Evercore Partners

Personal/Competency questions

- If your associate keeps giving you more work that you can handle and treats you unfairly, how would you handle the situation?
- Describe a situation that required you to do a number of things at the same time. How did you handle it? What was the result?
- How do you prioritize projects and tasks when scheduling your time? Give me some examples.
- What would like me to know most that is not in your CV?
- What is the achievement you feel most proud of? (Can also ask for the one you feel least proud of)
- Give me one example of a situation where you stood up for what you believed in and did not follow the crowd. What was your thought process and why did you feel so strongly about it?

Technical questions

- Can $1 + 1 = 3$? (Hint: synergies and value creation with M&A)
- What does a pitch book contain?
- What type of analysis does M&A require? Give me an example with a company you know well.
- Walk me through the LBO Model. What is a revolving credit facility?
- How would you determine merger synergies?
- Why would two companies with identical earnings in the same industry have different P/E multiples?

Guggenheim Investment Advisors

Personal/Competency questions

- Do you invest your own money? If yes, what was your biggest gain? What was your thought process? (Can also ask about your worst gain, why it happened and what you would have done differently in hindsight)
- Tell me about a time when you took a risk. How do you think about/what is your attitude towards risk?
- What are the most important things you obtained in previous jobs/experiences that make you a good investor?
- What is your investment style/bias?

- Considering the current market, in what industry would you invest in, and why?
- Why our firm? What research did you undertake before applying to our firm? Who did you talk to? What do you know about our firm?
- Which electives are you taking? Why?

Technical questions

- What is your outlook on the global economy (name the main regions, their overall contribute, etc.)? Which sectors or regions would you recommend investing into and why?
- What is mark-to-market? What do you think about it? How does it impact our activity?
- Tell me three sectors in which you would go long. And short?
- What do you see being the macroeconomic impact of an interest rate cut from the People's Bank of China? How would it affect a portfolio with these characteristics? (the interviewer will mention some sectors or regions, and the point is for you to take an asset manager's perspective with the economics knowledge you have)
- Tell me about different investing styles.
- What would you do if I gave you \$100M to invest? What would change if it was just \$1M?
- Brainteasers are also to be expected (especially involving calculations and mathematical quizzes).

Lazard Frères & Co.**Personal/Competency questions**

- Tell me about a project that you executed and how it reflects your search for excellence. What hardships did you encounter? What was the outcome?
- Tell me about a time when you had to deliver a project under time pressure.
- Why M&A? Why Lazard? Why not a large investment bank?
- Have you ever had to "sell" an idea to your classmates or friends? How did you do it?
- Did they accept your idea?
- Which characteristics would make you able to work towards a successful career with us?
- How would your friends describe you? How would your colleagues describe you?

Technical questions

- How would you go about valuing a company?
- I have a company under financial distress due to heavy debt load. Which restructuring measures would you propose and why?
- Walk me through the technical aspects of a deal which you followed closely.
- Walk me through the technical aspects of a deal Lazard was recently involved in.
- What difficulties would you expect to find when doing M&A in emerging markets?
- Which method of valuation is more robust? What are the pros/cons of each method?

Perella Weinberg Partners**Personal/Competency questions**

- What three characteristics would best describe you?
- Why Perella Weinberg?
- Why did you choose (location of office you applied to, e.g. London)?
- In this industry, we often work for a large number of hours. How do you cope with stress and long working hours?

- Describe the project or situation that best demonstrates your analytical abilities. What was your role?
- What personal trait would you like to improve on? What have you been doing to achieve that?

Technical questions

- Walk me through 6 types of firm valuations in detail.
- Discuss the benefits of the different Comparables Analysis and which yields highest multiples. Why does that happen?
- What is the purpose of an LBO and what type of client is it geared towards?
- Some Debt questions, mostly about debt structure and payout preference in the case of a bankruptcy (agency costs and signaling can be powerful intellectual insights)
- Talk to me about a M&A deal on last year's Top 10 (measured in USD \$ Billion). What was the rationale for the transaction? How did it create value for shareholders?
- Would you use Enterprise Value/Net Income as a multiple? Which one would be preferable and why?

5.3 OUR TIPS

If you have an interview in the nearby future, feel free to contact NIC or the Career Services and we'll jointly help you as much as we can. The Nova Investment Club and the Career Services wishes you the best of luck in your applications. Do not hesitate to contact the club members or the office if you need further assistance.

5.3.1 Interviews, preparing yourself

There is a clear distinction between the **fit and technical parts** of the interviews. For the fit part, be ready to answer questions about yourself, your past decisions, your hobbies, strengths and weaknesses. When doing this, please remember that what your interviewer is focusing on is not on the event itself, but what was your thought process and how that can reveal a fit between you and the company's culture. Be ready to defend anything that you write in your CV. **Always be ready to make your pitch** (30 seconds maximum).

In this fit part, companies try to understand if you are interested and motivated. Take note of the following actions that can lead you to a successful interview:

1. Find a very **specific reason** why you would like to apply for the company that is interviewing you, preferably a distinguishing factor, something that no other company has. This is something that you'd like to include in your cover letter as well;
2. Read through a few pages of the company's latest **Financial Report** (it will give you hints on the company's performance for the latest years, as well as future strategic guidelines – if you know where the company is heading, you will impress your interviewer);
3. Make sure you follow the company's most important **recent news**. An easy way to do this is to use Google News (news.google.com) and search for the company name, filtering through the Top Stories, for a given period. Bloomberg and Thomson Reuters are also great places to get this information;
4. As soon as you know **who is going to interview you**, find as much information as you can about him (use Facebook or LinkedIn). Knowing details about his past work experience or his favorite books can help you.

As for the **technical parts**, you should not be too worried. Nova's preparation puts you at the same level as other candidates from other Top European Business Schools. It is very unlikely that you

will be asked very difficult technical questions that you are not able to answer. Still, we believe it is important to prepare a few issues before an interview, which are more related to the market feeling than to technicalities:

1. Have a view on the stock market for next year;
2. Have a view on the IB industry for next year;
3. Have a view on the economy for the next year (GDP, interest rates, inflation);
4. If you apply to IB, know the biggest IPOs in the current year;
5. If you apply to M&A, know the biggest deals;
6. If you apply to Sales/Trading/Asset Management/Research, have a stock pick ready (meaning a stock that you would buy instantly, plus a reasoning behind it);
7. Review the relevant courses and topics, so to be ready to ask theoretical questions, which are the basis to work on a given division.

As some companies provide suggested interview preparation, you should always search for their recommendations and practice. Below we provide some direct links.

JP Morgan

<http://careers.jpmorgan.com/student/jpmorgan/careers/europe/advice/tips/prepinterview>

Goldman Sachs

<http://www.goldmansachs.com/careers/blog/posts/ask-the-recruiters-interview-tips.html>

Morgan Stanley

<http://www.morganstanley.com/about/careers/iq.html>

5.3.2 Be on Time

It is advised to **arrive 10 to 20 minutes early**, taking into account that you have to find the correct waiting room for the interview, check in with the receptionist, and probably fill out additional forms. Make sure that no last-minute delays cause you to be late. However, you shouldn't arrive too early, since you'll have to figure out what to do while you are waiting, a choice which is observed.

5.3.3 Interview Attire

It is always important to dress professionally for a job interview. As a rule of thumb, men should wear a black, navy or dark grey suit, a white long sleeve shirt, a belt, dark socks, conservative and polished shoes and tie (if you have problems with knots, search 'professional tie knot' on Youtube and you will certainly find something appropriate), professional hairstyle, limited aftershave, neat nails. As a female, you should wear the same type of suit with trousers or below-the-knee skirt, coordinated blouse, conservative shoes, professional hairstyle, light make-up, neat nails and limited jewelry. Please avoid tight clothing, bringing gums, and don't forget to cover tattoos and piercings. The way you dress for an interview is for your interviewer, a reflection of what a potential client of the firm may find when meeting you, so be at your best!

5.3.4 Ethics in Applications

In order to avoid jeopardizing job opportunities or damaging your School's and your own reputation, you should keep some basic principles in mind when applying for a job and after being accepted for a position.

When describing past experience, never state false information or provide dishonest details, even if you feel that it gets less interesting. When accepting a job, even if it is from your second-choice employer, you should tell subsequent employers that you have already committed to other company.

Even if not for pure ethical reasons, word goes around pretty fast in these means, and you should protect yourself from what could be a blow on your career.

6 MINDSET

Competition is fierce. Every year thousands of students apply to the Investment Banking Industry, particularly in London. The investment and extension of recruitment processes nowadays, make it less important for recruiters to know where you studied and the grades you had, especially once you make it to the interview stages. At that point, all the company wants to know is who can add the greatest value to their work teams.

A thing is for certain, the one who puts the greatest amount of effort, has a much higher chance to get invited for a position. **You might not be the best but you can always be the hardest working.** Preparation does get you far, but to succeed a genuine interest and passion for the position is fundamental!

Be ambitious and methodic. Don't stress during any phase of the process and just be yourself. Be humble and always at the top of your game. You might get called for a number of interviews, but that at any point means that you are already going to make the cut.

Don't ever think that a decline signifies that you are a bad candidate. Try to absorb as much as you can, learn from your mistakes and grow with every experience to succeed in the following. And once you make it, make sure to celebrate, but do not forget that **it is just the beginning.**

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