THE FINANCE RECRUITING BIBLE

The Complete Insider Guide to Breaking Into
Goldman Sachs · Citadel · KKR · BlackRock · JPMorgan

TIMELINE · NETWORKING · TECHNICAL · BEHAVIORAL · SUPERDAY · CONVERSION

INVESTMENT BANKING · ASSET MANAGEMENT · SALES & TRADING · QUANT / HFT · PRIVATE EQUITY

2,847	73%	<1%	£2,000/wk
CVs audited	fail initial ATS	acceptance rate	GS summer salary

How to Use This Guide

This guide is Part 3 of the Finance CV Audit Premium Bundle. It assumes you have already reviewed your CV audit report and implemented the recommended changes from your personalised CV rewrite. What follows is everything else — the full system for converting a strong CV into an offer at a top-tier finance firm.

The guide is structured in two parts. **Part One** covers the universal mechanics of finance recruiting: the master timeline, networking, the application process, HireVue screens, behavioural interviews, the Superday, and offer negotiation. **Part Two** goes deep on each of the five main career tracks — Investment Banking, Asset Management, Sales and Trading, Quantitative Research, and Private Equity — with track-specific technical interview prep, firm-specific intel, and conversion strategies.

HOW TO USE THIS EFFECTIVELY

Read Part One in full before applications open — ideally 6 months out.

Use Part Two as a reference during active interview prep — go deep on your target track.

The networking scripts and email templates in Chapter 5 are copy-paste ready. Personalise them.

The technical question banks in Part Two are organised by difficulty. Start with core, add advanced as you progress.

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The Finance Landscape

Tracks, firms, compensation, and what you're actually getting into

Finance recruiting is not monolithic. Investment banking, asset management, sales and trading, quant research, and private equity are five genuinely different careers with different skills, cultures, interview formats, and timelines. Applying to all of them simultaneously with the same application materials is one of the most common — and most costly — mistakes candidates make. This chapter gives you the orientation you need before you start.

The Five Main Tracks

Track	What You Do	Hours/Week	UK Base Salary (Yr 1)	Key Skills
Investment Banking (IB)	M&A; advisory, capital markets, pitch books, models	70–100	£65–90k + £30–80k bonus	Financial modelling, PowerPoint, client management
Asset Management (AM)	Portfolio management, research, client reporting	50–65	£50–70k + bonus	Equity research, portfolio theory, macro understanding
Sales & Trading (S&T;)	Market making, client execution, risk management	60–70	£55–75k + variable bonus	Markets knowledge, mental maths, risk thinking
Quantitative Research	Alpha generation, model building, statistical research	55–70	£70–120k + bonus	Python/C++, statistics, ML, probability
Private Equity (PE)	Deal sourcing, LBO modelling, portfolio management	70–90 (varies)	£60–80k (usually post-IB)	LBO modelling, due diligence, IB experience

WHICH TRACK IS RIGHT FOR YOU?

Choose IB if: You want to understand entire businesses, work on transformational deals, and build the broadest possible foundation in finance. Expect the longest hours but the widest optionality — IB is the most common entry point for PE and HF roles.

Choose AM if: You genuinely enjoy markets, have opinions on individual companies, and prefer a more structured work-life balance than banking. Research roles reward intellectual curiosity over execution speed.

Choose S&T; if: You thrive under real-time pressure, enjoy the energy of markets, and prefer a performance-driven (rather than hours-driven) culture. S&T; is increasingly quantitative — knowing Python is now expected at most BB desks.

Choose Quant if: You have strong maths, stats, or CS skills and want to apply them directly to financial problems. The comp ceiling is the highest of any track at top firms.

Choose PE if: You want direct influence over businesses you own, smaller teams, and higher carried interest upside. Note: almost all megafund PE roles require 2 years of IB analyst experience first.

Tier Structure — Why It Matters

Finance firms sit in a clear hierarchy that affects compensation, exit options, deal flow, and prestige. Understanding where each firm sits tells you how to weight your application strategy.

Tier	IB Examples	AM / HF Examples	Characteristics
Bulge Bracket (BB)	Goldman Sachs, JPMorgan, Morgan Stanley, Barclays, Deutsche Bank, UBS	BlackRock, Vanguard, Fidelity	Largest deal flow, strongest brand, most structured training, hardest to get into
Elite Boutique (EB)	Evercore, Lazard, Rothschild, PJT, Moelis, Centerview	—	Higher advisory fees per deal, smaller teams, more client exposure early, sometimes more selective than BBs
Top Hedge Fund / HFT	—	Citadel, Two Sigma, DE Shaw, Jane Street, Millennium	Highest comp ceiling, most rigorous technical interviews, quant-heavy, small headcount
Mid-Market Banks	Jefferies, Houlihan Lokey, Baird, William Blair	Various boutiques	More deals at smaller scale, faster progression, less competitive to enter
Big 4 Financial Advisory	KPMG CF, PwC Deals, Deloitte CF, EY-Parthenon	Various	Excellent training, more accessible, strong platform for moving into IB/PE later

STRATEGY NOTE

Do not apply exclusively to BB firms if you are a non-target candidate or have a sub-3.5 GPA. Elite boutiques often have smaller applicant pools and faster processes. Mid-market and Big 4 placements are legitimate springboards — many Blackstone and Apollo analysts spent Year 1–2 at Jefferies or Houlihan Lokey.

02

The Master Recruiting Timeline

When to do what — mapped to a penultimate-year recruiting cycle

Finance recruiting moves earlier every year. Applications for summer 2026 internships opened at many bulge-bracket banks in June–August 2025 — more than 12 months before the internship started. Missing the opening window at a rolling-admissions bank means your application is reviewed after the best slots are filled. The timeline below maps a full penultimate-year cycle (UK university context).

When	What to Do
18–24 months out (Year 1 / First year)	Join finance societies (ICAEW, BIG, finance soc). Attend speaker events. Start reading FT / WSJ daily. Begin learning basic financial modelling (WSP, CFI free courses). Build your LinkedIn profile. Aim for relevant vacation work (Big 4, boutique, corporate finance team).
12–15 months out (Summer before final year)	Apply for Spring Weeks (opens June–Sept, closes Oct–Nov). Network aggressively — 2–3 LinkedIn messages or emails per week. Build a DCF and LBO model from scratch. Complete 400+ technical interview Q&As.; Attend superday prep events at your university.
9–12 months out (Oct–Nov, penultimate year)	Spring Week applications close. Summer Analyst applications open at most BBs and EBs (rolling basis — apply on Day 1 or Day 2 of opening, not at the deadline). Submit tailored applications with role-specific CV. Begin HireVue prep.
6–9 months out (Nov–Jan)	HireVue and first-round interviews. Prepare 15+ behavioural stories using STAR. Technical prep intensifies — full DCF, LBO, comps from memory. Attend Spring Week if secured. Network with professionals from firms you haven't applied to yet.
3–6 months out (Feb–Apr)	Superdays and final rounds. Most major banks issue summer offers. Accept within the deadline — most offers have 2–3 week windows (some are 24-hour exploding offers at megafunds). If unsuccessful at target firms, pivot immediately to off-cycle and mid-market applications.
0–3 months out (May–Jun, before internship)	Technical refresher — re-read your models. Research your firm's recent deals, current market conditions, your desk's P&L; drivers. Prepare questions for your team. Sort accommodation. Review your offer letter carefully.
During the internship (June–August)	Treat every task as a test. Build relationships. Ask smart questions. Be reliable. Aim for return offer. See Chapter 11 for the full conversion playbook.

CRITICAL: ROLLING APPLICATIONS

Most bulge-bracket banks use rolling admissions, which means they review and reject applications continuously as they arrive — not after the deadline. A strong application submitted on the day the portal opens has a materially higher acceptance rate than an identical application submitted two weeks later. Set calendar reminders for every firm you target. Apply within 48 hours of the portal opening.

Spring Weeks — The Hidden Accelerant

Spring weeks (also called insight weeks or spring internships) are 1–2 week programmes run by banks in March–April for first-year students. They are the most underutilised lever in finance recruiting. Attending a spring week at a firm dramatically increases your chances of converting to a summer internship at that firm — many banks fast-track spring week alumni directly to final rounds, bypassing the standard HireVue and first round entirely.

- **When to apply:** Spring week applications typically open in June–September and close in October–November. Some close earlier.
- **Where to look:** BrightNetwork.co.uk automatically tracks all financial services spring week deadlines. Check weekly from June onwards.
- **Who can apply:** Usually first-year students in a 3-year programme, or penultimate-year students in a 4-year programme. Some banks accept any year.
- **What to expect:** Business case presentations, trading simulations, modelling workshops, networking dinners, and an individual project. Dress code is business formal throughout.
- **The conversion path:** Treat it exactly like a full internship — ask smart questions, stay late if needed, build genuine relationships with full-time analysts. A high proportion of spring week attendees receive a fast-tracked summer offer.

03

Building Your Foundation

Qualifications, societies, skills, and profile-building before applications open

What Finance Firms Actually Screen For

Before your CV reaches a human recruiter, it typically passes through an ATS (applicant tracking system) and sometimes an AI screening layer that checks for five specific signals. Understanding these signals lets you build your profile with purpose rather than accumulating credentials randomly.

Signal	What Recruiters Check	How to Build It
Academic Performance	Degree classification or GPA. Most BBs have a 2:1 / 3.5 GPA floor that screens applications automatically. Some elite boutiques set the bar higher.	If you're below the threshold, lead with other signals. A 2:2 with a Goldman spring week and two relevant internships will move forward. A 2:2 with nothing else will not.
University Prestige	Target vs non-target status. GS, Citadel, and Jane Street recruit heavily from Oxford, Cambridge, LSE, Imperial, UCL, Warwick, and the US Ivies. Non-target candidates need stronger signals elsewhere.	Non-target candidates: Use LinkedIn to find alumni at your target firms. You have the same technical knowledge — you just need to demonstrate it more clearly.
Relevant Experience	Internships, work experience, finance society roles. Prioritised in this order: finance internship (any) > finance society leadership > finance-adjacent work > generic work experience.	If you have none: apply now for any available placement, even unpaid. The signal matters more than the firm name at this stage.
Technical Knowledge	Demonstrated through CV language and interview performance. Assessed via online tests and HireVue at the application stage.	Take WSP or CFI's free financial modelling courses. Complete Investopedia's finance fundamentals. Build a real DCF from scratch using a public company.
Cultural Fit / Drive	Assessed via "Why this firm?" and "Why finance?" Recruiters are checking whether you understand the job reality and have made a genuine choice.	Speak to 5–10 people working at firms you target. The insight you get from one 30-minute call is irreplaceable — and recruiters can tell the difference.

Finance Societies — Which to Join and Why

Finance and investment societies are among the highest-leverage uses of your time as a student. They exist specifically to bridge the gap between academic finance and professional recruiting. The right involvement builds your CV, your network, and your technical skills simultaneously.

- **Investment committee roles:** Running a student investment fund (even with £500) gives you a legitimate portfolio to discuss in interviews. Being able to say "I pitched Shell to our investment committee and it outperformed the FTSE 100 by 4% over 6 months" is a conversation-stopper.
- **IBD / Finance society:** Gives you access to speaker events (where you can network with analysts), structured training programmes, and peer competition for case studies.
- **CFA Society student affiliate:** Free to join. Shows commitment to the profession. Particularly valued in AM interviews.
- **Competitions:** Trading competitions (Rotman, CQF), M&A; competitions, and stock-pitching competitions are legitimate CV entries. Winning is better than not winning, but reaching a final or being shortlisted still counts.

MOST VALUABLE EXTRACURRICULAR (BY TRACK)

IB: M&A; case competition → spring week → investment banking society role

AM: Student investment fund (portfolio manager or analyst) → CFA Student affiliate → stock-pitching competition

S&T;: Trading competition (especially live trading or options-based) → markets discussion groups

Quant: Kaggle competitions → open-source Python/ML projects → maths olympiad background

04

Networking That Actually Works

Cold outreach, LinkedIn, coffee chats, and converting conversations into offers

Networking in finance is not about asking people for jobs. It is about building genuine relationships with professionals who can speak to your character, share insight about their firm, and sometimes — when you've impressed them — refer your application internally. A referral at Goldman Sachs moves an application from the general pool (1,000+ candidates per role) to a smaller, reviewed pile. This is the single highest-leverage activity you can do before applications open.

The Cold LinkedIn Message — What Works

Most cold LinkedIn messages and emails fail because they are generic, too long, or ask for the wrong thing. Analysts and associates receive dozens of messages per week from students. The messages that get replies are specific, short, and ask for a 20-minute call — not for a job.

LINKEDIN MESSAGE TEMPLATE (copy and personalise)

Subject / Opening line: Hi [First Name],

I came across your profile while researching [Firm]'s [Group/Division] team. I'm a [Year] student at [University] targeting [Track] roles this cycle.

I noticed you worked on [specific deal / joined from X / studied Y] — I'd love to ask you a few questions about [specific aspect of your experience / the team's deal flow / the interview process] if you have 20 minutes.

No worries if not — I appreciate how busy things get.

[Your name] | [University] | [Graduation year]

--- Why this works: (1) Uses their first name. (2) Mentions something specific to them. (3) Asks for a clear, limited amount of time. (4) Gives an easy out. (5) Under 100 words.

The Cold Email — For When LinkedIn Doesn't Work

Many senior professionals (VPs, MDs) do not regularly check LinkedIn. Email is more reliable. Finding email addresses: most firms use a consistent format (firstname.lastname@firm.com or f.lastname@firm.com). Verify with Hunter.io or by checking firm websites for press releases where email formats are often visible.

COLD EMAIL TEMPLATE

Subject line: [University] student → [Firm] [Group] — quick question

Dear Mr/Ms [Last Name], [Use first name for analysts and associates only]

I'm a penultimate-year [Finance/Economics] student at [University] with an interest in [IB / specific group]. I came across your work on [recent deal / article / event] and found [specific observation] particularly interesting.

I'm in the process of preparing applications for summer internships and would greatly value 20 minutes of your time to understand more about [the M&A; practice at Firm / how the [Group] team approaches X].

I'm available [Mon/Wed afternoon this week] or whenever suits you.

Thank you very much for your time.

[Full Name] | [University] | [LinkedIn URL]

The Coffee Chat — What to Ask

When someone agrees to a call, the worst thing you can do is waste their time with questions you could have googled. Prepare 8–10 questions; you'll use 4–5 in a 20-minute call. The best questions are specific to that person's experience and demonstrate you have already done serious research.

- "What was the most complex deal you worked on in [Group], and what made it challenging?"
- "How has the deal flow changed in [Group] over the past 12 months given the current rate environment?"
- "What's the split between pitch work and execution work for analysts on your team — and does that change seasonally?"
- "Looking back at your own recruiting process, what do you wish you'd done differently in the 3 months before applying?"
- "What distinguishes the candidates who perform well in [Firm]'s Superday from those who don't?"
- "Is there anyone else on the team or at the firm you'd recommend I speak to?"

FOLLOW-UP: NON-NEGOTIABLE

Send a thank-you email within 24 hours. Reference something specific from your conversation. This is not optional. The follow-up email is your second impression — and most candidates skip it. 3–4 sentences is enough. Do not be effusive.

Building a Systematic Outreach Tracker

Treat networking like a pipeline. You should be running 10–20 active contacts at any time during your recruiting cycle. Track: name, firm, seniority, date contacted, response, date of call, follow-up sent, referral requested (yes/no).

TARGET NUMBERS

LinkedIn messages sent per week (during active period): 5–10

Response rate to expect from cold outreach: 20–35% (higher if personalised)

Coffee chats per month: 6–10

Internal referrals requested and received: aim for 3–5 before applications close

05

The Application

CV, cover letter, online tests, and application form strategy

Your CV has already been addressed in your audit report and CV rewrite. This chapter focuses on the elements that surround it: cover letters, written application questions, and online screening tests.

Cover Letter — The Framework That Converts

Most cover letters fail for one of three reasons: they restate the CV without adding context, they are generic across multiple firms, or they answer "why banking" without answering "why this firm." A strong cover letter is exactly one page, three to four paragraphs, and answers four questions in sequence.

Paragraph	Purpose	Length	Key Rule
Opening	Who you are + specific role you're applying for	2–3 sentences	Never start with "I am writing to apply for..." — it signals a template.
Why Finance / Why IB	Your genuine motivation, rooted in a specific experience	4–5 sentences	Name the specific transaction type, asset class, or skill that drew you in. Vague is fatal.
Why This Firm	Specific reason this firm over its competitors	4–5 sentences	Name a deal, a recent strategic move, or a cultural element. "Prestigious" and "leading" are disqualifying words.
Why You / Skills	Your most relevant experience mapped to the role	3–4 sentences	Choose your single strongest experience. Do not list everything — one story, done properly, is more persuasive than three told quickly.

COVER LETTER KILLERS — NEVER WRITE THESE

"I have always been passionate about finance" — this is both generic and untrue for almost everyone.

"Goldman Sachs is a prestigious institution with a global reputation" — they know. This tells them nothing about you.

"I am a hard worker / team player / fast learner" — these are assertions without evidence.

"I am particularly drawn to the challenging and fast-paced environment" — every applicant says this.

Using the same cover letter for two different firms — recruiters can usually tell, and it signals low interest.

Online Tests — Numerical, Verbal, Situational

Most BB and EB banks now use standardised online tests from providers like SHL, Korn Ferry (Talent Q), Hogan, or Pymetrics as part of the initial screening process. These tests filter out a significant proportion of applicants before any human review. They are not testing general intelligence — they are testing specific, trainable skills.

Test Type	What's Tested	Time Pressure	Best Prep
Numerical Reasoning	Reading data from tables/charts, applying percentages, ratios, compound growth	Very high — typically 25 questions in 25 minutes	JobTestPrep, AssessmentDay. Do 3–4 full practice tests under timed conditions.
Verbal Reasoning	True/False/Cannot Say from short passages. Tests logical precision, not reading speed.	High — no time to re-read	Practice the "Cannot Say" distinction rigorously — most errors occur here.
Situational Judgement	How you would handle workplace scenarios. Tests cultural fit.	Low — plenty of time	Research the firm's stated values. Answer as the firm would want a junior analyst to behave, not as you personally might.
Pymetrics (games-based)	Behavioural traits: attention, memory, risk tolerance, altruism. Used by GS, JPM, others.	Game-dependent	Cannot be directly gamed, but practice reduces anxiety. Focus: stay calm, be consistent.
HireVue Game Assessments	Cognitive ability, emotional intelligence, pattern recognition	Time-limited mini-games	Treat seriously — scores feed directly into shortlisting algorithms at many banks.

TEST STRATEGY

Always complete tests within 24–48 hours of receiving the invitation. Banks monitor completion time — early completers signal genuine interest.

Use a computer, not a phone. Ensure a stable internet connection. Do tests at your sharpest time of day.

Numerical reasoning is highly trainable. A score in the 70th percentile becomes 85th+ after 6 hours of deliberate practice.

06

HireVue & First-Round Video Screens

One-way video interviews: format, scoring, and how to stand out

HireVue is a one-way recorded video interview platform used by JPMorgan, Goldman Sachs, Morgan Stanley, Bank of America, and dozens of other major finance firms. You receive a link, answer 3–5 questions on camera with no interviewer present, and your recording is reviewed — and increasingly, scored by AI — before any human sees it. It is unnerving the first time. It is completely manageable with preparation.

What to Expect

Element	Detail
Number of questions	3–5 questions, mix of behavioural ("Tell me about a time...") and motivational ("Why this firm?")
Preparation time per question	20–30 seconds to read the question and gather your thoughts
Recording time per question	90 seconds to 3 minutes depending on the firm
Re-takes	Usually 0–1 re-takes allowed per question. Practice questions typically allow unlimited re-takes — use these to check audio/video.
AI scoring	Many banks use AI to score tone, pacing, vocabulary, eye contact, and energy. The score feeds into shortlisting. Treat it exactly as you would a human interviewer.
Review timeline	Typically 48–72 hours for a decision, though some banks batch-review weekly.

Technical Setup — Non-Negotiable

- **Camera:** Position so your eyes are level with the top third of the frame. Look into the lens, not the screen. Test this before the real questions begin.
- **Lighting:** Natural light in front of you (not behind) or a ring light. Avoid sitting with a window behind you — you become a silhouette.
- **Background:** Plain wall, bookshelf, or neutral professional setting. Not a bed, not a kitchen.
- **Sound:** Use headphones with a built-in microphone, or a dedicated mic. Test audio with the practice questions.
- **Internet:** Wired connection if possible. Close all other applications.
- **Dress code:** Full business professional — as if you were attending the Superday in person. AI scoring systems evaluate dress as part of professionalism signals.

The STAR Framework — Applied to HireVue

All behavioural questions should be answered using STAR (Situation, Task, Action, Result). In a HireVue context where you have 90 seconds, the ratio should be approximately 10% Situation, 10% Task, 60% Action, 20% Result. Most candidates spend too long on context and run out of time before reaching the specific actions and measurable outcomes that recruiters are evaluating.

HIREVUE STRUCTURE FOR 90-SECOND ANSWERS

10 sec — Situation: "During my summer at [Firm], we were facing [brief context]..."

8 sec — Task: "My responsibility was to [specific deliverable]..."

52 sec — Action: Walk through exactly what YOU did, step by step. Use "I" not "we". Name the tools, frameworks, decisions, and obstacles.

20 sec — Result: Quantify the outcome. Deal completed. Client retained. Score improved. Team impact. Then one sentence connecting it to this role.

Common HireVue Questions — Finance

- "Tell me about yourself." — 60–75 seconds. Present → past → why here.
- "Why investment banking / asset management / this firm?" — Have 3 specific reasons ready. The firm reason must name something specific.
- "Tell me about a time you worked under pressure and delivered." — STAR. Emphasis on the Action component.
- "Describe a situation where you had to persuade someone who disagreed with you." — Classic influence/communication test.
- "What is your greatest weakness?" — Choose a real one. Show you're actively improving it. Do not say "I'm a perfectionist."
- "Where do you see yourself in 5 years?" — Give a credible finance career trajectory. Show ambition without arrogance.
- "What is happening in markets right now that interests you?" — Have 2–3 live stories ready. GDP data, rate decisions, M&A; trends, specific deals.

07

Behavioural & Fit Interviews

The 12 questions every interviewer asks and exactly how to answer them

Behavioural interviews assess whether you are the kind of person they want to work with at 2am on a pitch deck. Technical skills get you in the room; fit gets you the offer. Senior interviewers — VPs and MDs — conduct almost entirely behavioural interviews. Junior interviewers (analysts and associates) typically run technical rounds. Prepare for both.

Prepare 8 Core Stories

Finance interviews use a finite set of competency themes. Build 8 strong stories in advance, each drawing on a different experience. Map them to the themes below. In the interview, listen carefully to which theme the question is probing, then deploy the most relevant story with appropriate framing.

Competency Theme	Common Questions	What They're Testing
Leadership	"Tell me about a time you led a team." / "Describe leading through a difficult situation."	Initiative, direction-setting, managing upward and downward, accountability for outcomes.
Teamwork / Collaboration	"Tell me about a time you worked in a difficult team." / "How do you handle conflict?"	Interpersonal skills, emotional intelligence, ability to deliver in a group without formal authority.
Analytical / Problem-solving	"Tell me about a time you solved a complex problem." / "Describe a time you had to analyse data under time pressure."	Structured thinking, ability to break problems down, comfort with ambiguity.
Communication / Persuasion	"Tell me about a time you had to persuade someone." / "Describe presenting to a senior audience."	Clarity, confidence, ability to tailor message to audience, handling objections.
Resilience / Pressure	"Tell me about a time you failed." / "Describe working under extreme pressure."	Self-awareness, recovery mindset, ability to perform under adverse conditions.
Drive / Initiative	"Tell me about a time you went above and beyond." / "What's the most ambitious thing you've done?"	Self-motivation, work ethic, proactive behaviour without being asked.
Attention to Detail	"Tell me about a time when a small error had a big consequence." / "How do you manage quality control?"	Whether you will catch mistakes in deliverables that go to MDs and clients.
Commercial Awareness	"Tell me about a deal or market event that interests you." / "What would you tell our CEO to focus on this year?"	Whether you have genuine interest in markets and business, not just in the career label.

The Four Non-Negotiable Questions

Four questions appear in virtually every finance interview. They are often dismissed as easy. They are the most frequently botched questions in the entire process.

1. "Tell me about yourself."

This is not an invitation for your autobiography. It is a structured pitch lasting 60–90 seconds. Use the Present → Past → Future → Here formula:

- **Present:** "I'm a final-year Economics student at LSE, currently..."
- **Past:** "Before that, I spent a summer at [firm] where I [specific, quantified thing]..."
- **Future:** "I'm now focused on [investment banking / asset management] because [specific reason]..."
- **Here:** "...which is why I'm particularly interested in [this firm's specific group/strategy]."

COMMON MISTAKES

Going longer than 90 seconds. Interviewers will mentally check out.

Starting with childhood: "Ever since I was young, I was interested in money..." — start with now.

Using jargon you can't defend: don't mention LBOs if you can't build one.

2. "Why investment banking?" (or AM / S&T; / Quant)

The answer must be grounded in a specific, real experience. The structure: one specific experience that created genuine interest → one aspect of the role that aligns with how you think → one thing about the career trajectory. Never mention money, prestige, or exit opportunities.

WHAT INTERVIEWERS ARE LISTENING FOR

Do you understand what the job actually involves day-to-day? (Formatting pitch books, building models, attending late calls — not just "doing deals")

Did something real draw you in, or is this a prestige chase?

Are you mentally prepared for the lifestyle?

3. "Why this firm?"

This must be specific. "Goldman Sachs is a leading global bank" is not an answer — it tells the interviewer you did not research the firm. Strong answers reference: a specific deal the firm recently led, a cultural distinction (e.g. GS's one-firm culture vs. Barclays' more siloed structure), a specific group or product, or something a professional at the firm told you during a coffee chat.

FORMULA THAT WORKS

"I've specifically targeted [Firm's] [Group] because of [specific reason]. When I spoke with [Name], they described [specific insight about the culture/work]. That, combined with [Firm's] involvement in [specific deal/sector], is why I'm here."

4. "What's your greatest weakness?"

The worst answers: "I'm a perfectionist", "I work too hard", or "I care too much." These are not weaknesses — they are humblebrag non-answers, and interviewers have heard them thousands of times. Choose a real weakness that is genuine but not disqualifying, and show the specific steps you are taking to address it.

EXAMPLE OF A STRONG ANSWER

"Historically I've been slower than I'd like to speak up when I disagree with a more senior person. I noticed this during my internship at [Firm] when I had a concern about a model assumption that I didn't raise until too late. Since then I've deliberately practised flagging concerns early by framing them as questions rather than challenges. I saw this pay off when..."

08

The Superday

What happens, who you'll meet, and the five things that decide the outcome

The Superday (or final round) is typically a full or half day of back-to-back interviews at the firm's offices. For bulge-bracket banks, expect 3–5 interviews of 30–45 minutes each, conducted by analysts, associates, VPs, and potentially a managing director. Goldman Sachs Superdays tend to be more technical than JPMorgan's; both are more technical than typical boutique final rounds.

Typical Superday Structure

Interview	Interviewer Level	Content Mix	What They're Deciding
Round 1	Analyst or Associate	70% Technical / 30% Fit	Can you do the work? Do you understand financial concepts?
Round 2	Associate or VP	50% Technical / 50% Fit	Are you collaborative? Can you communicate complex ideas?
Round 3	VP or Director	30% Technical / 70% Fit	Would I want to work with this person at 2am? Do they have good judgment?
Round 4 (if applicable)	MD or Group Head	10% Technical / 90% Fit	Do they have commercial instinct? Are they client-ready in 2–3 years?

The Five Things That Decide Superday Outcomes

1. Consistency across interviews

Interviewers compare notes immediately after the Superday. Inconsistencies in your answers — different "greatest strengths" to different interviewers, or different versions of a story — are immediately noticed and create doubt. Prepare a master set of stories and stick to them precisely.

2. Technical precision, not just familiarity

It is not enough to know that a DCF exists. You need to be able to walk through every assumption, explain why WACC changes when leverage changes, and catch a trick question when an interviewer plants an incorrect premise. See the technical chapters (12–16) for full question banks by track.

3. Asking excellent questions

You will have opportunities to ask questions in every interview. This is not a formality — it is evaluated. Weak candidates ask: "What is the culture like?" Strong candidates ask: "You led the [Deal X] mandate last year — how did the team manage the client relationship through the regulatory delay in that process?"

4. Energy and presence throughout

A Superday is 4–6 hours of back-to-back interviews. Fatigue is real. The candidates who perform best in the last interview of the day perform at the same level as in the first. This requires: a good night's sleep, eating before you arrive, and mentally resetting between interviews (a 60-second focused breathing exercise is not embarrassing — it is effective).

5. The debrief dynamic

After the Superday, interviewers meet to rank candidates. The factor that most often differentiates equally qualified candidates is whether the interviewers "liked" the candidate — whether they felt they would enjoy working with them. This is not random. It is driven by warmth, genuine curiosity, good humour at appropriate moments, and the sense that the candidate listened actively rather than just waiting to deliver their prepared answer.

LOGISTICS CHECKLIST — THE NIGHT BEFORE

Print two copies of your CV. Firms will have it, but it signals professionalism.

Know your route and add 30 minutes. Arrive 10 minutes early — not 30, not 5.

Business formal only. No exceptions. Even if the office is casual on a normal day.

Bring a notepad and pen. Use it to jot key points during interviews — shows engagement.

Prepare 3–4 "closing questions" for each interviewer that are specific to their role or experience.

Know 3 of the firm's recent deals or market moves that happened in the last 60 days.

09

Assessment Centres

Group exercises, case studies, and written tasks — how to stand out

Assessment centres are more common in graduate programmes and spring weeks than in pure internship recruiting, but they appear at several major firms (including graduate IB and AM programmes). They typically run 4–8 hours and include a combination of group exercises, individual case studies, and written tasks, observed by assessors who are scoring specific competencies on a rubric.

Group Exercise — What Assessors Are Watching

Most candidates believe the group exercise tests who has the best ideas. It does not. Assessors are scoring behaviour, not content. The candidate who produces the best analytical insight but dominates the conversation and shuts others out will score below the candidate with average ideas who listens actively, builds on others, and moves the group toward a decision.

- **Early in the exercise:** Clarify the objective with the group. Propose a structure. ("Can we take 5 minutes to map out our approach before diving into the content?") This positions you as organised without being dominant.
- **Mid-exercise:** Actively acknowledge others' points before adding yours. "Tom's point about the risk profile is important — building on that, I think..." This scores on collaboration.
- **Watch the time:** Most groups run out of time and produce an incomplete answer. Being the person who says "We have 10 minutes left — can we align on our top 3 recommendations?" is a leadership signal assessors specifically look for.
- **If the group gets stuck:** Offer a process suggestion, not a content solution. "Would it help to vote on the two strongest options and move forward?" keeps momentum without steamrolling.
- **Quieter candidates:** Proactively draw them in. "I'd love to hear what you think about X, [Name]." Assessors notice this and score it on team effectiveness.

Individual Case Study — Finance-Specific

Finance case studies at assessment centres typically involve: a company with a financial challenge, a set of data (P&L;, market data, industry context), and a business recommendation. You have 20–40 minutes to prepare and 10 minutes to present.

CASE STUDY STRUCTURE (always applicable)

1. Frame the problem (2 min): What is the actual question? State it back clearly. Identify the decision-maker and their objective.

2. Structure your analysis (5 min): What 3–4 areas need to be examined to answer the question? (Market, financial performance, competitive position, strategic options)

3. Analyse the data (15–25 min): Work through each area. Note the 3 most important numbers. Identify what's missing that you'd want.

4. Recommendations (5 min): Exactly 3 recommendations, in priority order. Each with one risk and one mitigation. Start with "In summary, I recommend..."

5. Present confidently: State your recommendation first, then justify it. Do not walk through your analysis chronologically — it wastes time and signals weak thinking.

10

Offer Stage

Negotiation, exploding offers, and how to make the right decision

Receiving an offer is a moment of relief that quickly becomes a decision with long-term consequences. This chapter covers how to handle exploding offers, whether and how to negotiate, and how to evaluate competing offers against criteria that matter beyond the signing bonus.

Exploding Offers — How to Handle Them

Top hedge funds and quant firms (Citadel, Jane Street, Two Sigma, DE Shaw) frequently issue offers with 24–72 hour windows — sometimes called "exploding offers." This is intentional: it forces you to decide before you have heard back from competing firms. Banks typically give 2–3 weeks, with some elite boutiques giving 1 week.

- **When you receive a short-deadline offer:** Call HR immediately. Explain (honestly) that you have other processes in progress and ask if the deadline can be extended. Hedge funds rarely extend deadlines; banks often will by 1–2 weeks if asked professionally.
- **If the deadline truly cannot be extended:** Accept the offer if it is a genuine top choice, even without all other results. A bird in hand at Citadel is more valuable than a pending outcome at a firm where you're less certain of a positive result.
- **If you need to decline after accepting:** Do so as early as possible. Finance is a small world. A professionally handled withdrawal is forgiven; ghosting is not.

Negotiation — What Is and Isn't Negotiable

For internship offers, base salary is almost never negotiable at major firms — intern compensation is standardised within cohorts. At full-time level, a limited range of negotiation is possible, particularly at smaller firms and boutiques.

Element	Intern	Full-Time Analyst	Negotiation Approach
Base salary	Not negotiable	Rarely negotiable at BB	Do not attempt at BB; possible at boutiques with a competing offer in hand.
Signing bonus	Not standard	Sometimes available	Can ask once if you have a competing offer. Be specific: "I have an offer from [Firm] that includes a £X,000 signing bonus — is there any flexibility here?"
Start date	Limited flexibility	Sometimes 4–8 weeks	Personal circumstances can sometimes be accommodated. Ask early.
Location / desk	Usually fixed	Sometimes	Express a strong preference early. Formal requests are rarely granted but informal conversations with the team can influence placement.

Element	Intern	Full-Time Analyst	Negotiation Approach
Title / responsibilities	Not applicable	Not negotiable	Performance determines progression. Not a negotiation item.

Evaluating Competing Offers

When you have multiple offers, the instinct is to maximise immediate compensation. This is almost always the wrong framework at the analyst level. The factors that matter most for long-term career outcomes are team quality, deal flow or portfolio quality, and exit opportunity breadth.

- **Team quality:** Have 1–2 more conversations with people on the team before deciding. The quality of your direct manager in Year 1–2 has a larger impact on your development than the firm's global brand.
- **Deal flow / desk activity:** Ask how many live transactions or mandates the group has. A quiet group at Goldman is worse for your CV than a busy group at Jefferies.
- **Exit opportunities:** BBs and EBs have the widest PE and HF exit options. Mid-market banks have narrower but still viable exit paths. Big 4 has the narrowest. If PE or HF is your eventual target, prioritise accordingly.
- **Compensation:** Year 1 differences of £5–15k in base will be meaningless in 5 years if the track you chose gave you the better skills and network.

11

Converting Your Internship to a Full-Time Offer

The 10-week playbook for securing a return offer

The average return offer rate at bulge-bracket banks is 60–80% in a healthy market, dropping to 40–50% in constrained hiring years. The difference between the 60% who convert and the 40% who do not is almost never technical skill — it is the soft behaviours that are uniquely difficult to demonstrate in interviews but obvious over 10 weeks of daily collaboration.

Week-by-Week Priorities

Period	Priority	What This Looks Like
Week 1–2	Learn, don't lead	Observe how the team communicates. Learn who reviews what. Ask clarifying questions before starting every task. Never say "that's not how we did it at X."
Week 3–4	Deliver on basics	No errors in deliverables. Proofread twice. Meet every deadline early. If you're going to miss a deadline, flag it 24 hours in advance — never at the deadline.
Week 5–6	Build relationships	Have coffee with every analyst on your floor. Attend every social event. Ask MDs one well-researched question at networking events. Be genuinely curious.
Week 7–8	Take initiative	Offer to stay late when the team is busy, unprompted. Identify one piece of analysis that would make the MD's life easier and do it without being asked.
Week 9–10	Close strongly	Quality, not heroics. Your last two weeks are what's freshest in reviewers' minds. Request a mid-internship feedback conversation if one isn't offered.

The Return Offer Conversation

If you are close to the end of the internship and have not received feedback or clarity on your standing, it is appropriate to request a direct conversation. Ask your staffer or the analyst you worked most closely with: "I'd love to get 15 minutes of honest feedback on how I've performed and what I can do better in the final week." This signals self-awareness and maturity — qualities that specifically come up in return offer discussions.

WHAT NOT TO DO DURING AN INTERNSHIP

Do not put external links in your work or use client data for personal projects — obvious, but careers have ended here.

Do not trash-talk other candidates, other firms, or your university in any professional setting.

Do not ask about your return offer chances directly until you are near the end — it signals anxiety.

Do not disappear socially. Analysts who become "invisible" — technically correct but personally absent — almost never convert.

Do not try to impress with quantity over quality. One perfect deliverable beats three sloppy ones.

12

Investment Banking — Technical Mastery

Valuation, modelling, accounting, and deal mechanics: the full question bank

Investment banking technical interviews test your ability to perform valuation analysis, understand financial statements, and discuss M&A; and LBO mechanics. The questions below represent the core curriculum. You must be able to answer every Core question from memory, without hesitation, with no visual aids.

The Three Core Valuation Methods

Method	What It Measures	When It's Used	Key Input / Output
DCF (Discounted Cash Flow)	Intrinsic value based on projected free cash flows	Acquisitions, LBOs, any situation where you need a fundamental view on value	FCFF projections, WACC, Terminal Value → Enterprise Value
Comparable Companies (Comps)	Market value relative to peers trading in the public markets	IPOs, any situation where public market comparisons are relevant	EV/EBITDA, P/E, EV/Revenue multiples → Implied valuation range
Precedent Transactions	Value based on what acquirers have paid for similar companies	M&A; advisory — especially on the sell side	Transaction EV/EBITDA multiples (include control premium) → Implied EV

DCF — Core Questions

- **Q: Walk me through a DCF.** A: Project unlevered free cash flows (EBIT × (1-tax) + D&A; - CapEx - ΔNWC) for 5–10 years. Discount at WACC to get PV of FCFs. Calculate terminal value using either the Gordon Growth Method (FCF × (1+g) / (WACC - g)) or Exit Multiple Method (EBITDA × multiple). Discount TV to PV. Add PV of FCFs + PV of TV to get Enterprise Value. Subtract net debt to get Equity Value. Divide by diluted shares for price per share.
- **Q: What is WACC and how do you calculate it?** A: WACC = (E/V) × Ke + (D/V) × Kd × (1-T). Where E = market cap, D = market value of debt, V = E + D, Ke = cost of equity (CAPM: Rf + Beta × ERP), Kd = cost of debt (yield to maturity), T = tax rate.
- **Q: What happens to the DCF if the risk-free rate increases?** A: WACC increases (higher Rf raises both cost of equity via CAPM and typically cost of debt). Higher WACC means a higher discount rate. Higher discount rate means lower PV of FCFs and lower PV of terminal value. Enterprise Value falls.
- **Q: Gordon Growth vs Exit Multiple for Terminal Value — which do you prefer and why?** A: Exit Multiple is more commonly used in IB because it anchors to observable market multiples. Gordon Growth requires an assumption about the terminal growth rate (g) that is highly sensitive — a 0.5% change in g can shift EV by 15–20%. Using both as a cross-check is best practice.
- **Q: When would a DCF not be appropriate?** A: (1) Companies with no positive cash flows — early-stage startups, pre-revenue companies. (2) Companies with unpredictable cash flows — financials, certain commodities businesses.

(3) When speed is required and comparable data is available and reliable.

- **Q: What does it mean if a company's WACC is 10% and its ROIC is 8%?** A: The company is destroying value — it earns less on its invested capital than its cost of capital. A rational manager in this situation should return cash to shareholders rather than reinvesting.

Accounting — Core Questions

- **Q: Walk me through the three financial statements.** A: Income Statement shows revenue → EBITDA → EBIT → EBT → Net Income over a period. Balance Sheet shows Assets = Liabilities + Equity at a point in time. Cash Flow Statement shows operating, investing, and financing activities — reconciles net income to actual cash.

- **Q: How are the three statements linked?** A: Net Income flows from the Income Statement to the top of the Cash Flow Statement. After adjustments (D&A;, WC changes, CapEx), the net change in cash flows to the Balance Sheet (cash line). Net Income also flows to Retained Earnings in Equity. D&A; links to PP&E; depreciation on the Balance Sheet.

- **Q: If D&A; increases by £10m, what happens to the three statements?** A: Income Statement: EBITDA unchanged, EBIT down £10m, Net Income down £10m × (1-tax). Cash Flow Statement: Net Income down £7m (at 30% tax), D&A; added back +£10m, net operating cash flow up £3m. Balance Sheet: PP&E; down £10m, cash up £3m, retained earnings down £7m, both sides balance.

- **Q: What is working capital and why does it matter in a DCF?** A: Working Capital = Current Assets - Current Liabilities (typically: Receivables + Inventory - Payables). An increase in WC is a use of cash (reduces FCF). A company growing revenues usually needs more WC, which reduces near-term FCF. WC projections as a % of revenue are a key DCF assumption.

- **Q: What is the difference between EBITDA and free cash flow?** A: EBITDA ignores CapEx, taxes, and changes in working capital. FCF (unlevered) = EBIT × (1-tax) + D&A; - CapEx - ΔNWC. A capital-intensive business (e.g. manufacturing) can have high EBITDA but negative FCF if CapEx is large.

- **Q: If accounts receivable increases, what happens to cash flow?** A: An increase in receivables is an increase in current assets — an increase in working capital — which is a use of cash. Operating cash flow decreases. This is why fast-growing companies can be cash-poor even when profitable.

M&A; — Core Questions

- **Q: Walk me through an M&A; deal from start to finish.** A: (1) Strategic rationale — why is the acquirer buying? (Synergies, market share, vertical integration, capability). (2) Target identification and preliminary valuation. (3) Approach and NDA. (4) Due diligence (financial, legal, commercial, operational). (5) Negotiation of purchase price and structure. (6) SPA drafting and regulatory approval. (7) Closing and integration.

- **Q: What makes a company a good LBO target?** A: Stable, predictable FCF (can service debt). Strong market position (durable cash flows). Low existing debt (headroom for leverage). Tangible assets (collateral). Clear operational improvement opportunities (value creation). Potential exit within 4–7 years at a higher multiple.

- **Q: What are synergies? Give examples of revenue vs. cost synergies.** A: Synergies are incremental value created by combining two companies. Revenue synergies: cross-selling products to each other's customers, pricing power from increased market share, new distribution channels. Cost synergies: headcount reduction in overlapping functions, procurement savings from combined scale, facility consolidation. Cost synergies are typically harder to estimate but easier to realise; revenue synergies are typically optimistic and partially discounted by analysts.

- **Q: What is purchase price allocation (PPA)?** A: In an acquisition, the purchase price is allocated to the fair value of acquired assets and liabilities. Any excess above fair value is recorded as Goodwill. PPA affects D&A; (written-up intangibles are amortised) and therefore post-merger earnings.

- **Q: When is a stock deal preferable to a cash deal for the acquirer?** A: When the acquirer's stock is highly valued (overvalued relative to the target), a stock deal lets the acquirer use equity as currency, avoiding cash depletion. Stock deals also allow the acquirer to share deal risk with the target's shareholders. The downside: EPS dilution and loss of control premium if the stock falls post-announcement.

ADVANCED QUESTION — BE PREPARED

Q: How does a leveraged recapitalisation differ from a standard LBO?

A: In a standard LBO, a PE firm acquires a company using significant debt financing. In a leveraged recap, a company that is already public takes on significant debt and uses the proceeds to pay a special dividend to shareholders — without a change of control. It is a way for existing shareholders to extract value while retaining equity upside. The company's credit profile deteriorates (higher leverage), but if the business can service the debt, shareholders benefit.

13

Asset Management — Portfolio & Research Interviews

Stock pitches, portfolio theory, macro frameworks, and AM-specific questions

Asset management interviews are substantively different from IB interviews. The emphasis is on genuine investment conviction, portfolio construction thinking, and the ability to articulate a differentiated view on a specific company or asset class. Technical accounting and modelling questions are less prominent; market and economic questions are more prominent.

The Stock Pitch — Your Most Important Preparation

Almost every AM interview includes a stock pitch: "Give me your best investment idea." This is your opportunity to demonstrate exactly what an AM analyst does day-to-day. A weak pitch is: "I like Apple because it's a great company with strong brand recognition." A strong pitch is a structured investment thesis with a specific entry price, a 12–24 month price target, and three concrete catalysts.

THE 4-PART STOCK PITCH STRUCTURE

1. The Idea (30 seconds): "[Company] is a [market cap] [sector] company. I recommend a Long/Short position because [1-sentence thesis]. My 12-month price target is [X], implying [Y%] upside."

2. The Thesis (2 minutes): Three reasons why the market is wrong about this company. Each must be specific, differentiated, and ideally based on something you found that isn't reflected in consensus.

3. The Catalysts (1 minute): What specific events in the next 6–18 months will close the gap between current price and your target? (Earnings, product launch, regulatory decision, management change)

4. The Risks (1 minute): What are the two biggest things that could make you wrong? For each, explain why you believe the upside outweighs this risk at the current price.

Prepare one long idea and one short idea before every AM interview. Use a sector you genuinely understand — authenticity is immediately apparent to experienced portfolio managers. Build a simple operating model (revenue, margin, FCF) to back your price target even if you don't walk through it explicitly.

Portfolio Theory — Core Questions

- **Q: What is the Sharpe ratio and what does it tell you?** A: Sharpe = (Portfolio Return - Risk-Free Rate) / Portfolio Standard Deviation. It measures risk-adjusted return — how much excess return you earn per unit of volatility. A Sharpe of 1.0 is considered acceptable; above 2.0 is strong.

- **Q: What is alpha, and how is it different from beta?** A: Alpha is the excess return attributable to manager skill after adjusting for market exposure. Beta measures market sensitivity — a beta of 1.2 means the portfolio moves 1.2x the market. Alpha = Actual Return - (Beta × Market Return + Risk-Free Rate). Positive alpha indicates skill; zero or negative alpha means the manager isn't adding value above passive exposure.

- **Q: Why would you ever choose a higher-volatility portfolio over a lower-volatility one with the same expected return?** A: Generally you wouldn't on a standalone basis (violates mean-variance optimisation). But if the higher-volatility portfolio has low correlation with the rest of your book, it may improve overall portfolio Sharpe by providing diversification benefits that outweigh its own volatility.

- **Q: What is tracking error, and when does it matter?** A: Tracking error is the annualised standard deviation of a portfolio's returns relative to its benchmark. It matters for benchmarked mandates — where a manager is assessed relative to a benchmark. High tracking error means the portfolio looks very different from the benchmark (high active risk). Information ratio = alpha / tracking error, which measures the quality of active decisions.

- **Q: If you were building a £100m equity portfolio from scratch, how would you think about construction?** A: Structure your answer around: (1) Mandate constraints (benchmark, concentration limits, sector limits, factor exposure limits). (2) Diversification across sectors and geographies. (3) Position sizing based on conviction and liquidity. (4) Risk controls (stop-loss levels, drawdown limits). (5) Rebalancing frequency.

Macro & Markets — AM Questions

- **Q: Walk me through the current macroeconomic environment and what it implies for equity markets.** A: Reference current data — GDP growth, inflation trends, central bank policy, yield curve shape. Then articulate the implication: e.g. higher-for-longer rates compress equity multiples but benefit financials; a slowing economy favours defensive sectors.

- **Q: If interest rates rise by 100bps, what happens to the equity market?** A: (1) Higher discount rates reduce the PV of future earnings → growth stocks hit hardest (long duration). (2) Higher rates increase the attractiveness of bonds relative to equities → rotation out of equities. (3) Higher rates increase borrowing costs for leveraged companies → credit stress in high-yield. (4) Banks and financials can benefit from wider net interest margins.

- **Q: Which sector would you avoid right now, and why?** A: Have a genuine answer with specific reasoning. Typical strong answers: reference valuation vs. earnings expectations, macro headwinds, competitive threats, or regulatory risk. Do not say "it's risky" — all sectors carry risk.

14

Sales & Trading — Markets, Mental Maths & Desk Culture

Market mechanics, risk thinking, quoting prices, and what S&T really tests

Sales and Trading interviews are the most idiosyncratic in finance. They test your understanding of market mechanics, risk, and pricing — often through live market-making exercises where you are asked to make a two-way price on something unusual. They also test mental agility and how you perform under pressure. A candidate who freezes when asked to quote a price on something they've never seen will not be hired regardless of academic performance.

The Market-Making Exercise

Interviewers will often ask you to make a market (quote a bid-offer spread) on something unusual: "Make me a market on the number of pints of milk consumed in the UK per day." This is a Fermi estimation exercise combined with risk discipline. The point is not to get the right number — it is to show structured thinking and willingness to commit to a price.

THE MARKET-MAKING FRAMEWORK

Step 1 — Estimate: Break the problem down logically. For milk: UK population 67m × 70% drink milk × 0.3 pints/day average = ~14m pints/day.

Step 2 — Quote: Give a bid-offer. "I'd make you 12–16 million pints." The spread should reflect your uncertainty — wider when you're less sure.

Step 3 — Defend: If the interviewer says "I sell to you at 12m" — say "Done, I'll buy at 12m." If they then say "actually it's 20m" — that's fine. You made a market. You priced your uncertainty.

Never say "I don't know" without giving a price. A trader who won't quote is useless. Make a wide market and size it small.

S&T; Core Technical Questions

- **Q: What is the difference between the bid and the offer?** A: The bid is the price at which the market maker will buy from you. The offer (ask) is the price at which the market maker will sell to you. The spread (offer - bid) is the market maker's compensation for providing liquidity and bearing inventory risk.

- **Q: What is duration and how does a bond's price change when rates move?** A: Duration measures the sensitivity of a bond's price to interest rate changes. Modified duration = approximate % price change per 1% change in rates. A bond with duration of 7 falls approximately 7% in price when rates rise 1%. Longer maturity and lower coupon = higher duration = more rate sensitivity.

- **Q: What are the Greeks?** A: Delta: option price sensitivity to underlying price (calls positive, puts negative). Gamma: rate of change of delta. Theta: option price decay over time (options lose value as expiry approaches). Vega: sensitivity to implied volatility. Rho: sensitivity to interest rates.

- **Q: If implied volatility spikes, who benefits — option buyers or sellers?** A: Option buyers (long vega) benefit — their options are worth more in a higher vol environment. Option sellers are short vega and lose if vol spikes. This is why selling options is described as "picking up pennies in front of a steamroller" — you collect premium regularly but face large losses in vol spikes.
- **Q: What is the yield curve and why is an inverted yield curve significant?** A: The yield curve plots interest rates across maturities. Normally upward-sloping (longer maturity = higher yield, compensating for time risk). Inverted when short-term rates exceed long-term rates — historically a reliable recession predictor, as it signals the market expects rate cuts (lower rates) in the future.
- **Q: If you were running a rates desk today, what would be your biggest risk?** A: Reference current market conditions. Strong answer: identify a specific risk (e.g. "sticky core inflation causing the Fed to stay higher-for-longer while markets are pricing in cuts — a mismatch that creates duration risk on any long positions we hold") rather than giving a generic answer.

S&T INTERVIEW REALITY

The most important thing in an S&T; interview is energy and conviction. Express a genuine opinion on markets. Say "I think..." and commit to a view. Equivocating interviewers get cut. A wrong but well-reasoned view beats a correct but vague one. Traders make decisions under uncertainty every day — they want to see you do the same.

15

Quantitative Research & HFT

Probability, coding, brainteasers, and the Jane Street / Citadel / Two Sigma process

Quant interviews are the most technically demanding in finance. Firms like Jane Street, Citadel, DE Shaw, and Two Sigma require genuine mathematical ability, strong Python or C++ skills, and comfort with probability puzzles that are designed to reveal how you think — not just whether you get the right answer. This chapter covers the core curriculum for quant and HFT roles.

Probability — Core Questions

- **Q: You flip a fair coin until you get two heads in a row. What is the expected number of flips?** A: Let E = expected number of flips. From the start, P(H) = 0.5, P(T) = 0.5. After one H: P(HH) = 0.5 → done; P(HT) = 0.5 → back to start. Setting up equations: $E = 1 + 0.5(1 + E_H) + 0.5 \cdot E$, where $E_H = 1 + 0.5 \cdot 0 + 0.5 \cdot E$. Solving: E = 6.

- **Q: You have a 3-sided die (faces 1, 2, 3). What is the expected number of rolls to get all three faces?** A: Coupon collector problem. Expected rolls for first new face: 1. Second new face: 3/2 (prob 2/3 each roll). Third: 3 (prob 1/3 each roll). Total: 1 + 3/2 + 3 = 5.5.

- **Q: In a room of 23 people, what is the probability two share a birthday?** A: P(no match) = 365/365 × 364/365 × ... × 343/365 ≈ 0.493. P(at least one match) ≈ 50.7%. This is the famous "birthday paradox" — much higher than intuition suggests because you're comparing all pairs, not one person against others.

- **Q: You play a game: flip a coin. Heads you win £1, tails you lose £1. You start with £3 and stop when you hit £0 or £6. What is the probability you end with £6?** A: Classic gambler's ruin. P(reaching £6 starting from £3) = 3/6 = 50% for a fair coin. In general: P = starting position / target.

- **Q: What is the expected value of a random variable that is 1 with probability p and 0 with probability 1-p?** A: E[X] = p × 1 + (1-p) × 0 = p. This is the Bernoulli distribution. The variance is p(1-p).

- **Q: You have two envelopes, one with twice the money of the other. You pick one and see £100. Should you switch?** A: This is the "two envelope paradox." The naive expected value calculation suggests switching (£125 vs £100), but the setup contains a flaw — you cannot simultaneously assume the other envelope contains either £50 or £200 with equal probability without contradiction. The correct answer: with no prior information, switching has zero expected gain.

Python / Coding — What to Prepare

- **Data structures:** Lists, dictionaries, sets, deques. Time complexity of operations (O(1) dict lookup vs O(n) list search).

- **Algorithms:** Sorting (quicksort, mergesort — understand, don't just name). Binary search. BFS/DFS on graphs.

- **Statistical simulation:** Monte Carlo in Python. Generating random samples. Estimating expected values by simulation.
- **Pandas:** DataFrame operations, groupby, merge, pivot. Know how to compute rolling statistics and handle time series.
- **NumPy:** Array operations, vectorised functions, random number generation.
- **Typical problem types:** "Write a function that estimates the expected number of coin flips to get 10 heads" (Monte Carlo). "Find the most frequently occurring element in a list in O(n)" (dictionary approach). "Given a time series, compute the 20-day rolling Sharpe ratio" (pandas).

JANE STREET vs CITADEL vs TWO SIGMA — KEY DIFFERENCES

Jane Street: 2–3 rounds. Heavy probability puzzles and mental maths. Market-making exercises. Collaborative culture, very intellectually focused. Few rules-based strategies — emphasises discretion.

Citadel (Wellington / Securities): Intense process. LeetCode Medium + quant maths. Stats and ML for research roles. Very competitive internal culture. Compensation is exceptional.

Two Sigma: Feels most like a tech company. Python-heavy. Statistical modelling, time-series, signal research. ML/AI emphasis is the highest of the three. Academic publishing culture.

DE Shaw: Extremely rigorous maths. Multi-round process with written tests. Known for depth of quantitative problems. Recruits heavily from maths PhDs and top undergrad programmes.

16

Private Equity — LBO Models, Case Studies & On-Cycle

The compressed PE recruiting process, modelling tests, and deal discussions

Private equity recruiting is categorically different from IB recruiting. It is almost entirely post-IB (most megafund analysts have 18–24 months of IB experience before recruiting). The process is compressed into a period of 2–3 days in "on-cycle" recruiting — where headhunters contact you, you interview, and offers are extended, all within 72 hours. Preparation must begin months before the process starts.

The On-Cycle Process

Stage	What Happens	Timeframe
Headhunter outreach	Headhunters (Henkel, CPI, Amity, SG Partners, Gold Coast, Ratio) contact you ~18 months into your IB analyst role. They screen for: bank, group, GPA, and deal experience.	18–24 months into IB analyst stint
Headhunter screen	Phone or video call. Behavioural questions, deal experience, target firms. They are filtering for credible candidates to present to their PE clients.	1–2 hours
First rounds	Paper LBO (45–90 min). Behavioural: walk me through a deal, why PE, investment philosophy. Technical: LBO mechanics, returns analysis.	Compressed into ~1 week
Modelling test	Full LBO model in Excel. Typically 3 hours. Acqui-hire scenario with a CIM. Must be completed accurately and quickly.	3 hours on-site or timed take-home
Final round / Superday	Case study presentation, deal discussion, cultural fit with partners. "Would we trust this person with our portfolio companies?"	1 full day
Offer	Exploding — often 24–48 hours. Accept or decline. There is rarely time to compare multiple final-round outcomes.	24–48 hours to decide

The Paper LBO — Master This Cold

A paper LBO is a simplified LBO model done by hand (or in a basic spreadsheet without pre-built formulas). You will typically be given: entry EBITDA, entry multiple, debt / equity split, revenue and margin projections, exit multiple and year. You need to calculate: entry equity, debt, EBITDA over hold period, exit enterprise value, exit equity, IRR and MOIC.

PAPER LBO WALKTHROUGH — EXAMPLE

Given: Enter at 10× EBITDA (£50m EBITDA → £500m EV). 60% debt (£300m), 40% equity (£200m). EBITDA grows to £75m in year 5. Exit at 10×.

Step 1 — Entry: Entry EV = £500m. Debt = £300m. Equity = £200m.

Step 2 — Exit EV: £75m × 10 = £750m.

Step 3 — Exit equity: Assume debt is paid down to £200m (simplified). Exit equity = £750m - £200m = £550m.

Step 4 — MOIC: £550m / £200m = 2.75×.

Step 5 — IRR (approximate): For a 5-year hold, 2.75× ≈ IRR of ~22% (use the rule of thumb: 2× in 5 years ≈ 15%, 3× in 5 years ≈ 25%). More precisely: IRR = (2.75)^(1/5) - 1 = 22.4%.

Practice this until you can complete it in under 10 minutes with no calculator.

PE Behavioural Questions

- **"Why PE over staying in banking?"** — Be specific. "I want to go deeper on fewer companies over a longer time horizon rather than working across many deals at a high level. I want to be an owner." Never say: "better hours" or "carry."
- **"Walk me through your most complex deal."** — Know every assumption in every model you worked on in IB. Expect follow-up questions on why specific assumptions were made, what the sensitivities were, and how the deal actually performed.
- **"What's an investment you would make today?"** — Bring a long-form PE investment thesis with full LBO return analysis, not a stock pitch. Include: why the company is good, why now, what the value creation levers are, what the exit looks like.
- **"What's your investment philosophy?"** — Have a crisp answer. "I look for businesses with durable competitive moats, capital-light models with strong FCF conversion, and clear operational improvement opportunities under active ownership."

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Firm-Specific Intel

Goldman Sachs · JPMorgan · Citadel · KKR · BlackRock · Barclays · Evercore

This chapter provides firm-specific preparation intelligence for the most commonly targeted firms. For each firm: what they uniquely value, recent deals or strategies to reference, common interview quirks, and the "why us" answer that will resonate.

Goldman Sachs

Headquarters	London (EMEA HQ) / New York
Culture keyword	"One Firm" — cross-divisional collaboration is explicitly valued
What they uniquely value	Intellectual rigour, quantitative precision, and commercial instinct. GS skews more technical than JPM at Superday.
Recent strategic focus	GS has pivoted back toward institutional clients after consumer banking exits (Marcus wind-down). Marcus Credit Card sold to GM Financial. M&A; advisory revenue remains their crown jewel.
"Why GS" that works	Reference the One Firm culture + a specific group (e.g. TMT advisory, M&A;). If you have spoken to a GS analyst, reference that conversation.
Interview quirk	Goldman often asks "Tell me about a time you demonstrated intellectual curiosity." Have a specific story ready — not generically about finance.

JPMorgan Chase

Headquarters	London (EMEA) / New York
Culture keyword	Scale, execution, and breadth — JPM leads in almost every product globally
What they uniquely value	Commercial awareness, ability to work at scale, and adaptability across products. Less purely technical than GS at junior level.
Recent strategic focus	Record investment banking revenue, continued dominance in debt capital markets, aggressive fintech investment (Payments, data infrastructure).
"Why JPM" that works	Reference breadth of platform — ability to advise on both M&A; and capital markets in the same transaction. Reference a specific recent deal or league table leadership.
Interview quirk	JPM Superdays include a HireVue component at earlier rounds. Written application questions are rigorous — "Why JPM?" is read carefully.

Citadel / Citadel Securities

Headquarters	London / Chicago / New York
Culture keyword	Intensity, performance, and edge — every decision is data-driven

What they uniquely value	Raw quantitative ability, adaptability under pressure, first-principles thinking. Citadel hires very few people and cuts quickly.
Recent strategic focus	Citadel Securities is the largest market maker in US equities. Citadel the hedge fund is multi-strategy — commodities, equities, fixed income, credit.
"Why Citadel" that works	Specific to the desk or strategy you're targeting. "I'm drawn to the rigour of the research process and the direct connection between analytical quality and portfolio outcomes."
Interview quirk	Citadel asks very specific mental maths and probability questions in early rounds. Practice: fast mental multiplication, percentage calculations, and conditional probability.

KKR

Headquarters	London / New York
Culture keyword	Partnership, long-term orientation, and operational value creation
What they uniquely value	Strong IB modelling background, strategic thinking about portfolio companies, and genuine interest in operations — not just financial engineering.
Recent strategic focus	Global Atlantic acquisition (insurance capital for deal financing), significant infrastructure investing, Asia growth equity.
"Why KKR" that works	Reference KKR's transition from pure buyout to multi-asset alternative manager. Their Global Atlantic acquisition shows capital markets sophistication. Show you understand their value creation playbook.
Interview quirk	KKR interviewers go very deep on deal experience. Know the IRR, MOIC, and exit multiple of every deal you touched. They will pressure-test your assumptions.

BlackRock

Headquarters	London / New York
Culture keyword	Fiduciary, data-driven, and Aladdin (their proprietary risk platform) is central to everything
What they uniquely value	Portfolio thinking, risk management, and the ability to understand client objectives — not just produce returns.
Recent strategic focus	Aladdin expansion (licensing risk tech to other institutions), infrastructure debt, private credit, and the GIP acquisition (Global Infrastructure Partners).
"Why BlackRock" that works	Reference Aladdin + the shift toward alternatives. "I want to work at the intersection of public and private markets, and BlackRock's scale and infrastructure give access to both."
Interview quirk	BlackRock AM interviews often ask "Walk me through a sector you've researched deeply." Have a full investment thesis ready — not just a stock pick.

Next Steps & Resources

What to read, what to build, and where to go from here

Essential Resources by Track

Resource	Best For	Cost
Wall Street Prep (WSP)	IB financial modelling — DCF, LBO, M&A;, Comps	£/$399 (student discount available)
Mergers & Inquisitions (M&I;)	IB recruiting — behavioural, networking, technical	Free (articles) / paid courses
Wall Street Oasis (WSO)	Community, firm-specific intel, salary data	Free / WSO Premium
Breaking Into Wall Street (BIWS)	Modelling (Excel-heavy), IB and PE	£/$97–497
Investopedia	Finance definitions, accounting basics	Free
AskStanley.ai	IB technical Q&A;, mock interview	Freemium
JobTestPrep / AssessmentDay	Numerical, verbal, SJT practice tests	£20–50
QuantNet	Quant finance forums, MFE rankings, quant prep	Free
Open Courses (CFI, Coursera)	Financial modelling, Python for Finance	Free–£50
FT / Bloomberg / WSJ (daily)	Commercial awareness — read every day	Subscription

Your Action Plan for the Next 30 Days

1. Run your CV through finance-cv-audit.com if you haven't already. Implement every fix from your audit report and CV rewrite. This takes one afternoon.

2. Build a complete DCF from scratch using a real public company. Publish it to GitHub. This is your proof of work.

3. Send 10 LinkedIn networking messages this week. Five to analysts, five to associates. Use the template in Chapter 4 and personalise each one.

4. Prepare and rehearse your "Tell me about yourself" (90 seconds), "Why finance" (60 seconds), and "Why [Target Firm]" (60 seconds). Record yourself. Watch it back.

5. Complete 2 full practice numerical reasoning tests under timed conditions (JobTestPrep or AssessmentDay).

6. Identify your 8 core behavioural stories. Map each to the competency themes in Chapter 7. Write them out in STAR format.

7. Prepare your stock pitch (AM) or 3 live market opinions (S&T;) or top PE investment thesis (PE) — whichever track you're targeting.

8. Set application deadline calendar reminders for every firm you're targeting. Apply on Day 1–2 of each portal opening.