THE UNIVERSITY OF CHICAGO

CAREER ADVANCEMENT

Business

Sales & Trading
Recruiting Guide

Introduction

This guide was put together by UChicago students who recruited for Sales & Trading (S&T). It reflects what we found useful and what we wish we had known earlier. Recruiting moves quickly, so verify the specifics, but the shape of the process and the substance of what gets asked tend to hold.

The thing to understand going in is that S&T is not one job. A trading floor is dozens of desks, each trading a different product, and you are evaluated less on technical depth than on whether you genuinely follow markets, can hold a real conversation about them, and come across as someone the desk would put in front of a client. The first half of this guide builds the context to do that; the second half covers the technicals, how to build a market view, and the mechanics of recruiting.

A checklist of things to have done by the time you apply

1. Get the two free guides everyone uses: salesandtrading.org (the PDFs are downloadable) and the Citi Sales & Trading Interview Study Guide. Read them before you start networking.
2. Be able to name the major desks on a trading floor and explain, at a high level, what each trades.
3. Have 2–3 market views you know inside and out, and stay current on what is happening in markets.
4. Know bond math — it is the common language of the floor and non-negotiable. Also know leveraged returns and enough option and swap mechanics to ground a view.
5. Know the stock price of the bank you are interviewing at, and basic EPS — interviews land around earnings season.

6. Start your behaviorals early. In S&T they carry more weight than the technicals.
7. Network from the summer before sophomore year. Aim for analysts and associates, plus one or two more senior people (VP or MD).

On scope: this guide focuses on S&T at the large dealer banks. The quantitative market-making firms (Jane Street, Citadel Securities, Virtu, IMC, Optiver) recruit on their own timelines and run a much more quantitative process built around probability and mental math. We flag the differences but do not cover their full process here.

What Sales & Trading Is

A bank's S&T division **makes markets** for clients — hedge funds, asset managers, pension funds, insurers, corporates. These clients need to buy and sell securities, and the bank sits in the middle, providing liquidity and earning the bid-ask spread. This is different from the pre-crisis era of proprietary trading, where banks bet their own capital freely. Today the activity is overwhelmingly client-driven.

A trading floor is one large open room broken into **desks**, each responsible for a product group or asset class. Traders typically sit on one side and salespeople face them. The lines between roles have blurred, but it is still useful to think in terms of five.

The Five Roles

Traders

Traders are, above all, **risk managers**. Most trading today is market-making: quoting a bid and an offer and managing the resulting inventory, or "book." When a client sells them a bond, the trader decides whether to offload it immediately or **warehouse the risk** by holding it. The job lives in a constant tension: facilitating client flow, which they have to do to keep clients coming back, while positioning the book for where they think the market is going. A trader will never simply dump the book because they dislike the market, nor load up only on positions they love. Being able to describe that tension is one of the more impressive things a candidate can do.

Sales

Where traders manage risk, salespeople **manage clients**. A salesperson's book is tied to accounts, not securities — the funds they speak with daily. They sit between the trader and the client, helping the trader move inventory and helping the client get trades done. A common misconception is that sales requires being a loud extrovert. In reality, a strong salesperson is someone clients enjoy talking markets with, who is responsive, who gets trades executed, and who is easy to deal with. It comes down to how well you speak about markets and broker deals, not how outgoing you are.

Sales-Traders

A hybrid role that emerged as parts of the floor, notably cash equities, became automated. Sales-traders take client orders, execute them through the bank's electronic systems, and handle client interaction, but warehouse less risk than a pure trader and interact less intensively than a pure salesperson. They tend to be more mobile across asset classes.

Quants

Quants historically built the pricing models and systems that traders and salespeople used. Increasingly, in the most electronic and complex areas (especially equity derivatives and exotics), they have moved into PnL-bearing, trading-style roles. The more algorithmic the market, the more likely quants carry PnL. They usually enter through separate, more technical programs and tend to have advanced degrees in math, physics, or computer science.

Structurers

Structurers build bespoke products that give clients exposure they could not get off the shelf, combining a base product with derivatives to engineer a specific payoff. They price these products, help sales explain them, and increasingly share in risk management. Technically demanding, but generally less code-intensive than pure quant work.

> **Technicality spectrum (least to most):** Sales → Sales-Trading → Trading → Structuring → Quants. You do not need to price an exotic option for a traditional S&T interview. You do need to know what these roles are and roughly what they do.

The Desk Landscape

This is the spine of S&T and the most useful thing to understand before interviewing. Desks broadly fall into **FICC** (Fixed Income, Currencies & Commodities), **Equities**, and a growing set of **Cross-Asset, Structuring & Lending** desks that do not fit neatly into either.

FICC — Fixed Income, Currencies & Commodities

At many banks FICC is larger than equities. Fixed income breaks further into rates, mortgages (MBS), and credit.

Rates

Generally one large desk trading the most liquid, lowest-balance-sheet products on the floor: Treasuries (with traders dedicated to the front-end, belly, and long end of the curve), interest rate swaps and swaptions, TIPS (inflation-indexed products), and money markets / STIR (repo, commercial paper, SOFR).

Credit

Unlike rates, credit is split into many distinct desks: investment grade (IG) and high yield (HY); distressed and bank loans; municipal bonds and CLOs; macro credit (indices, index options, bond ETFs); and emerging-markets and LatAm credit.

MBS, Commodities, FX

- **MBS** — agency MBS, non-agency RMBS/CMBS, and mortgage derivatives. Usually sits beside rates.
- **Commodities** — oil/crude, natural gas, power, metals, and agriculture; the area with the most variation between banks, with some having largely exited.
- **FX** — G10 FX (the most flow-oriented desk in FX), EM FX, and FX options.

Equities

Equities has changed the most over the past decade. Cash equities (executing large stock orders) was once the biggest area by headcount but is now heavily automated; equity derivatives is typically the largest equities desk today. Major desks: Delta One, convertibles, equity index and index volatility, equity and index derivatives, and equity exotics/structuring.

Cross-Asset, Structuring & Lending

A growing set of desks that do not fit cleanly into one asset class. They often have vague names, can be lucrative, and — because the business is bespoke — face less automation risk and tend to have strong exits. Look for names like Cross-Asset Solutions/Financing, Macro Structuring, and Credit Structuring.

> **In an interview:** you are not expected to know how to price a swaption or what a volatility smile is. But naming a few desks that make up FICC, and explaining how the products differ, already puts you ahead of most candidates.

Landscape of Firms (as of 09/2025)

Bulge brackets: Goldman Sachs, Morgan Stanley, JPMorgan, Citi, Bank of America, Barclays, UBS, Deutsche Bank.

BB S&T is largely a **rotational** program. You rotate across desks before being placed and will be asked to rank your preferences, but you are not applying directly to a single desk. That is why the consistent advice is to have a point of view without pigeonholing yourself — you are ranking within a rotation, not committing to one seat.

Beyond the bulge bracket: regional and mid-market firms with active floors (Jefferies, Baird, Piper Sandler, RBC, Wells Fargo), which often have real strength in specific products like credit, rates, or municipals; and market-making / electronic trading firms (Citadel Securities, Jane Street, Virtu, IMC, Optiver), which recruit on their own timelines, skew heavily quantitative, and interview very differently. Figure out which firms are strong in the product area you care about, regardless of tier.

The Desk Matters More Than the Firm

The most important mental shift for S&T recruiting: **the desk matters more than the firm.** In M&A, league tables roughly track quality top to bottom and prestige is a reasonable proxy. In S&T, almost every major bank is top-three at *something*, there is substantial lateral movement between banks, and your career is defined far more by the product you trade than by the logo on your badge. Get the best offer you can, then find what that bank does best and aim for those desks.

Why Banks Specialize: Balance Sheet

The most useful lens on firm strengths is **balance sheet**. After the financial crisis, riskier or more illiquid activities came to require a bank to set aside more capital. A bank's balance sheet is driven largely by its retail deposit base. Banks with large balance sheets (JPMorgan, Citi, Bank of America) can more readily run balance-sheet-intensive businesses like credit and securitization, where positions are hard to hedge and must be warehoused. "Lighter" banks (Goldman Sachs, Morgan Stanley) tend to be strongest in lower-balance-sheet areas like rates and equities, where risk can be hedged out near-perfectly. Treasuries are essentially cash-like and use little balance sheet; distressed debt uses a great deal.

> **A strong answer sounds like:** "I'm drawn to credit, and I know firm X leads there — partly because, with a larger balance sheet, it has more appetite to warehouse credit risk than balance-sheet-constrained peers." It shows you understand the modern banking ecosystem and aren't choosing a firm for its brand name.

Figuring Out If S&T Is for You

The best way is to talk to someone in S&T — a call with an analyst or associate, hearing what they do day to day, beats any amount of reading. The real signal is whether you find yourself genuinely engaged by markets: wanting to understand why things move, forming opinions on what the Fed will do next, reading macro commentary and finding it interesting rather than draining. S&T demands that kind of daily engagement. If following markets feels like homework, it may not be the fit, and that is useful to learn early.

Recruiting Timeline

Start networking the summer before sophomore year and continue through fall quarter. Timelines keep moving earlier, so the best thing you can do is start before you feel ready. As of writing, bulge-bracket applications opened around January 1st, with JPMorgan usually the earliest (late December), and interviews for junior internships clustered in early-to-mid February. Assume all of this will be earlier by the time you recruit.

By the end of freshman summer, you should have:

- **A genuine interest in some pocket of markets.** You will be asked whether you lean FICC or equities. Having an area that differentiates you is valuable, but do not pigeonhole yourself — you are early and your knowledge of the floor is limited. Keep an open mind while holding a point of view.
- Started working through salesandtrading.org and the Citi guide, and begun building your network — this starts in the summer.
- **Started on behaviorals.** These are central in S&T. You are not interviewing for "sales" or "trading" — you are evaluated as both, and whether you would be good with clients is judged mostly through your behaviorals and how you carry a conversation.

Through fall quarter, you should be:

- Solidifying connections and continuing to network actively.
- Technically sound on bond math, leveraged returns, and basic derivatives.
- **Locking in your market views.** What do you expect the Fed to do — how many cuts or hikes? What is your read on the dollar and on rates? Stay current and keep updating your own predictions.

S&T is heavily concentrated in New York, so the "which city" question carries less weight than in banking. Some products cluster geographically (commodities in Houston, for example)

Necessary Reading & Resources

The two most helpful resources, both free to download, are **salesandtrading.org** and the **Citi Sales & Trading Interview Study Guide**. salesandtrading.org covers what S&T is, desk-by-desk overviews, and real interview questions; read the main guides fully before networking and the desk-specific ones once you know your area. The Citi guide walks through the five question types — behavioral, market, technical, fit, and brain teasers — and the story-template, market, and technicals sections are the most useful. Use the template as a frame; do not memorize it.

Staying Current on Markets

Following markets consistently is the foundation of every networking call and every interview. Build the habit well before recruiting season — you cannot cram market intuition.

- NYT The Morning, WSJ headlines, and Bloomberg headlines — daily.
- Morning Brew — accessible daily market and macro coverage.
- **Apollo / Torsten Slok** — short, sharp takes on a specific market or macro topic; good for building a macro point of view.
- **Bank research podcasts and YouTube** — Goldman, JPMorgan, Morgan Stanley and others post market views regularly; one of the best ways to hear how practitioners frame current trades

Technical Questions

S&T interviews are less technical than many finance processes. Because you largely steer the interview through what you say you are following in markets, you can guide the conversation toward what you know. Do not lean into a highly technical idea unless you are ready to be pushed on every part of it. The point of the technicals below is partly to answer them directly and partly to ground a market view — the bulk of the interview — so it holds up under questioning.

Bond Math

Fixed income is the larger market — the global bond market is bigger than the global equity market — and rates sit at its center: you are trading the price of money, risk, and time. A large share of the money and headcount on a trading floor lives in rates and credit. Whatever desk you end up interested in, bond math is the common language, and being shaky on it reads as not being serious about S&T. It is non-negotiable. For interviews this is mostly about fluency, not heavy calculation: know the concepts cold, and be able to work through a few standard calculations out loud.

Concepts

- If yields go up, what happens to bond prices? Why? *(They fall — price and yield move inversely. The cash flows are fixed, so the only way a buyer earns a higher yield is to pay less for them.)*
- What is the relationship between a bond's price and its yield? How are bonds priced? (Present value of the cash flows, discounted at the yield.)
- What is yield to maturity (YTM)? What is a callable bond, and when would a company call one? What is a zero-coupon bond?
- If you believe rates will fall, do you buy or sell bonds? *(Buy — falling yields mean rising prices.)* How many basis points equal 0.5 percent? *(50 bps.)*

Technical

Pricing / YTM. A bond is the present value of its cash flows discounted at the yield. Take a 3-year bond, $5 annual coupon, $100 face. When the coupon equals the yield (5%), it prices at par. When the yield is higher than the coupon (say 8%), it prices below par (~$92), because the coupon no longer delivers the required return. The rule: coupon = yield → par; yield > coupon → discount; yield < coupon → premium. If they give you price/coupon/maturity and ask for YTM, it is the discount rate that sets PV equal to that price — you can't solve it cleanly by hand, so say that and ballpark using current yield (coupon / price), nudged toward par.

Duration — the price-move calculation. The one most likely to come up. Modified duration tells you how much a bond's price moves for a 1% change in yield. *Q: a bond has modified duration 7 and yields rise 50 bps — roughly what happens?* **A: 7 × 0.50% ≈ a 3.5% price decline.** Duration works for small moves; convexity is the second-order correction for larger ones (name it if asked).

Price at a new yield. "A 30-year Treasury is at par with a 7% coupon. A year from now its YTM is 11%. What happens to the price?" State the direction first — yield up means price down, so well below par — then size it with duration intuition: a long bond has high duration, so a 4% yield jump implies a steep drop (mid-$60s in the textbook version). They want direction, reasoning, and a sensible ballpark, not a perfect decimal.

The Yield Curve

The curve plots yield against maturity. Normally it slopes up: longer maturities pay more. Its shape moves with growth and inflation expectations, Fed policy, and Treasury supply, and traders read the shape as a signal.

- **Steepening** (long yields rising relative to short) — typically bets on stronger growth or higher future inflation.
- **Flattening / inversion** (short yields at or above long) — typically recession fear: the front end is pinned to current Fed policy while the long end prices future cuts.
- **Why the ends move differently:** the short end tracks current Fed policy; the long end prices future policy plus a term premium (extra yield for locking money up). Supply (deficits, QT) pressures the long end up.

Leveraged Returns

> **Q:** You buy a $100 asset that pays $5 in a year, but borrow $80 at 3%. What is your return on the $20 of equity?
>
> **A:** Interest = $80 × 3% = $2.40. Net profit = $5 – $2.40 = $2.60. Return = 2.60 / 20 = **13%**.
>
> **Q:** Borrow $90 instead. **A:** Interest = $2.70, net profit = $2.30, return = 2.30 / 10 = **23%**. More leverage, more return — and more risk.

Options & Derivatives

You will rarely be grilled on these as standalone questions. They matter because they give you the vocabulary to ground a market view — when you talk about rates, vol, or how a trade is hedged, these let you be precise instead of hand-waving. Know them conceptually; go deeper on your own time if you are drawn to a derivatives desk.

- What is a call? A put? What is the payoff of each at expiry?
- What drives an option's value? (underlying price, strike, **volatility**, time to expiry, interest rates, dividends.) Volatility is the one that matters most for grounding a view: more vol means more valuable optionality, on both calls and puts.
- **Implied vs. realized volatility.** Realized is what the underlying actually did; implied is the volatility baked into the option's market price — you back it out rather than assume it. Saying "implied vol looks rich/cheap versus what's realized" signals you actually follow markets.
- **Delta, conceptually.** How much the option moves for a $1 move in the underlying — ~0.5 at-the-money, toward 1 deep in-the-money, toward 0 deep out-of-the-money. It is also a hedge ratio: long 100 calls at 0.50 delta behaves like being long ~50 shares, which you'd short to neutralize. (Do not need to know, but helpful)
- **Forward vs. futures.** Same economic exposure; futures are exchange-traded, margined, and marked-to-market daily, while forwards are bilateral/OTC and carry counterparty risk.
- **Interest rate swaps.** Exchanging fixed for floating payments on a notional. Core to the rates desk and come up naturally when you talk about rates.

Macro, Earnings & Brain Teasers

Macro questions test whether you actually follow markets: where the S&P, major indices, and key rates closed; what the Fed did last meeting and what is next; why the dollar is moving; the relationship between rates and inflation; and the central-bank rates for the US, ECB, UK, and Japan. Know the levels and, more importantly, why they are there.

Interviews cluster around earnings season, so know the bank's current stock price and basic EPS, and be ready for: why might a stock drop even after reporting higher earnings? (The market was down broadly, or they beat on earnings but missed versus the Street's expectations.)

Brain teasers are about thinking out loud and staying calm, not always the exact answer:

- **Probability the first business day of a month is a Monday?** 3 in 7.
- **Most money in coins without being able to make change for a dollar?** $1.19 — three quarters, four dimes, four pennies.
- **18 × 22?** 18 × 20 + 18 × 2 = 396.
- **Two boats 5 miles apart, each at 10 mph toward each other — when do they meet?** 15 minutes; they close at 20 mph.

Developing a Market View

This is where you differentiate yourself, and the thing to spend the most time on after behaviorals. In every BB interview, the question of what you are following in markets came up, and the answer drove the rest of the conversation.

The key point is that **you steer the interview**. If you talk about FX, the conversation becomes about FX; if you talk about rates, it becomes about rates. Pick something you know deeply and are genuinely interested in, because you are choosing the terrain you will be questioned on.

A market view is *not* a formal trade pitch. Do not present it as a structured trade with hard numbers and a definitive position (unless asked, this is more common in pitching equities). Present it as something you have been following and find interesting — something you can draw out in conversation, leaving room for the interviewer to add their take. Leaning into the interviewer's own area can work well: if you genuinely have something to offer, it makes for a better conversation and signals you are there to learn and not afraid to be questioned/caught wrong. Acknowledge what you do not know, and ask for their view.

How to Structure One

1) **Background.** The macro or structural context — what has historically been true about this market?
2) **The development.** What has changed recently that makes this interesting now?
3) **Your view.** How you think about it given that change, and what instrument best expresses it. Frame it as your current thinking, not a final answer.
4) **The risk.** What would make you wrong. When the signals genuinely conflict, a wait-and-see read that names the contradiction is more sophisticated than forcing a clean directional call.

Ground It in the Macro Chain

Strong views connect the dots between forces rather than asserting a single number. The chain most rates and FX views run through:

- **Inflation → rates.** Higher inflation erodes fixed coupons, so investors demand higher yields and the Fed raises short rates to cool demand; new bonds pay more and existing ones fall in price. Low inflation reverses it.
- **Rates → yield curve.** The Fed moves the short end directly; the long end moves slower, pricing future policy plus term premium. Hikes tend to flatten, large cuts tend to steepen.

- **Curve → growth/inflation read.** A steep curve signals expected growth and inflation; a flat or inverted one signals caution. Traders position early — long the long end on a flattening view, short it on a steepening one.
- **The dollar.** Driven by rate differentials (higher US rates pull in foreign capital), the US growth edge, and safe-haven flows during global stress.

A Worked Example: Japan / the Yen

A real market view a UChicago student used across multiple bulge brackets. It shows the level of macro thinking expected and the conversation it generates.

Background

Japan was historically a low-growth, low-inflation economy. The BOJ held rates near zero for decades under Abenomics, which made the **yen carry trade** one of the most crowded positions in global FX: borrow cheaply in yen, invest in higher-yielding assets elsewhere.

The Development

The BOJ hiked for the first time in decades. The obvious read is long JPY — higher rates should attract inflows and strengthen the currency. But the yen kept *depreciating*, because the hike was happening alongside contradictory fiscal expansion, political instability (snap elections, a proposal to scrap the sales tax), and a messy geopolitical backdrop. The monetary and fiscal signals pointed in opposite directions.

The View

Rather than the obvious long-JPY trade, the more interesting observation is that the yen's weakness *despite* the hike is the real signal — the fiscal expansion is undermining the credibility of the tightening. Add dollar weakness from Treasury-market volatility, and a short USD/JPY position expresses both dynamics. The honest framing — that this is genuinely uncertain because the signals conflict — is itself the sophisticated answer; a wait-and-see read that names the contradiction beats forcing a clean directional view.

Handling Pushback

> **"Why short JPY if the BOJ just hiked — doesn't that attract inflows?"** Mechanically, yes. But the simultaneous fiscal expansion undermines the credibility of the tightening. The yen weakening despite the hike is the thing worth paying attention to.
>
> **"Why is the dollar weakening broadly?"** Treasury-market volatility denting the safe-haven narrative, deficit and fiscal concerns, and expectations of Fed cuts as growth slows.

On pushback generally: defend your position with a specific counterpoint — do not cave — but ask for their view at the end. Turning a debate into a two-way conversation is the right move, and when an interviewer cannot give a definitive answer either, that is a sign you picked a genuinely contested question.

Networking

Networking is extremely important in S&T and should start the summer before sophomore year. Each school's alumni largely recruit from their own university, so UChicago alumni should be a target — but you never know who will matter most. Get a few analysts and associates for broad coverage, and try for one or two more senior people (VP or MD). Quality beats raw volume: the people who matter are the ones where you build a genuine connection. Look for connecting factors beyond school too — shared background, language, geography, an affiliation like Girls Who Invest.

Sample Networking Email

> **Subject:** UChicago student interested in Sales & Trading
>
> Hi Mary,
>
> I hope you are well! My name is [Name] and I am a second-year at the University of Chicago studying [majors/minors]
>
> I came across your profile and was excited to see that you are a [connecting factor] and in Trading at GS. I'll be recruiting for S&T, and as I look to prepare I wanted to reach out to learn of any insights or advice you'd be open to sharing, especially as a [connection].
>
> I've attached my resume for your reference and would be grateful for a quick chat whenever you have time. Happy holidays!
>
> All the best,
> [Name]

How to Run the Call

- **Always attach your resume.** Even if they never reply — and there are a million reasons they might not — a resume and email they liked can get forwarded to the recruiter, which is often what secures your first round.
- **Do not dive straight into business.** Ask about their day or weekend; find something human — a sport, a kid, a race they are training for. They spend all day on markets and appreciate a few minutes on something else. Then introduce yourself and move through their background, college, and job.
- **Ask things you are actually curious about.** The desk, the product, how they are thinking about a current market development. The best questions connect to the specific product they work on.
- **Keep emails short, default to their timezone,** and once a time is set, send a calendar invite with a Zoom link so it is effortless for them. If you booked 30 minutes but they say they only have 15, take the 15.
- **If it feels right, ask who else you should speak to.** This is the most valuable question you can ask — it is how you keep expanding your network at that bank. Send a thank-you after every call.

Interviewing

The Resume Walkthrough

Most interviews open here. Walk through it as a short, connected story rather than a list — highlight the key points for the sake of time and invite them to dig in. Lead with the moments that show the traits S&T cares about: performing under pressure and staying calm, adapting fast in an unfamiliar environment, taking on discomfort and risk to learn, and ramping up quickly on a lean team. Know every line cold; the walkthrough is where behaviorals start.

What Matters Most

- **Behaviorals important part of an S&T interview:** Every answer shows how you communicate, handle pressure, and carry a conversation. Have 5–6 stories you can adapt to anything; the first ~100 questions of the M&I 400 are good prompts.

- **Have a clear, specific answer for "why S&T," "why this bank," and "why your area. "** Make "why S&T" about what you find intellectually interesting in markets and real-time decisions. Make "why this bank" about people and culture you have actually encountered — the alumni you spoke with, how the firm runs — not the brand. For "why your area," be specific but leave room for curiosity across the floor; remember the program is rotational.
- **Have a market view ready.** Every interview asks what you are following, and that answer shapes the rest of the conversation. See the previous section.

General Advice

- **Practice your market view out loud with another person.** It has to survive real pushback. You want a conversation, not a rehearsed pitch.
- **Show conviction but stay honest.** Frame your view as your current read, leave room for the interviewer, and if they push back, defend with a specific counterpoint, then ask for their view.
- **Have genuinely interesting questions ready.** The best ones connect directly to the product they work on, or to what is happening in their market right now.
- **Don't skip the basics.** You are far more likely to get a plain bond-math or markets question than an obscure one. If you miss a technical, explain your reasoning and recover — how you handle being stuck matters more than the answer.
- **Know the firm's stock price,** and write a thank-you to every interviewer afterward.

Lifestyle & Fit

Hours vary by desk: rates desks (swaps, govvies, TIPS) start early, around 6–7am; Weekend work is generally minimal + clients.

The bigger point is energy. S&T is fast, active, and constant — markets moving, news breaking, decisions in real time. A UChicago student was once asked in an interview, half joking, if they had ADHD because that restless, high-engagement wiring is exactly the type that thrives on a floor. The clearest internal split is risk: traders carry a book and will have bad days almost regardless of skill, and risk tolerance is largely innate — some people compartmentalize a negative day easily, others can't, and there is nothing wrong with either. It is worth being honest with yourself about which you are, because it points you toward trading, sales, or more structured seats.

Compensation & Exits

The typical path runs analyst (2–3 years) → associate (often 3–4) → VP → MD. Unlike M&A, very few people leave after the analyst stint — you have not yet built a book or client relationships — and "staying put" carries no stigma. Analyst and associate comp is paid in cash; some stock can enter at senior associate or VP. Pay varies widely by desk, bank, location, and year, so treat any specific numbers as directional and verify current ranges.

Exits Are Desk-Specific

There is no single S&T exit. What you can move into depends heavily on what you traded:

Exit path	Who tends to go there
Global macro hedge funds	Rates, FX, and EM traders who have run a real book with meaningful risk — the "traditional" trader exit.

Credit funds	IG, HY, CLO, and distressed traders moving to funds with a matching strategy.
Quant funds	Traders in quant-heavy products (e.g., equity derivatives) — not necessarily "quants" themselves.
Execution trading	Buy-side seats executing PM orders — deep market knowledge, less direct PnL responsibility.
Investor relations / strategy	Often from sales; better lifestyle, relationship- and pitch-oriented.
Another bank / staying put	Heavy lateral movement; staying and rising on a desk is a legitimate, common path.

Good luck!