



WAKE FOREST
UNIVERSITY

SALES AND TRADING CAREER GUIDE





Sales & Trading (S&T) is the heartbeat of an investment bank, where financial instruments like stocks, bonds, currencies, and derivatives are bought and sold. It's a dynamic world where market knowledge, sharp instincts, and strong relationships drive success.

This pathway is primarily about facilitating transactions between an investment bank's clients (like hedge funds, mutual funds, corporations, and governments) and the market, or managing the bank's own positions.

What Sales & Trading Professionals Do

- **Sales:** Salespeople are the bridge between the bank and its clients.



They understand clients' investment needs, provide market color and ideas, and communicate trading opportunities. Their goal is to get clients to execute trades through their bank.

- **Trading:** Traders make markets in various financial instruments, execute client orders, and manage the bank's risk. They are constantly monitoring market movements, supply, and demand to quote prices, facilitate trades, and sometimes take proprietary positions (trading the bank's own money) to generate profit.

S&T operates across various asset classes, which are different types of financial products:

- **Equities:** Stocks and equity-linked products.
- **Fixed Income:** Bonds (government, corporate), interest rate products, credit derivatives.



- **Currencies (FX):** Foreign exchange.
- **Commodities:** Oil, gas, metals, agricultural products.
- **Derivatives:** Options, futures, swaps – contracts whose value is derived from an underlying asset.

Specialized Functions

While the roles are often broadly categorized as "Sales" or "Trading," there are specialized functions within each:

- **Salesperson** (e.g., Equity Sales, Fixed Income Sales): Your primary role is to build and maintain relationships with institutional clients. You'll understand their investment strategies, pitch trading ideas, convey market information, and help them execute trades. It's heavily client-focused and requires strong communication.



- **Trader** (e.g., Equity Trader, Bond Trader, FX Trader): You'll focus on a specific asset class. This involves:
 - Market Making: Constantly quoting buy and sell prices to clients, making a profit on the "spread" (the difference between the buy and sell price).
 - Proprietary Trading (less common now due to regulations): Trading the bank's own capital to profit from market movements.
 - Risk Management: Managing the bank's exposure to market fluctuations from client orders or inventory.
- **Quant Trader/Strategist (Quant)**: These roles involve using advanced mathematics, statistics, and programming to develop trading strategies, build pricing models for complex financial products, and analyze market data for algorithmic trading.



- **Electronic Trading Specialist:** Focuses on the technological infrastructure of trading, including algorithmic trading platforms, high-frequency trading systems, and order routing.
- **Desk Analyst/Strategist:** Supports the sales and trading desks by providing market commentary, research, and trading ideas. They might focus on economic data, specific industries, or technical analysis.
- **Structurer:** Works with clients to design customized financial products (often complex derivatives) that meet specific risk or investment needs. This role bridges sales, trading, and sometimes even investment banking.
- **Operations/Middle Office Support:** Ensures trades are processed accurately, settles positions, reconciles data, and manages post-trade issues. While not client-facing, it's crucial for the smooth functioning of the desk.



Essential Skills for Sales & Trading Success

Beyond technical knowledge, certain personal traits and "soft skills" are incredibly important:

- **Mental Agility & Quick Thinking:** Markets move fast. You need to process information rapidly and make quick, informed decisions.
- **Strong Communication:**
 - Sales: Articulating ideas clearly and persuasively, building rapport.
 - Trading: Concise communication, asking precise questions, conveying risk.
- **Comfort Under Pressure:** S&T is high-stress. You need to stay calm and focused when money is on the line.



- **Quantitative Aptitude:** Strong numerical skills, ability to interpret data, and understand financial models.
- **Commercial Awareness:** A deep understanding of what drives markets, current events, and how they impact different asset classes.
- **Sales Acumen** (for Sales roles): The ability to build relationships, identify client needs, and pitch solutions effectively.
- **Risk Management Mindset:** Understanding and managing exposure, knowing when to cut losses.
- **Adaptability:** Markets are constantly evolving with new regulations, technologies, and products.
- **Resilience & Drive:** The hours can be long, and the job demanding. You need grit and a competitive spirit.