



Financial Career Insight Series: Preparing for Financial Interviews

To enter the competitive world of Financial Services defined by approximately 10 sub-sectors with Investment Banking being perhaps the best known (*see the Financial Market Career Landscape document for a full sector breakdown*) then a certain level of financial knowledge is required to excel during the interview process. Some sectors obviously require more financial knowledge than others but an understanding which demonstrates a keen interest in the subject, as well as personal endeavour, is needed to impress.

If Investment Banking or Investment Management is your target you are going to need a degree of theoretical knowledge e.g. “Explain Discounted Cash Flows to me.” “Explain Bond Yield To Maturity.” Even more importantly, you are going to need to know how Investments Banks and financial markets operate and, at a basic level, have a good grasp of current financial topics to answer such questions as “What is the outlook for US Interest Rates?” “Where is the oil price currently and why?”

If this sounds challenging don’t worry. Nobody is expecting you to be an expert; at the end of the day financial employers are looking for raw talent with potential and not the ‘finished article’. You will become that expert once you’ve worked a few years at that financial institution. Instead, a broad basic understanding of financial topics, markets and instruments is required at interview.

You CANNOT absorb this material two weeks before the interview or Assessment Centre; it is information you need to incorporate into your weekly routine whether you are in Year 1, 2, 3 or a Masters student.

Financial Markets

Good sources of digestible information include (this is not an exhaustive list)

[Opening City Doors](#)

- Graduate Market Update (published fortnightly - sign up for LinkedIn publication notifications)
- 10 Fixed Income ‘Must-Knows’
- 10 FX ‘Must-Knows’
- 10 Equity ‘Must-Knows’
- Financial Benchmarks
- Day In The Life Of A Bond Trader
- Buy Side versus Sell Side
- Tier 1 versus Tier 2 & 3 Financial Institutions



Another good way to follow the markets is to read the Financial Times especially and the front page the last 3 pages in the second Companies and Markets section. The Markets section at [Bloomberg](#) is also excellent. Reading free financial blogs such as [M&G Asset Management 'Bond Vigilantes'](#) and [Finimize](#) is also a good way to achieve the desired level of 'commercial awareness'.

Financial Institutions

As well as understanding the main topics and drivers of financial markets when you arrive at interview you need to have at least a basic understanding of:

- the structure of the industry
- the different business sectors within that institution
- what individuals do in any particular role
- the basic process of how a new financial deal happens e.g. a new bond issue

Good sources of information for this include:

- [eFinancialCareers](#)
- [WikiJob Investment Banking](#)
- [Inside Careers](#)
- [Mergers & Inquisitions](#)
- [The Unofficial Guide to Banking](#)

Another great potential source of information is University Alumni who work in the financial industry. Do not be afraid of reaching out here. LinkedIn is a good way to initially approach. Asking somebody for 10 minutes of their time so you can ask them what they do day-to-day in their job and to hear any advice they may be able to share is really a flattering request for someone to receive; they will likely agree to this. Once you connect in this way, who knows what might happen (but be careful not to ask them for a job!). Networking is a big topic in itself. See the relevant 'links' on the Financial Career Master Resources Guide. Contacting financial individuals like this is also another great 'story' to use at interview about what motivated you to target this industry!

Quick Tips:

- Early background preparation for financial interview is needed for success.
- Incorporate following the financial markets into your daily routine: [Opening City Doors](#) is a good start.
- Understand what happens within financial institutions; business sectors, job roles and associated daily activities.
- Time to reach out to University Alumni.

Additional Resources relating to this topic:

- Financial Career Insight Series: Master Resources Guide.

