



Lush Job Market Shapes Up Mid-Level Pros

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Now is a great time to be looking for a job in the securitization field, especially for junior and mid-level professionals with a few years of experience.

With the annual bonus season in full swing, investment banks, issuers and buy-side shops across the U.S. are looking for a surprisingly large number of structured-finance specialists to work on deals or analyze assets, said Chadrin Dean, a partner at executive-search firm Integrated Management Resources. And the hefty supply of job opportunities is prompting many to begin testing the waters.

"It's as hot as I've ever seen it. I think you're going to see some musical chairs in the ABS world relatively soon," said Gustavo Dolfino, a former UBS executive who founded his own recruiting shop, WhiteRock Group, three years ago.

Demand for new blood is also strong in Europe, where most of the big investment banks are creating or beefing up units that originate, trade and securitize home loans. Given the overall spike in recruiting activity, prospective employers are offering attractive pay packages for asset-finance specialists, on top of increases of 10-20% that many enjoyed last year. "A lot of these groups are top heavy," Dean said, referring to a stream of inquiries he has received from shops seeking deal-structuring and execution experts who can handle the heavy lifting under various product heads.

He said a third-year associate at an investment bank can now demand \$300,000 to \$350,000 of annual compensation, up about \$100,000 from two years ago. The consensus on Wall Street is that the annual salary and bonus for a more-senior banker, such as a director who specializes in a specific product area, runs from \$750,000 to \$2 million at a top-tier bank. At a lesser underwriter, the pay might range from \$500,000 to \$1.5 million.

Compensation for managing directors and group heads varies widely, ranging from \$500,000 per year at low-profile shops to \$1 million to \$3 million at mid-level banks. Among the top 10 underwriters, the amount usually falls between \$2 million and \$6 million.

Some of the banks involved in the current hiring spree are Calyon, Credit Suisse, Deutsche Bank, Goldman Sachs, J.P. Morgan Chase, Keefe Bruyette & Woods, Lehman Brothers, Merrill Lynch, Morgan Stanley, Sandler O'Neill & Partners and Wachovia. Even WestLB is hiring, after letting some structured-finance staffers go last year.

"I don't think there's any place that isn't hiring, and it's still early in the year," said Peter Arian of Analytic Recruiting.

A number of money managers have also put out calls for analysts to join U.S. teams that invest in structured products and other debt instruments through CDOs or funds. They include Ellington Management of Greenwich, Conn., along with the New York offices of Cohen & Co., Credit Suisse, Elm Ridge Capital, Halcyon Asset Management, Marathon Asset Management and StoneCastle Partners.

In addition, Credit Suisse, Lehman and Wachovia are hunting for individuals who are versed in buying, writing or managing leveraged loans. That's not surprising, as such credits are the second-most popular form of CDO collateral, behind structured products.

Back on the underwriting scene, there has been a growing number of openings at shops that need help putting together deals backed by assets outside the busiest sectors. Many banks expect to focus more heavily on those areas this year, as once-booming issuance of bonds backed by mortgages and home-equity loans subsides, said executive recruiter Riordan Maloney of ARE Management. "Distressed seems to be the word of the future, especially on the mortgage side," he added.