



Arkesden
BANKING

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Associate and Vice President Compensation Survey 2013/14, London

Arkesden

TRENDS

- The Investment Banks found 2013 proved a more fruitful year than 2012 with more deal execution in both M&A and ECM happening particularly in H2.
- The bonus pools were generally higher than last year by between 10 and 20%.
- The Candidate pool at the Associate and VP classes remains lean post crisis and the top performers continue to be very well looked-after as the competition to rebuild teams picks up.
- Some banks have focused on paying their VP's a higher number this year but keeping the Associate level flatter and others have reversed this to give greater weight to the Associate class in what is a tighter market.
- UBS
 - UBS increased the basic salary levels at the Associate and VP classes mid-way through 2013 as the compensation freeze lifted.
 - The Analyst bonus cycle has also been moved from the summer to winter in line with Associates. As a result the 2011 class Analysts are now Associate 1's skipping the latter half of senior Analyst year and the Associate '0' 6 months. Their Basic Salary not represented here is now £80K and they were awarded a 6 month bonus.

READING THE SURVEY

- This survey ranges from Associate '0' up to mid-level VP's. We do not include the Senior VP/ Director 2014 classes.
- We have included the data gathered in our survey last year (represented in red) to indicate year – year changes. However the full survey is available on our website.
- As before this is meant as a guideline in compensation trends from the data we have received from the individuals in our network. Actual ranges and total compensation may differ.
- Last year's compensation survey did not include the summer Associate Sign-On bonus which we have done this year. Therefore it is harder to draw comparison between the mean compensation numbers between 2012 and 2013 however the trend through the banks is there. Sign on will be included in future surveys.

METHODS & ACCURACY

- This survey was carried out using Arkesden Banking Associate and VP Networks with willing participants who will remain anonymous.
- The accuracy of the survey will be limited by the word of mouth of the participants; however, we have attempted to mitigate this by gaining as many data points as possible and confirming the accuracy of the data with the banks where possible.
- The survey may be further skewed by the relative openness of top performing individuals versus those at the lower end of the scale.
- The Mean Total Compensation has been calculated using all the data we have available, given we do not know the number of individuals awarded each ranking this may cause some differences.

DEFERRED CASH AND STOCK TRENDS

JP Morgan	Associates with bonuses over 100% of base salary had 10% deferred. VPs with bonuses over 100% of base salary had 20% deferred. This is vested over 3 years with 33% of the deferred total being paid out each March.
Goldman Sachs	Bonuses above 100% of base salary had 15% deferred. Bonuses above 120% of base salary had 20% deferred. This is vested over 3 years.
Morgan Stanley	VPs with bonuses over 100% of base salary had 25% deferred. VPs with over 120% of base salary had 30% deferred. This is vested over 3 years.
Bank of America Merrill Lynch	Bonuses over \$100K had 20% deferred. This is vested over 3 years.
Citi	Bonuses over 80% of base salary were deferred by 25%. This is vested over either 3 or 4 years.
Barclays	Bonuses over 100% of base salary were deferred by 10%.
Deutsche Bank	Bonuses over £105K were deferred
Credit Suisse	Portion of total compensation over \$200K was deferred.
UBS	£100K Cash bonus cap. Any bonuses over this amount had portion deferred. This is vested over 3 years.

ASSOCIATE & VICE PRESIDENT – 2014 BASIC SALARIES

Level	Associate 1		Associate 2		Associate 3		Vice President 1		Vice President 2		Vice President 3	
Bank	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
JP Morgan	£77K	£77K	£88K	£88K	£100K	£100K	Range 115K-£125K	£120K	£140K	£140K	£155K	£140K
Goldman Sachs	£75K	£73K	£84K	£84K	£98K	£98K	£110K	£118K	£125K	£140K	£136K	£140K
Morgan Stanley	£75K	£75K	£88K	£88K	£98K	£98K	£125K	£125K	£125K	£125K	£125K	£135K
Bank of America Merrill Lynch	£75K	£75K	£90K	£90K	£100K	£100K	£125K	£125K	£125K	£125K	£125K	£125K
Citi	£75K	£75K	£88K	£88K	£100K	£100K	£130K	£130K	£130K	£130K	£130K	£130K
Barclays	£75K	£75K	£85K	£85K	£95K	£95K	£110K	£110K	£120K	£120K	£130K	£130K
Deutsche Bank	£75K	£75K	£84K	£85K	£90K	£95K	£110K	£110K	£120K	£120K	£120K	£130K
Credit Suisse	£78K	£78K	£90K	£90K	£105K	£105K	£115K	£115K*	£130K	£130K*	£130K	£130K
UBS	£75K	£85K	£75K	£100K	£85K	£105K	£105K	£125K	£125K	£135K	£125K	£150K

*Credit Suisse operate a "step 1-step 2"

ASSOCIATE 1 (CLASS PROMOTED 2013)

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base (2014)	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£65K	£65K	Stub £21.5K	Sign-on £22.5K, stub £21.5K	Stub £21.5K	Sign-on £22.5K, stub £21.5K	£86.5K	£109K	£77K	£77K
Goldman Sachs (Prorated 6 months)	£65K	£67K	Stub £22.5K	£34K No sign-on	Stub £22.5K	£20K No sign-on	£87.5K	£95K	£75K	£73K
Morgan Stanley	£65K	£65K	Stub £22.5K	Sign-on £22K, stub £22K	Stub £22.5K	Sign-on £22K, stub £22K	£87.5K	£109K	£75K	£75K
Bank of America Merrill Lynch	£65K	£65K	Stub £20K (\$30K)	Sign-on £22K, stub £22K	Stub £20K (\$30K)	Sign-on £22K, stub £22K	£85K	£109K	£75K	£75K
Citi	£65K	£65K	Stub £22.5K	Sign-on £22K, stub £23K	Stub £22.5K	Sign-on £22K, stub £23K	£87.5K	£110K	£75K	£75K
Barclays	£65K	£65K	Stub £20K	Sign-on £20K, stub £20K	Stub £20K	Sign-on £20K, stub £20K	£85K	£105K	£75K	£75K
Deutsche Bank	£65K	£65K	Stub £20K	Sign-on £22.5K, stub £20K	Stub £20K	Sign-on £22.5K, stub £20K	£85K	£107.5K	£75K	£75K
Credit Suisse	£65K	£65K	Stub £22.5K	Sign-on £22.5K, stub £28.5K	Stub £22.5K	Sign-on £22.5K, stub £21K	£87.5K	£112K	£78K	£78K
UBS	£65K	£65K	Stub £15K	Sign-on £22.5K, stub £45K	Stub £15K	Sign-on £22.5K, stub £32.5K	£80K	£125K**	£75K	£85K

* Mean Total Compensation is calculated with full figures available to us; it is not calculated solely on the upper and lower ranges identified here.

** Please refer to page 2 notes re: UBS early promotion

ASSOCIATE 2 (CLASS PROMOTED 2012)

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base (2014)	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£77K	£77K	£77K (≤20% D.S.)	£95K	£38K	£50K	£134K	£145K	£88K	£88K
Goldman Sachs	£75K	£75K	£110K (≤10% D.S.)	£90K	£38K	£55K	£150K	£144K	£84K	£92K
Morgan Stanley	£78K	£78K	£90K	£82.5K	£35K	£27.5K	£140K	£137K	£88K	£88K
Bank of America Merrill Lynch	£75k	£75K	£90K (≤20% D.S. ≤3yrs)	£75K	£50K	£31K	£145K	£135K	£90K	£90K
Citi	£75K	£75K	£74K	£100K	£46K	£30K	£135K	£138K	£88K	£80/88K
Barclays	£75K	£75K	£67K	£75K	£35K	£30K	£127K	£136K	£85K	£85K
Deutsche Bank	£75K	£75K	£83K	£71K	£37K	£40K	£135K	£129K	£84K	£90K
Credit Suisse	£78K	£78K	£50K	£93K	£16K	£45K	£113K	£136K	£90K	£90K
UBS	£75K	£75K	£75K	£76.5K	0	£30K	£112K	£128K	£75K (frozen)	£100K

* Mean Total Compensation is calculated with full figures available to us; it is not calculated solely on the upper and lower ranges identified here.

ASSOCIATE 3 (CLASS PROMOTED 2011)

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£88K	£88K	£75K (≤10% D.S.)	£105K	£55K	£56K	£155K	£172K	£100K	£100K
Goldman Sachs	£75K	£84K	£130K (<18% D.S. ≤3yrs)	£100K	£37.5K	£60K	£159K	£170K	£98K	£98K
Morgan Stanley	£88K	£88K	£102K	£102K	£40K	£30K	£159K	£179K	£98K	£98K
Bank of America Merrill Lynch	£90k	£88K	£90K (≤ 20% D.S)	£87K	£54K Cash	£30K	£162K	£157K	£100K	£100K
Citi	£80K (frozen)	£88K	£80K	£85K	£50K	£35K	£148K	£163K	£100K	£100K
Barclays	£85K	£85K	£80K (5% D.C. 5% D.S.)	£80K	£40K	£36K	£148K	£150K	£95K	£95K
Deutsche Bank	£74K	£85K	£81K	£80K	£38K	£42.5K	£138K	£145K	£90K	£95K
Credit Suisse	£90K	£90K	£58.5K	£100K	£18K	£45K	£131K	£168K	£105K	£105K
UBS	£85K	£100K	£85K	£90K	0	£50K	£127.5K	£151K	£85K (frozen)	£105K

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VICE PRESIDENT PROMOTED 2014

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£100K	£100K	£120K	£130K	£50K	£60K	£190K	£203K	Range £115K - £125K	£120K
Goldman Sachs	£110K	£98K	£132K	£138K	£55K	£70K	£209K	£202K	£110K	£118K
Morgan Stanley	£100K	£98K	£125K (25% D.C. + 50% D.S.)	£150K	£50K	£35K	£192K	£211K	£125K	£125K
Bank of America Merrill Lynch	£100K	£100K	£115K (≤20% D.S.)	£105K	£50K	£45K	£177K	£179K	£125K	£125K
Citi	£90K	£100K	£128K (≤35% D.S.)	£100K	£40K	£60K	£181K	£177K	£130K	£130K
Barclays	£95K	£95K	£102K (≤20% D.S.)	£125K	0	£55K	£161K	£188K	£110K	£110K
Deutsche Bank	£95K	£95K	£105K	£115K	£48K	£48K	£171K	£190K	£110K	£105K
Credit Suisse	£105K	£105K	£75K	£119K	£40K	£50K	£163K	£201K	£115K	£115K
UBS	£95K	£105K	£95K	£140K	0	£70K	£143K	£198K	£105K	£125K

* Mean Total Compensation is calculated with full figures available to us; it is not calculated solely on the upper and lower ranges identified here.

VICE PRESIDENT CLASS PROMOTED 2013

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base (2014)	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£125K	£130K	£155K (≤20% D.S.)	£160K	£62.5K	£90K	£239K	£246K	£140K	£140K
Goldman Sachs	£125K	£110K	£150K	£170K	£63K	£88K	£237K	£248K	£125K	£140K
Morgan Stanley	£125K	£125K	£156K (25% D.C. + 50% D.S.)	£140K	£63K	£45K	£240K	£238K	£125K	£125K
Bank of America Merrill Lynch	£125K	£125K	£150K (≤20% D.S.)	£165K	£63K	£75K	£245K	£245K	£125K	£125K
Citi	£110K	£130K	£154K (≤35% D.S.)	£150K	£50K	£68K	£207K	£238K	£130K	£130K
Barclays	£115K	£110K	£120K (≤20% D.S.)	£140K	0	£70K	£184K	£223K	£120K	£120K
Deutsche Bank	£120K	£110K	£132K	£140K	£56K	£77K	£214K	£224K	£120K	£120K
Credit Suisse	£115K	£115K / 130K	£80K	£157K	£23K	£85K	£169K	£231K	£130K	£130K
UBS	£115K	£125K	£115K (≤15% D.S.)	£150K	0	£80K	£178K	£224K	£125K	£135K

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VICE PRESIDENT CLASS PROMOTED 2012

Bank	Previous Base		Upper Bonus		Lower Bonus		Mean Total Compensation*		New Base (2014)	
	2012	2013	2012	2013	2012	2013	2012	2013	2013	2014
JP Morgan	£140K	£140K	£175K (≤25% D.S.)	£190K	£70K	£100K	£268K	£289K	£155K	£140K
Goldman Sachs	£130K	£125K	£188K (≤15% D.S. ≤ 5 yrs)	£195K	£65K	£90K	£246K	£285K	£136K	£140K
Morgan Stanley	£125K	£135K	£170K (25% D.C. + 50% D.S.)	£145K	£65K	£50K	£243K	£282K	£125K	£135K
Bank of America Merrill Lynch	£125K	£125K	£182K (≤50% D.S. ≤ 3 yrs)	£175K	£10K	£65K	£253K	£275K	£125K	£125K
Citi	£130K	£130K	£182K (≤25% D.S.)	£175K	£50K	£78K	£251K	£247K	£130K	£130K
Barclays	£125K	£120K	£138K (≤20% D.S.)	£136K	0	£80K	£212K	£259K	£130K	£130K
Deutsche Bank	£120K	£120K	£192K	£190K	£55K	£60K	£239K	£258K	£120K	£130K
Credit Suisse	£130K	£130K	£91K	£182K	£26K	£85K	£189K	£260K	£130K	£130K
UBS	£125K	£125K	£125K (≤15% D.S.)	£160K	0	£90K	£188K	£242K	£125K	£150K

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ARKESDEN BANKING

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Arkesden Banking are a leading search firm in the Investment Banking space. We have consistently delivered both for our clients and candidates since its inception. The team operates across numerous markets including: M&A, ECM, Broking, Restructuring, Sector and Country Coverage, Debt Advisory and Leveraged Finance.

Arkesden Banking clients range from a select group of Tier 1, Tier 2 and Boutique Banks. Many of the relationships we hold have been developed over many years. Those relationships have often been strongest during economic downturn and indeed both our client and candidate community appreciate the continued support we offer them regardless of economic conditions. While sourcing individuals is a key part of what we do, we also provide market data and mapping services to our community.

OUR APPROACH

During our history we have built a very wide ranging network of professionals within our five core markets. This has been built from real belief and understanding of the importance many people place on their careers. We always aim to offer sound medium term career advice. This approach has led us to be recommended many times to other professionals and clients alike to build fresh relationships.

KEY TEAM CONTACTS

To find out more about Arkesden Banking and the work we do please feel free to contact us.

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