

The Pros & Cons Trading Analyst

PROS

CONS

- **Dynamic & Exciting:** The buzz and excitement of a busy trading floor is like nothing else in the world, with your finger on the pulse of the financial markets it can be a very exciting environment to work in.
- **Salary:** The financial rewards on offer for traders who become successful can be significant and grow fast.
- **Teamwork:** Traders work in a team environment where everyone is focused on the job and there is always a high level of camaraderie.
- **Skillset:** Trading will provide you with many skills. Improving your ability to make snap decisions, assess risk and work under extreme time pressure. A strong mathematical background is important for traders.
- **Knowledge:** Trading provides you with a wide range of knowledge not only on the financial markets, but the significance of world events to the markets and importance of the economy.
- **Hours:** Traders' hours are much better than those of Investment Bankers. While traders must arrive into work very early to prepare for the day, they are often able to go home at a reasonable hour and rarely have to work on the weekend.
- **Training:** You will not be given your own trading book on day one! The training process for trading is longer than other areas, because risk is so much higher. This means you won't be given your own book until you are ready.

- **Chained to the Desk:** Traders spend almost the entire day sitting at their desk looking at flickering prices and watching newswires on a large number of monitors. Rarely do traders get the opportunity to travel for work or get out of the office to visit clients. When the markets are open traders must be alert and ready for action.
- **Chaos:** Trading floors are noisy places and there is little room for privacy or peace and quiet. Traders have to master the ability to be able to concentrate through constant noise and activity.
- **High expectations:** The expectations of traders is high, which translates to an elevated level of pressure.
- **Strong Personalities:** Trading floors are awash with strong personalities who are profit hungry. It is imperative to have a thick skin and be able to deal with people expressing themselves in a very assertive manner when under pressure.
- **No Mistakes!** A trading floor has a very low tolerance for mistakes. You must learn quickly and always pay extremely close attention to detail.
- **Changing role:** With recent regulations (e.g. Volcker Rule) the role of traders is changing in ways that can be hard to predict. While the role will continue to be important, the job's focus may change over the next few years, e.g. increase in electronic trading; greater focus on providing liquidity for clients rather than trading with the firm's own money (proprietary trading)