

INTRODUCTION

- Tell me about yourself
- Why are you interested in this position/industry/company?
- Who have you talked to at this firm?
- Who is our CEO?
- How did you become interested in financial services? Sales & Trading? Research? Investment Banking?
- Of your past experiences what will help you as an analyst/associate?
- What differentiates this firm from other firms you are looking at?
- What products interest you and why?
- Why are you interested in sales & trading rather than investment banking? (and vice-versa)

TECHNICAL

Sales & Trading:

- If the Federal Reserve raises the Fed Funds Rate by 50bps, what would you expect to happen to the bond markets? Why?
- Where is the dollar/euro trading currently and what do you expect to happen given the Obama administration views on the US currency value?
- How do you feel the Fed's actions towards interest rates over the past year/two have affected our economy?
- Choose one of our administrations' fiscal, monetary, or legislative policies and explain its effect on the equity/bond markets.
- If you had \$100mn to invest, where would you allocate the money and why?
- What is your investing strategy?
- What is your Beta?
- Where do you think the DJIA will be in three months and six months - and why?
- Who is a more senior creditor, a bondholder or stockholder?
- When should a company buy back stock?
- When should a company issue stock rather than debt to fund its operations?
- What stocks do you like?
- What did the S&P 500 close at yesterday?
- Why did the stock price of XYZ company decrease yesterday when it announced increased quarterly earnings?
- Can you tell me about a recent IPO that you have followed?
- Do you think financial markets are efficient?
- What is the Chinese Wall in finance? Why is it important?
- What is meant by bid/ask or bid/offer spread?
- How do you think the credit crisis happened?
- What is meant by recovery value?
- How are bonds priced?
- What is the yield curve? What does it look like? Why?
- What is a credit default swap?
- What's the difference between a primary and a secondary market?
- What is the impact on bond yields when a company has its credit rating downgraded?
- How does a downgrade of a country's credit rating impact bond and equity markets?

Investment Banking/Research:

- If a company wants to raise capital, tell me about one of their options and the fundraising process.
- Which is more expensive to a corporation: debt vs. equity? Why?
- How do you value the local store down on the corner, what measures would you use and why?
- What is depreciation and what financial statements do you find it on? What are deferred taxes?
- What are the 3 parts of a cash flow statement? Walk me through how you would build a cash flow statement using the income statement and balance sheets.
- If you know a company's net income, how would you calculate its free cash flow?
- Walk me through a Discounted Cash Flow.
- Describe a recent M&A transaction that you've read about. What were the reasons behind that transaction? Does that transaction make sense?
- Do you know whether most mergers are stock swaps or cash transactions and why?
- Can you name two companies that you think should merge?
- What is a leveraged buyout? How is it different than a merger?
- The Chronicle is a large newspaper chain that is considering diversifying into non-newspaper media assets and is a potential client for our firm's M&A group. How would you go about advising this client? What information would you want to gather before you meet with the client?
- DukeWeb is a small Internet access provider, with \$10 million in annual revenues. DukeWeb is considering acquiring another small Internet access provider in nearby North Carolina. What would you advise DukeWeb to do?
- A major ski resort currently forbids snowboarding, but is considering allowing the sport. What should it consider before allowing or disallowing snowboarding?
- The maple syrup market has four main competitors. The market share and price per unit are as follows.
 - o A Syrup share 42 percent price per unit \$5.00
 - o B Syrup share 27 percent price per unit \$4.10
 - o C Syrup share 16 percent price per unit \$3.50
 - o D Syrup share 15 percent price per unit \$3.55
 - o What kind of market is this?
- What is the Chinese Wall in finance? Why is it important?
- Describe a typical capital structure.

Investment Banking Technical Subjects to consider:

Valuation	<ul style="list-style-type: none">- Describe the three valuation methods: Discounted Cash Flow (DCF), Trading Comps, Merger Comps- Enterprise Value vs. Equity Value
Accounting	<ul style="list-style-type: none">- How does Net Income flow through the three financial statements- How do you go from Net Income to Free Cash Flow?- What are the components of Working Capital?- What is Goodwill, and how is it created?
IPOs	<ul style="list-style-type: none">- The IPO process- Primary vs. Secondary shares- Float- Pre and Post-Money Valuation- IPO Discount
Leveraged Finance	<ul style="list-style-type: none">- Credit Ratings- Structural rank- Leverage Loans- High Yield Notes- Leverage and Coverage (Credit) Metrics
M&A	<ul style="list-style-type: none">- The auction process- Acquisition finance- Synergies- Accretion/Dilution
Business Analysis	<ul style="list-style-type: none">- Metrics: Growth, Margins, Returns- Benchmarking- Competitive Strengths- Growth Drivers- Buyers/Targets
Convertibles	<ul style="list-style-type: none">- What is a convertible?- Hedging
Fixed Income	<ul style="list-style-type: none">- Yield Curve- Duration- Fixed vs. Floating
CAPM / WACC	<ul style="list-style-type: none">- Capital asset pricing model- Weighted average cost of capital (debt and equity)- Beta

BEHAVIORAL

- Tell me about a time you worked on a team that lacked direction or generally speaking wasn't working well? What was your role? What did you do? How did you overcome?
- Tell me about a time when you had to work with a difficult person.
- Tell me about a time when you had to work with someone who was different than you?
- Tell me about a time when you had a specific expertise or knowledge that you needed to share with others and how you did it. What was it? How did you share it?
- Tell me about one or two presentations that you've given to your superiors or peers.
- Have you ever had an idea or a goal to achieve something that required action by other individuals beyond yourself? How did you find or mobilize the requisite resources to make the idea or goal become real? How did you deal with any unforeseen events along the way?
- Describe a situation where you led a team. How did you motivate others toward action? How did you allocate roles, drive towards completion and monitor progress?
- What leadership roles have you played in school, at work, in community?

- Give me an example of how you successfully handle multiple demands?
- How do you decide what gets top priority when scheduling your time?
- What do you do when your schedule is suddenly interrupted? Give me an example.
- Tell me about a time you had to deliver a high quality project in a short time frame.
- Describe a time you had to manage competing demands on your time and were NOT successful. Why did you fail? What would you do differently?

- When have you felt most fully challenged and stimulated in your academic or work experiences?
- What aspirations do you have for yourself over the next 5 or so years – professionally and personally?
- Describe a situation in which you were aspiring to reach a goal. What obstacles confronted you along the way? What did you do to overcome them?
- Tell me about a time when you had to request help or assistance on a project because it turned out to be more than you could handle by yourself?
- Describe the project or situation that best demonstrate your analytical skills.
- Tell me about a time when you had to speak up in order to get a point across that was important to you.

- What do you do for fun?
- What is your favorite book?
- What is the last book you read?
- Do you invest? If so, in what and why.
- Where do you see yourself in 5 years?
- Tell me a joke.