



SALES AND TRADING

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WHAT IS IT?

- The basic products of bank/brokerage are securities
 - Stocks, bonds, options, futures, foreign exchange.
- The customers need to buy and sell securities
 - To raise capital, invest long-term, or manage risk.
- A sales and trading desk
 - Educates customers about the securities and their uses
 - Supplies the customers with market information
 - Makes the trade happen.

PEOPLE WHO SUCCEED IN SALES AND TRADING ...

- Know their products
 - The securities available today, and new securities that might be created in the future.
- Know their customers
 - What do they want?
 - How can we add value to their activities?
- Know their markets
 - How do these markets work?
 - How do we execute our customers' trades at the lowest possible cost?
- Where might you learn these things in the Stern finance curriculum?

The Stern finance courses

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graph TD; A[The Stern finance courses] --> B[Foundations of finance]; A --> C[Corporate finance]; B --> D[Debt instruments]; B --> E[Equity valuation]; B --> F[Futures and options]; C --> G[Mergers and acquisitions]; C --> H[Investment banking];
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Foundations of finance

Debt
instruments

Equity
valuation

Futures and
options

Corporate finance

Mergers and
acquisitions

Investment banking

KNOW THE MARKETS ... HOW ARE SECURITIES ACTUALLY TRADED?

- Every trade has a buyer and seller ...
 - But what's the procedure?
- The price adjusts so that supply=demand ...
 - But how?
- What if the price doesn't adjust?
- What will markets look like next year and beyond?

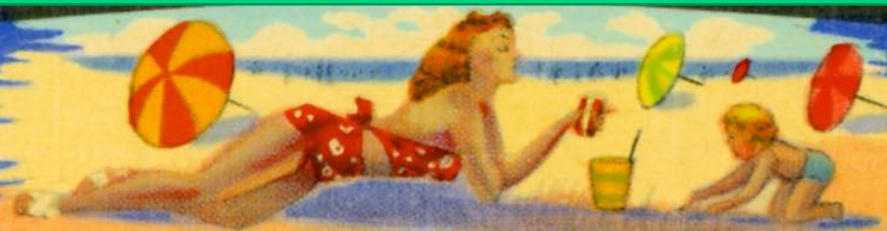
WHAT DID MARKETS LOOK LIKE IN THE PAST?


- The stock market used to have a well-defined physical presence, a trading floor
 - The New York Stock Exchange
 - The Tokyo Stock Exchange
 - The London Futures Exchange
- Nowadays the market is now a geographically dispersed network.
- In which US state does the highest volume of stock trading occur?

Greetings from

NEW

- New York Stock Exchange trading occurs in Mahwah
- NASDAQ: Carteret
- BATS Y and Z: Weehawken
- DirectEdge: Secaucus



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- If the market is “virtual” does physical presence matter?
 - Market operations have moved out of Manhattan, but not far, far away.
 - Will everything be done by machine?
 - People still need to conceptualize, design, and manage the big picture.
 - Does Stern have a course that covers this stuff?

INTERFACE: UNIVERSITY AND INDUSTRY

- NYU Faculty maintain industry and government contacts at all levels in many countries.
- NYU students are immersed in a city and culture of business and finance.
- New York is home to many world-class financial firms.
- Credit Suisse stands out among them.