**What is investment banking?**

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| **Skills that this session will develop:**  **Knowledge, Research** |
| **By the end of this session the mentee will be able to:**   * **Describe what the investment banking industry is, as well as different routes into the industry** * **Explain different areas/departments within investment banking** |

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| **Session Preparation:** |
| 1. Mentee to research:  * the investment banking industry, * routes in (e.g. internship, grad scheme, apprenticeship), and * different areas/departments within an investment bank (e.g. asset management, private equity, venture capital, forex trading)  1. Mentee to find out about an interesting project that has been financed by their mentor’s company. Mentor to think of the most interesting project they have been involved with.   For more information on the investment banking sector:  <https://targetjobs.co.uk/career-sectors/investment-banking-and-investment/667523-what-is-investment-banking-anyway-your-guide-to-the-industry>  <https://www.investopedia.com/terms/i/investment-banking.asp>  <https://www.bbc.co.uk/news/business-11211776>  <https://www.prospects.ac.uk/jobs-and-work-experience/job-sectors/accountancy-banking-and-finance/5-tips-on-getting-into-investment-banking> |

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| **Session Plan:** |
| *Review the information below and then complete the tasks together.*  Investment banking is a specific division of banking related to the creation of capital for companies, governments and other entities; broadly speaking, investment banks assist in large, complicated financial transactions.  One of an investment bank’s main activities is raising money by selling ‘securities’ (such as shares or bonds) to investors, including high net-worth individuals and organisations such as pension funds. The proceeds from these sales help companies, government entities or entrepreneurs to finance big projects that require a lot of upfront cash, such as research and development or an expansion into a new region or market.  Other investment banking activities include underwriting new debt and equity securities for all types of corporations, helping to facilitate mergers and acquisitions, reorganisations, and brokering trades for both institutions and private investors. The key thing is investment banks don’t work with the public – only private high net-worth individuals and companies.  Many large investment banks are affiliated with or are subsidiaries of larger banking institutions, and many have become household names, the largest being Goldman Sachs, Morgan Stanley, JPMorgan Chase, Bank of America Merrill Lynch and Deutsche Bank.  There are multiple routes into investment banking for school leavers and university graduates. For those who attend university, you can secure an internship during your studies (which may lead to a full-time job offer) or a grad scheme placement; for those looking for an alternative to university, you can enter the industry through an apprenticeship. As investment banks place strong importance on work experience, your chances of success in progressing your investment banking career will be greater if you have already undertaken an internship or work placement with them.  **Task 1: Together, discuss the mentee’s research on the investment banking industry; fill in any knowledge gaps and answer any questions the mentee may have. Then, share your project finance examples.**  **Task 2: Together, discuss which area/department in the industry the mentee finds most interesting and why.** |