

Equity Research

IMARTICUS
LEARNING



Speak to management,
customers, suppliers, etc.

Ideas and insights are
passed on to Sales for
mass distribution

Frequent interaction
with buy-side clients via
phone or office visits

Sell-side Research

Cover 7/12 related
companies within an
Industry

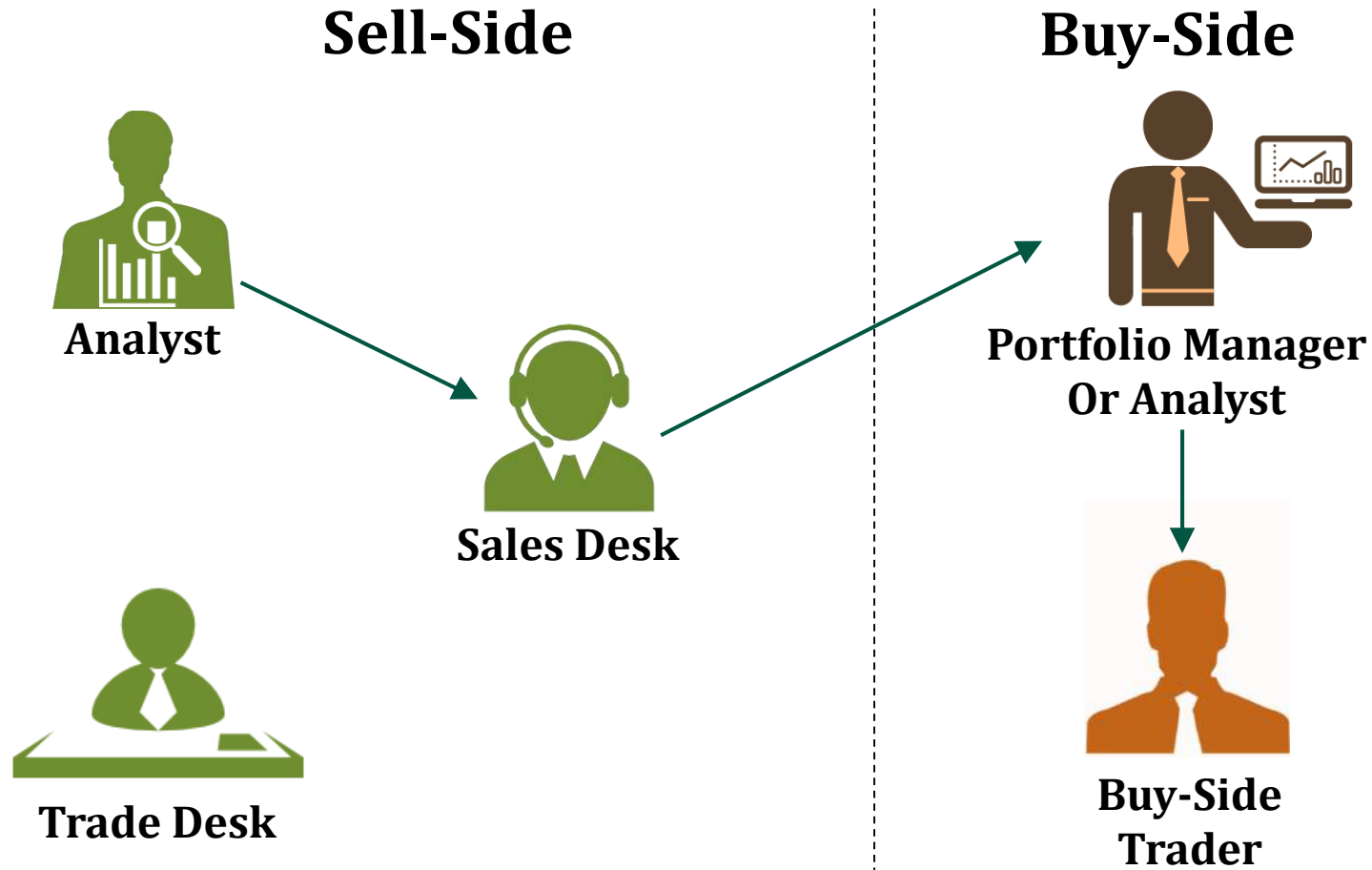
Understand industry/
companies better than
anyone else in the country

Provide written
commentary and company
or industry opinions to the
buy-side



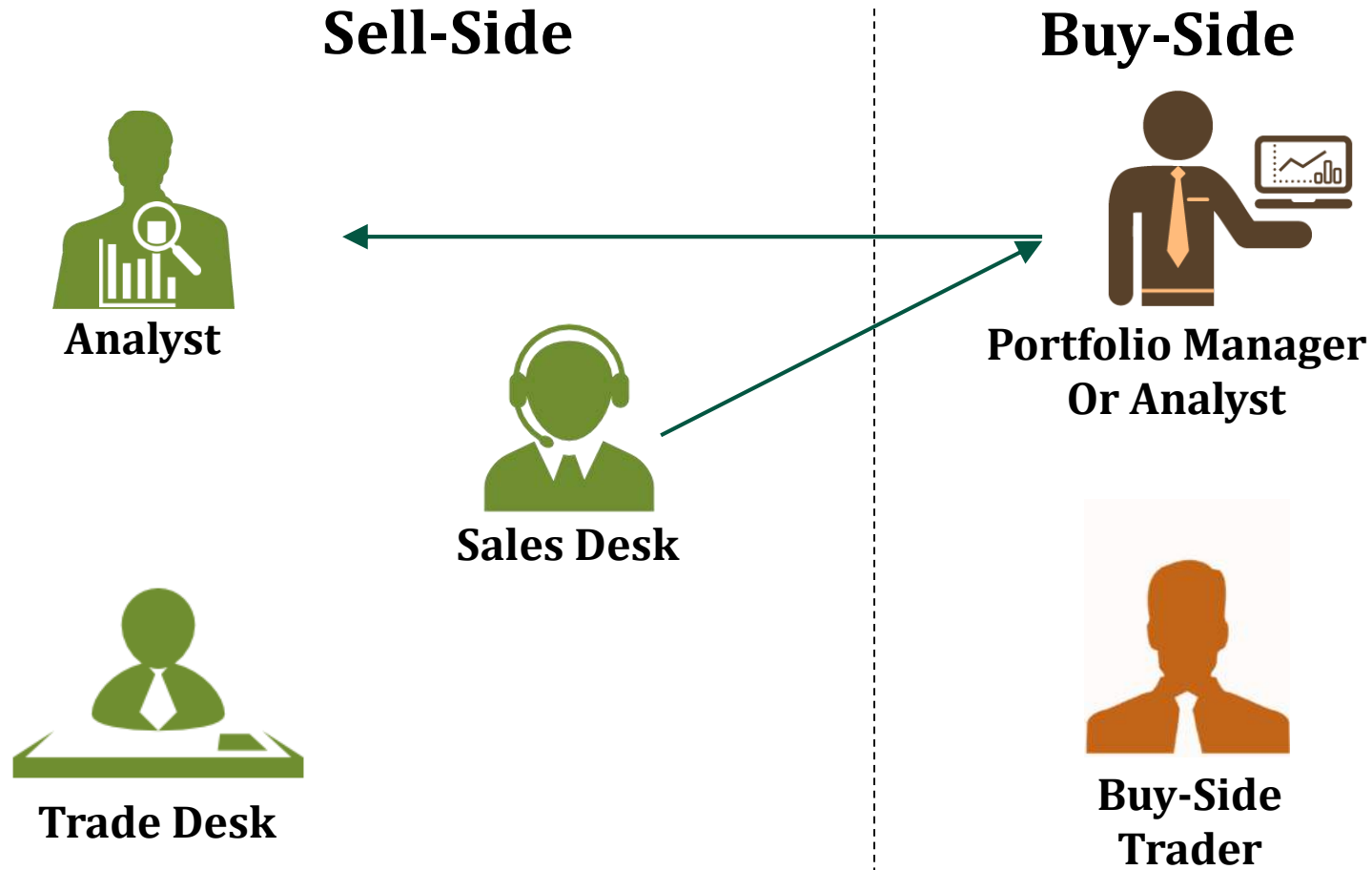
**Research
Analyst**

How it all Works?



- A Research Analyst has information on Q4 Earning Stats, which will be a boon to Cipla and Dr. Reddy's.
- Information is given to Sales desk during a morning call.
- Sales Desk calls the Buy-side Client with Analyst recommendations.

How it all Works?



- Portfolio Manager or PM discusses idea with Sales Person. PM is interested in getting exposure to the group; can't decide between Cipla or Dr. Reddy's.
- PM calls Analyst to discuss Cipla and Dr. Reddy's. Analyst provides opinion on which is a better Buy right now and recommends Cipla.

How it all Works?

Sell-Side



Analyst



Sales Desk



Trade Desk

Buy-Side



**Portfolio Manager
Or Analyst**



**Buy-Side
Trader**

- Based on Analyst feedback, PM decides to buy shares of Cipla.
- PM calls the firm's trade desk, places order for 100,000 shares.
- Tells trader to buy stock through Sell-side firm.

How it all Works?

Sell-Side



Analyst



Sales Desk

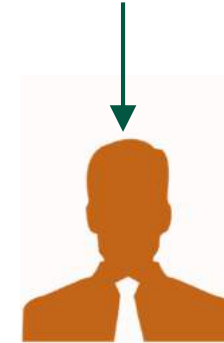


Trade Desk

Buy-Side



**Portfolio Manager
Or Analyst**



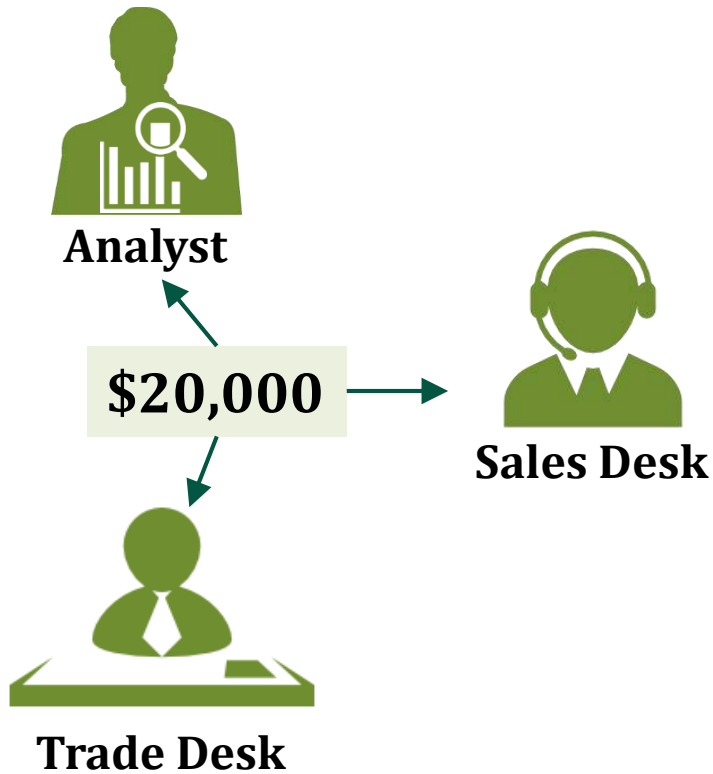
**Buy-Side
Trader**



- Buy-side trader calls Sell-side trade desk and places order for 100,000 shares of Cipla.
- Sell side trader “works the order”. Finds seller of 100,000 shares at \$50, takes shares and sells to Buy-side desk for \$50.04.

How it all Works?

Sell-Side

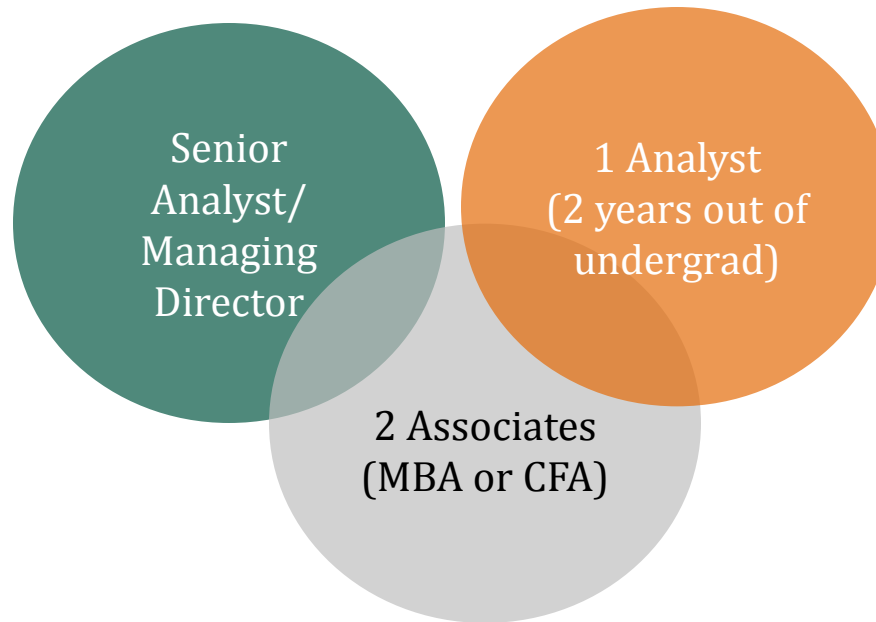


Buy-Side



Commission of \$20,000 on HD trade is split amongst the three areas that contributed to the trade (Research, Sales & Trading).

Most teams have 2-5 people



- Teams are located at firm headquarters (typically NYC).
- Some teams located in other areas for strategic reasons (e.g. San Francisco = Software).



Work with one Senior Analyst / team
for entire summer.

Structure of summer dependent on
needs of Senior Analyst.





Example Projects



Initiation Report



Industry Report



Earnings Calls and
Additional
Guidance Reports



Analysts typically work 12 hour days (7 am – 7 pm)

Pre-
Market
Opening

Communicate
with Internal Staff

Market
Hours

Speak to clients &
communicate
with companies
under coverage

After
Market
Hours

Write research
reports





Senior Analysts have much interaction with Buy-side (e.g. company roadshow: Bring CEO of company around country to meet with top Buy-side Clients).

No Typical Career Path

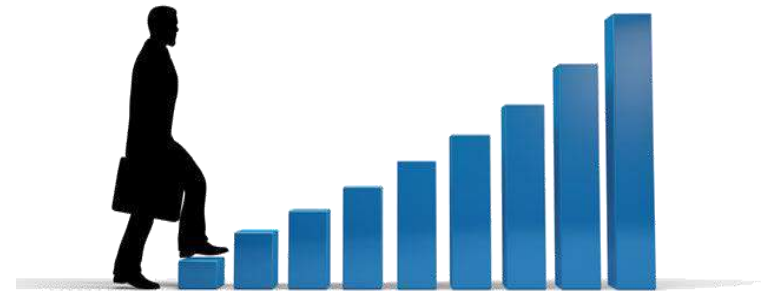
Example

1



Work on team as Associate for three years

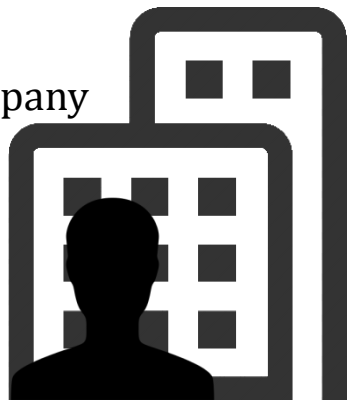
2



Promotion to VP, begin coverage of own companies (2-4 names)

3

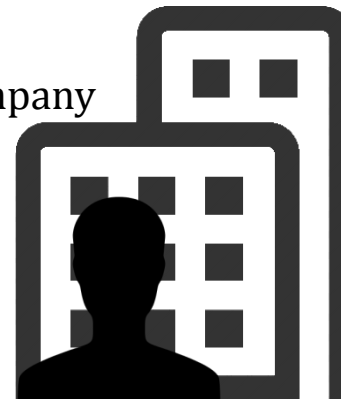
ABC Company



Analyst

2 Years later

XYZ Company



Senior Analyst

Many different options later in life



Work as analyst
for 20 years



Move to Buy-side,
eventually become PM



Move to Sales



Work in Industry

Bottom Line: Many options are available. People coming out of a strong research shop are highly regarded.

Equity Research – Banks Look For



Intelligence



Strong
Interpersonal Skills



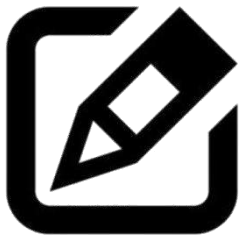
Analytical Skills



Ability to work in
teams



Passion and interest
in the market



Strong Writing Skills



Have an opinion and
back it up



Thank you

Mumbai | Bangalore | Pune | Chennai | Jaipur

ACCREDITED TRAINING PARTNER:

