



**2015 | 2016 Global Buyside  
Overview and Compensation Report**

## **COMPENSATION DATA ANALYSIS METHODOLOGY**

Total compensation is defined as base salary plus cash and non-cash bonuses awarded for 2015. Our estimates represent expected annual pay packages for professionals in their respective roles or specialties, and they exclude the top 1% of compensation ranges. Unless otherwise noted, estimates are in US dollars.

Forecasts incorporate general market conditions from January 1, 2015 to October 31, 2015. This report provides an in-depth analysis of data gathered through our discussions with candidates, consultants, and clients, and offers forward-looking compensation projections by product and role.

The Options Group 2015|2016 Global Buyside Overview and Compensation Report is the culmination of twelve months of work by over 175 global consultants and research professionals. It is intended to help our clients make informed compensation decisions for 2015, and to develop their human resource management plans and policies for 2016. OGiQ has captured information on global business performance, key talent moves, recruitment trends, and compensation practices through its extensive global database of over 550,000 industry professionals, interviews with senior executives across the industry, and various other data sources.

Options Group is able to provide thorough assessments of expected compensation for 2015 by key roles. As 2015 draws to an end and institutions begin the process of allocating bonus pools and 2016 budgets, hiring managers and business unit heads may use these forecasts as a guide to employee compensation expectations.

## **DISCLAIMER**

This compensation report is intended for reference purposes only. All compensation tables include estimated total pay levels for 2015 and include both base salary and bonus. We believe that the information contained in this publication is dependable, having been procured from primary and secondary sources through October 31, 2015. Options Group does not guarantee its accuracy or completeness, and nothing in this report may be construed as a representation of such a guarantee. In the event that market conditions change dramatically subsequent to this date, Options Group claims no responsibility for the accuracy of this information. This report is a single source of data in the overall analysis of compensation structures and the opinions presented herein are subject to change without notice. Options Group does not accept any responsibility for liabilities arising from the use of this document or any of its content. Any reproduction, sale, or distribution is strictly prohibited.

## **DATA CONTRIBUTORS**

ABS Alert, Alpha Magazine, Alternative Investment News, Asiamoney, Bloomberg, Bond Week, The Boston Consulting Group, BusinessWeek, Dealogic, Derivatives Intelligence, Dow Jones, eFinance, Euromoney, Financial News, Financial Times, Fortune, Investment Dealers' Digest, The New York Times, PE Week, Risk, SEC filings, Thomson Reuters, The Wall Street Journal.

## ABOUT OPTIONS GROUP

Founded in 1992, Options Group is a leading global executive search and strategic consulting firm for the financial services industry. We maintain a local presence on five continents and have placed thousands of mid- to senior-level professionals in all areas of the financial services industry at a range of institutions. With over 175 professional consultants and market intelligence analysts worldwide, Options Group has a thorough knowledge of key competencies in the financial industry and is at the cutting edge of global hiring services and compensation trends for securities, investment banking, hedge funds, asset management, and information technology.

## ABOUT OGIQ

OGiQ is the consulting division of Options Group. Its primary role is to provide unique and valuable advice, products, and human talent management solutions to our clients. OGiQ is responsible for developing the firm's intellectual capital and proprietary products, advanced analytical tools, and the databases used to provide these solutions. Our mission is to enable clients to make more informed decisions by creating global research products that seamlessly combine the firm's proprietary tools, information, and research capabilities.

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## UNDERSTANDING COMPENSATION TABLES BY ROLES IN THIS REPORT

Compensation for professionals at hedge funds and private equity firms are based on a number of variables such as assets under management and performance of funds as well as supply and demand. Rather than providing only compensation ranges, compensation tables by roles represent the dispersion of base salaries and total compensation. For example, in the table below, 32% of junior investor relations professionals at hedge funds with AUM greater than \$5 billion receive total compensation of \$200K to \$300K. Those at larger funds or with more complex investments receive more; the top 6% receive \$500K to \$750K in total compensation.

		JUNIOR INVESTOR RELATIONS				
Base Salary 2015		<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
More Experience ←-----	Less than \$100K	30%	12%	8%	14%	15%
	\$100K to \$150K	52%	42%	35%	36%	42%
	\$150K to \$200K	18%	36%	45%	43%	38%
	\$200K to \$300K	-	10%	12%	7%	5%
	Total Comp 2015	<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
Better Performance ←-----	Less than \$100K	5%	-	-	6%	-
	\$100K to \$150K	10%	16%	5%	6%	15%
	\$150K to \$200K	45%	18%	22%	11%	28%
	\$200K to \$300K	36%	26%	32%	26%	30%
	\$300K to \$400K	4%	32%	24%	33%	23%
	\$400K to \$500K	-	8%	11%	19%	4%
\$500K to \$750K	-	-	6%	-	-	

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Options Group defines “poor performance” as funds that have lost at least 20% of AUM in 2015, and/or have returned 100 basis points below the average benchmark within their respective strategies. “Good performance” is defined as funds that have maintained a consistent level or increased AUM in 2015, and/or have returned at least 100 basis points above the average benchmark within their respective strategies.

AUM > \$5B	MANAGED FUTURES/CTA				STAT ARB/HIGH FREQUENCY			
	Poor Performance		Good Performance		Poor Performance		Good Performance	
	Low	High	Low	High	Low	High	Low	High
Chief Investment Officer								
Chief Operating Officer								
General Counsel/CCO								
Portfolio Manager								
Head of Research								
Senior Quantitative Analyst								
Junior Quantitative Analyst								
Senior Trader								
Junior Trader								
Senior Investor Relations								
Junior Investor Relations								
Senior Marketer								
Junior Marketer								

\$1B - \$5B AUM	MANAGED FUTURES/CTA				STAT ARB/HIGH FREQUENCY			
	Poor Performance		Good Performance		Poor Performance		Good Performance	
	Low	High	Low	High	Low	High	Low	High
Chief Investment Officer								
Chief Operating Officer								
General Counsel/CCO								
Portfolio Manager								
Head of Research								
Senior Quantitative Analyst								
Junior Quantitative Analyst								
Senior Trader								
Junior Trader								
Senior Investor Relations								
Junior Investor Relations								
Senior Marketer								
Junior Marketer								

BASE SALARY ASSUMPTIONS	MANAGED FUTURES/CTA				STAT ARB/HIGH FREQUENCY			
	AUM < \$5B		AUM > \$5B		AUM < \$5B		AUM > \$5B	
	Low	High	Low	High	Low	High	Low	High
Chief Investment Officer								
Chief Operating Officer								
General Counsel/CCO								
Portfolio Manager								
Head of Research								
Senior Quantitative Analyst								
Junior Quantitative Analyst								
Senior Trader								
Junior Trader								
Senior Investor Relations								
Junior Investor Relations								
Senior Marketer								
Junior Marketer								

## SHARPE RATIOS BY ASSET CLASS

Sharpe Ratios By Asset Class and Strategies		
Asset Class	Strategy	Sharpe Ranges
<b>Equities</b>	Value vs. Benchmark	0.10-0.20
	Small Cap vs. Benchmark	0.05-0.15
	High dividend vs. Low dividend stocks	0.05-0.15
	Covered put writing/Covered call writing	0.05-0.15
	Calendar effects in equity indices	0.05-0.15
	Merger arbitrage	0.05-0.15
	Volatility arbitrage	0.05-0.15
<b>Equities - Risk Premia Examples</b>	Value risk premium	0.05-0.15
	Small Cap risk premium	0.05-0.15
	Dividend risk premium	0.05-0.15
	Equity-protection risk premium	0.05-0.15
	Equity-liquidity risk premium	0.05-0.15
	Liquidity and deal risk premium	0.05-0.15
	Equity-volatility risk premium	0.05-0.15
<b>Fixed Income</b>	High yield vs. Investment grade bonds	0.05-0.15
	New On-the-run issues vs. Off-the-run bonds	0.05-0.15
	Convertible bond optionality vs. Listed options	0.05-0.15
<b>Fixed Income - Risk Premia Examples</b>	Default risk premium	0.05-0.15
	Liquidity risk premium	0.05-0.15
	Absolute volatility and liquidity risk premium	0.05-0.15
<b>Currencies</b>	High yielding currencies vs. Low yielding FX	0.05-0.15
	FX implied vs. Realized volatility spread	0.05-0.15
<b>Currencies - Risk Premia Examples</b>	Liquidity and inflation risk premium	0.05-0.15
	Currency-volatility risk premium	0.05-0.15
<b>Commodities</b>	Pre-rolled commodity indices vs. Benchmark	0.05-0.15
	Deferred indices vs. Benchmark	0.05-0.15
	Implied vs. Realized commodity volatility	0.05-0.15
	Backwardated vs. Contangoed commodities	0.05-0.15
<b>Commodities - Risk Premia Examples</b>	Index liquidity risk premium	0.05-0.15
	Supply/Demand risk premium	0.05-0.15
	Commodity volatility risk premium	0.05-0.15
	Inventory risk premium	0.05-0.15

		SENIOR RISK MANAGER				
Base Salary 2015		<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
More Experience	Less than \$100K					
	\$100K to \$150K					
	\$150K to \$200K					
	\$200K to \$300K					
	\$300K to \$400K					
	\$400K to \$500K					
Total Comp 2015		<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
Better Performance	\$150K to \$200K					
	\$200K to \$300K					
	\$300K to \$400K					
	\$400K to \$500K					
	\$500K to \$750K					
	\$750K to \$1M					
	\$1.1M to \$2M					

		JUNIOR RISK MANAGER				
Base Salary 2015		<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
More Experience	Less than \$100K					
	\$100K to \$150K					
	\$150K to \$200K					
	\$200K to \$300K					
Total Comp 2015		<\$1B HF	\$1B-\$5B HF	\$5B+ HF	Private Equity	Asset Mgmt
Better Performance	Less than \$100K					
	\$100K to \$150K					
	\$150K to \$200K					
	\$200K to \$300K					
	\$300K to \$400K					
	\$400K to \$500K					
	\$500K to \$750K					

SELECT PEOPLE MOVES: JANUARY 1 – OCTOBER 31, 2015

NAME	TITLE	NEW FIRM	PREVIOUS FIRM
[REDACTED]	[REDACTED]	[REDACTED]	Rackspace
[REDACTED]	[REDACTED]	[REDACTED]	JP Morgan Chase London
[REDACTED]	[REDACTED]	[REDACTED]	Bloomberg New York
[REDACTED]	[REDACTED]	[REDACTED]	TIAA-CREF New York
[REDACTED]	[REDACTED]	[REDACTED]	Teza Technologies Chicago
[REDACTED]	[REDACTED]	[REDACTED]	Saab
[REDACTED]	[REDACTED]	[REDACTED]	Ohio State University
[REDACTED]	[REDACTED]	[REDACTED]	Bain & Co. New York
[REDACTED]	[REDACTED]	[REDACTED]	Decura Investment Management London
[REDACTED]	[REDACTED]	[REDACTED]	Twitter San Francisco
[REDACTED]	[REDACTED]	[REDACTED]	Advantis San Francisco
[REDACTED]	[REDACTED]	[REDACTED]	Morgan Stanley New York
[REDACTED]	[REDACTED]	[REDACTED]	Carlson Capital Greenwich
[REDACTED]	[REDACTED]	[REDACTED]	Amelan LLC
[REDACTED]	[REDACTED]	[REDACTED]	McKinsey Frankfurt
[REDACTED]	[REDACTED]	[REDACTED]	Apollo Management New York
[REDACTED]	[REDACTED]	[REDACTED]	Broadway Technology New York
[REDACTED]	[REDACTED]	[REDACTED]	JAT Capital Management Greenwich
[REDACTED]	[REDACTED]	[REDACTED]	BlueCrest Capital Management Geneva
[REDACTED]	[REDACTED]	[REDACTED]	Arcadium Technologies New York
[REDACTED]	[REDACTED]	[REDACTED]	Harvard Management Company Boston
[REDACTED]	[REDACTED]	[REDACTED]	BlackRock New York
[REDACTED]	[REDACTED]	[REDACTED]	Oanda Singapore
[REDACTED]	[REDACTED]	[REDACTED]	Morgan Stanley New York
[REDACTED]	[REDACTED]	[REDACTED]	REDI Global Technologies Jersey City
[REDACTED]	[REDACTED]	[REDACTED]	Loomis Sayles Boston
[REDACTED]	[REDACTED]	[REDACTED]	Bank of America Merrill Lynch New York
[REDACTED]	[REDACTED]	[REDACTED]	Citigroup New York
[REDACTED]	[REDACTED]	[REDACTED]	Pine River Capital New York

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