

Transcription of recorded conversation: *Former Trader (Anonymity requested)*
(Negotiation 1.5 years)

Location: Café, The City, London June 2013

(Sections of the text have been redacted by request)

MC: Can I start by asking what you do at the moment?

V: At the moment I'm a Manager for UK and Ireland for a spread-betting company called [REDACTED]. They're a global provider of...commodities, shares, foreign exchange, bonds, that sort of thing.

MC: Okay, and can you tell me a little bit about what exactly it is, I mean, that's kind of a general notion, *spread betting*?

V: What spread betting entails is you're taking a view on the markets and you take a position on the underlying value of an instrument, whether it's going to go up or down. So because the trades are structured as a bet - it's tax-free, so it's one of the big advantages and why it's done so well over the last...well, I mean, [REDACTED] have been around for 25 years...

MC: Are they a UK company?

V: They are...yeah. Originally a UK company and they now have offices in Canada, Australia, New Zealand, Singapore...some of the Nordic regions: Norway, Sweden, and Italy, Spain and Germany.

MC: And can you tell me, is this something that actually, as it were, the average person does or is it a particular sort of, in terms of who your *clientele* are?

V: Our clientele...to be honest with you, we've probably battled this over the last couple of years trying to typify who our...who your typical spread-betting client is. The thing about it is, there isn't really...I suppose it's people looking for an alternative way of investing their money but taking control of it themselves...it's basically *trading* your view. If you have a view on a particular market be it, one of the commodities like oil or gold or shares, it's a much more tax efficient way of trading the markets.

MC: So people are literally doing it both maybe from an office but also their home?

V: Absolutely...yeah, I mean it would probably be mostly, male, thirty to sixty, self-employed...*high net-worth* would be, I suppose...that would typify more the UK average client...

MC: And can you tell me a little bit how long you've been doing that...how long have you been...?

V: So I have been in the industry for eight years, I...that was...seven years of that was in Dublin...I'm originally from Galway and I did...my degree in Financial Maths and Economics.

MC: Where did you do that?

V: NUI, Galway...and then I did my Masters in Edinburgh in International Banking and Finance. I moved home, so I mean...there isn't...financial services industry

related to *financial markets* at all in Galway, so the obvious move was to...was Dublin, at the time.

MC: And what year was that when you would have come back from...?

V: 2005...2006...2005...and so then I've been in the spread-betting industry since...

MC: Can you tell me a little about what you did in...in Dublin?

V: Yeah (MC: In terms of jobs in the financial services...)...yeah, so I started out as a *business development executive*...basically *sales trading*...

MC: With a bank?

V: No...I've actually always worked for a spread-betting company believe it or not. (MC: Okay.). So I worked for [REDACTED] for a year and graduate-type programme role...and then after that I moved over to a company called [REDACTED]...the infamous [REDACTED] who went down...went under last year...worked for them...five or six years and...I was always in a business development...sales-trading type role so working with clients...managing relationships with high-net worth clients...that kind of thing, and then...

MC: Can you tell me a little bit about what that would involve, when you sort of...?

V: Okay, so I mean on a *day-to-day* basis that would have been mostly, teaching clients how to trade the markets, how to use the *trading tools*. There would have been a certain amount of technical analysis involved, showing them how to use the charts...from scratch...for even from somebody who had never traded the markets before to experienced professionals, based...depending on their experience, you kind of take them through the process. I've always worked for *execution-only* firms so, firms that have never been allowed to...not regulated to give advice...I was never giving advice at any stage, but more so teaching them, how to read...trade patterns, patterns in the charts...and teaching them how - even down to the *abc-of-it* work, like margins, spreads, and all that kind of thing...

MC: Okay. So does that mean in terms of that regard, I mean, you're monitoring the sort of, information yourself? I mean, in terms of being aware, of being on top of...?

V: Yeah, you would have to be, I mean...for a couple years in the role, you'd be preparing market reports, sending them out to clients in the morning, depending on whatever instrument it was they were...they were trading or they were interested in...yeah, I mean, you'd have to be on top of the markets.

MC: And how would you gather that information, like what sources are you using, how you are informing yourself, where are you informing in that role?

V: Well, I suppose reports you get on a daily basis from the markets, from Bloomberg...from your terminal screens...access to sources they probably wouldn't have and putting it together, yeah, so...various different insights from a multitude of different...

MC: And it is something that was or is something that is present in your life most of the time? I'm kinda curious about that relationship - how did the market in some ways become a *24-hour* in terms of its *global-ness*...so was it a case of you needing to be aware of trends that were happening as they were happening?

V: Oh, yes, absolutely. (MC: Or *connected* in a way...)...yeah, I mean, you couldn't be meeting people on a *day-to-day* basis if you didn't know what was going on in the markets so...and how economic announcements are massive and how they affect various different...products...so for example, non-farm payrolls comes out on the first Friday of every month but I mean, you'd *have* to be on top of that every month because it affects so many different currencies to...the major indices, in a big way...

MC: Can you explain that to me? What is it...the non-...?

V: So the non-farm payroll is an economic announcement that comes out – the number of employment in the States...that comes out a lunchtime, first Friday of every month, that would always generally move the markets depending on the result that came out so...I mean, clients would have to understand that, especially if they're...if they want to spread-bet on indices or if they want to spread-bet on currencies...things like that they'd have to be on top of and be aware of because it's announcements like that, that do move the markets...

MC: Okay. Can I ask cos one of the reasons I'm interested in London too is the role of technology. So obviously that has a huge role in...in what you do - the sort of application of technology.

V: Yes, well, I mean, spread-betting companies are IT companies at the end of the day. So we have...a trading platform and we're constantly improving and expanding, I mean, I think with upgrades every couple of months we're always improving it, *social trading* is a big thing over the last couple of months, incorporating...trading within social means, and we've chart-message boards where traders can log on and see what other traders are doing, copy their analysis onto their charts...that's huge and expanding, I mean it's hard to keep up with it to be honest with you...we have a...we've a product-development team – that's their full-time job, improving our technology all of the time, trying to keep up with what clients want and what clients demand.

MC: And can I ask you then, obviously you were doing that...you worked for seven years, is that right?

V: Yes, for seven years I was in a client relationship...management-client relationship within a spread-betting company and then...a year ago, the company I worked for...they actually shut down the *Irish office* so, given the *down-turn*, and...cutting back and so on, so, I got moved over to the London office in actually a new role, so I am now *Marketing Manager* for the UK and I manage Ireland...I'd be managing all the marketing activities on a day-to-day basis in terms of on-line, digital, advertising, PR...client communications, all that kind of thing and I'm really enjoying it.

MC: So it's a large responsibility...

V: Yeah. I'm really enjoying it though...I mean, it's definitely very different from what I was doing...keeping on trend with what clients want...what they're looking for, and changing marketing campaigns to fit that and always keeping it fresh, and new ideas but it's really good.

MC: Can I ask [REDACTED] in terms of like the shift of say, coming from Dublin, more *provincial*...coming to London, has there been...have you noticed the change or is it really not...the scale?

V: You know what? I've actually always worked in a male-dominated industry, I mean, even for a couple of years in [REDACTED] I was the only girl in the Dublin office so it was unusual to move over here, and for somebody...well, not so many but a lot more girls at the office but...I suppose just all the different ethnicities, that's *completely* different from Dublin...but no, I mean it wasn't that hard of a transition. I fell on my feet to be honest with you. (MC: Okay)...I've been quite lucky but I love it, I have to say. I don't even know...I always kind of moved over here with the idea of *...I'll definitely move back to Ireland in a couple of years*...but now I'm not so sure because I suppose the opportunities are so much greater over here...I'm working in the head office of [REDACTED] – there's a lot more opportunities, marketing is at a far greater scale, budgets are higher – you just get to do more, you're getting much more experience, the wages are better over here, so...

MC: So you would notice in terms of, I suppose, London being the financial centre in regard to Europe, so in the heart of something?

V: Yes. I mean...I always worked in or around the *IFSC* in Dublin, so there was always a small element of that but it's nothing near the sheer scale of London.

MC: And can I, y'know, in terms of...you obviously would have witnessed the...the economic...how can we describe it? In terms of what happened in Ireland, you would have been witness before you moved here, in terms of what happened in Ireland?

V: Absolutely. You'd even notice that there was a massive drop-off in the amount of clients that you'd be *on-boarding* on a monthly basis, trade numbers...from more of a general viewpoint, from walking around Dublin...socialising, whatever, there was a massive downturn but actually it's funny – like with the markets, not so much – I think Irish people are quite shrewd and always kind of looking for a more *tax-efficient* way of trading...so...I suppose the drop-off wasn't as consistent as it was with other areas like property and so on in Ireland...

MC: Okay...and can I...cos like some people would talk about the notion of...the *market as a construct*, the *crisis as a construct*, that somehow or another, whatever it is within the mechanism of...these sort of type of products, the functioning of the market, somehow or another constructs the conditions for its undoing and in a way and its re-building process, do you sense that from what *you're* doing?

V: In terms of...like...

MC: Like the idea that...there's the notion, say of...*creative destructions* - they've described them as some sort of...discussions around the market as a construct that

actually the cyclical nature of the market in itself, that it's inherent that there'll be sort of ebbs and flows (V: *Ups and downs...*)...ups and downs. Is that the same in your industry, in your part of the...?

V: Oh, yes...well, massively...I mean, if you *back-test trends* and so on, the markets are...will always be *volatile*, they'll always be up and down...but that's what...that's what you want. If there was no volatility...there'd be no point in trading the markets. I mean, without volatility you're not going to make...you're not going to make money, I mean, you may lose money also but if the markets just went along like that...there would be no point, you know what I mean? It's what makes financial markets go round, to be honest with you, but as regards other industries, it probably is fairly...destructive, maybe...

MC: Can I ask...one of the questions I want to ask you is a lot of what I was just thinking how... well, first – if I can ask - in terms of *before* you started work, what was your perspective of...? I know it's a very general term to use the word *markets* but what was your perspective before you started doing what you're doing – say when you were in Galway, when you were in Edinburgh...?

V: My perspective on the financial markets?

MC: Yeah.

V: I suppose, it was...I came from a time when Ireland was absolutely *booming* and everybody was doing so well and I mean, my God, if you opened a coffee shop on the corner you were a millionaire overnight and...I never had any fears about the markets to be honest with you. I mean, I chose to go into the financial services industry because for me at the time, it was such a safe, safe, safe option...that's definitely declined over the last couple of years, it would give you a fright but *the markets are what makes the world go around* so there will always be employment in the markets, there will always be a need...there will always be a need for banks and insurance and all the rest of it...but, I would be a lot more fearful than what I was when I was studying in university...as opposed to now, definitely.

MC: Can I ask, cos that is one...cos also from the outside in a way, there's this perspective that if you're working within the sphere – well, it's safe...it's actually everybody outside that sort of the sphere which isn't safe.

V: Oh, that's not the case at all, no...the mental...internal mentality of people working in these kind of companies is definitely massively changed over the last couple of years. People are really *fearful* of their jobs...it's an *employers' market* at the moment, particularly...I was made redundant last year (MC: Yeah.)...now, I did subsequently go on...they kind of did a *360* and I actually was lucky enough to get a job in London from them but, I mean, that put...

MC: But initially you were let go...you were initially made redundant, as it were...

V: Yes, I was...when they shut down the Dublin office, all of us were made redundant...so there was five of us and it was a terrible time. I mean, I even considered leaving the financial markets. I was looking to go back to do teaching...I

just wanted to move completely out of the industry, along with the majority of the rest of the people that were let go as well...they just wanted to start afresh...too rocky, too risky...but, I've been lucky since. I'm now still working...but...

MC: And how long was the gap between being...made redundant and then suddenly realising you had another opportunity?

V: You know what? It was actually only three weeks but it felt like about six months...you know that fear of...it was *frightening*, like I've never experienced anything like it before. I really struggled...regret that I had chosen that kind of career...really massively affected me, I mean I was looking up teaching courses, I was going to back to be a primary school teacher...I was even considering going back to *uni* and doing like a four-five year degree and completely moving out of it but...

MC: But now you're back in, in a way it's kind of...

V: Well, now I'm in a different area...I feel a little bit *safer* because I'm in a bigger company now. I mean, *the City* is just like, it's so exciting, especially in a marketing role, there's so much going on, budgets are much higher, you feel a little bit safer than...and at least, like when you're in Dublin there isn't that many companies either, especially in spread-betting, so if you lost your job, I mean, it wasn't like there was a competitor you could...cos there's only two or three companies that do it.

MC: So the scale of it is?

V: Yes, and at least here...look how big the City is...you're in the biggest financial capital in Europe, I mean, you're definitely going to get something else...your chances are much higher so that fear isn't there and that's what would actually scare me about going to Dublin because it's actually a massively higher risk.

MC: Can I ask, I have asked a lot of other people, how important is *pressure* in what you do? Is there pressure? What is the role of pressure?

V: To be honest with you, I think it was because I was made redundant last year but I find the biggest pressure...is not doing a good enough job and being let go...really fearful of my role. I suppose as well it's because I'm new to it as well, people who've had a lot more experience than me going into it...but...I mean it is *financial markets* – it is a very pressurising job. I mean if trade numbers are down...if bet numbers and so on...everybody in the company is fearful if we're not hitting our *KPIs*...


MC: KPIs?

V: *Key Performance Indicator* is what you have to work against. Everybody has them...but if you're not hitting your KPIs...if the company as a whole - not even your own individual targets - but if the company isn't hitting the targets they've set out, it's *really* pressurising; the hours are a lot longer over here than they were in Dublin...I mean I've always had a *nine-to-five*...nine-to-half five, nine-to-six role but here you could find yourself working nine-to-nine, nine-to-ten...

MC: Is that what you're doing at the moment...?

V: Over the last couple of weeks I have been. We've a lot going on...hopefully it'll reduce down...settle a bit...

MC: Long hours in terms of...can I ask, one of the things that too that's been driving the project is...also...that idea of unpacking the notion of this particular sphere...so one of the questions that I always ask is actually what were people's perceptions of what you do, say family members...that maybe aren't involved or...(V: Actually, it's really...)...what were their perceptions?

V: It's really funny because people who don't work in financial services seem to not have a clue whatsoever what people do. I'm always introduced as  *haven't a clue, something to do with the financial services*, even though I might have explained it like, 30 times but I think the perception of how it actually is...a lot of people are really very unknowledgeable about how it works; how the system works.

MC: Okay. Can I ask you then...just one of the other areas that remains, I suppose to touch on is around technology, it seems kind of removed I suppose...things like algorithms, algorithm high-frequency trading – does that sort of impact...that sort of technology have an impact on what you do?

V: No, to be honest with you...not in a marketing role...but I mean like our *risk teams* and so on would...we would have a *risk model*...with spread betting you are...you're not actually buying or selling the underlying instrument; you're just trading on the movement of it. So what our risk teams have to do is...they have to manage this exposure and this risk. They would *hedge* a certain amount of it or all of it against the markets so we're not carrying all that risk and I'm sure that *algorithms* and all these risk models that they would use to hedge this exposure is massive to them but to be honest with you it's something that I'm not that knowledgeable about.

MC: Yeah, sure...okay...can I ask you then just some questions of future, so there's an element because of...well, maybe if I ask in a general sense...how you see the financial sphere *evolving*? Do you have a perspective in terms of...I mean that's very general and broad and I'm aware of that...

V: To be honest with you...I'm going to talk about my industry spread betting. I don't see it evolving or increasing in terms of size at all just given the current kind of economic climate...for the next couple of years. I mean, if it grew by a couple of percent, that would be really good for the industry but...I think it's quite *niche*. I think it's kind of reached its...if it grows over the next couple of years, it would be amazing for us. I can't see it happening.

MC: And can I ask how important – there's a notion that – notions of history, but then...memory...I'm just wondering about how important is the *now* in what you do? It seems like...sense in terms of my encounters in talking to people working different spheres, different elements but they...it seems to be this sort of idea of...not even medium-term but actually the *now* - how important the *now* is because of ideas of pressure, because of...the need to sort of continue to grow...how important is the *now* in what you do?

V: As a bearing of future...

MC: Yeah, is there, in terms of...defining the type of activities that you do, the kind of planning that's in place...y'know...

V: I mean, well...we're constantly planning for technology improvements that are going to be happening over the next couple of months, so that's something that we have teams that work full-time on that...that would be really important in our industry like ours because technology is increasing at such a fast speed and it's so hard to keep up with it. For our...especially within our own market because we are an *IT-based*, we're basically...like it's an IT product really, to be honest with you at the end of the day, trading platform - literally the *middleman* - we're offering this...platform, which will outline trade-lines that always has to become faster, more trading tools, more features, more social-related type activities...so that's something that we're...what you're working on now is probably going to be launched for release in the next couple of months, years...there's always something in the pipeline.

MC: And your own role, can I ask how you see yourself, how you...future...if that's okay?

V: Of course...to be honest with you, I've always wanted to work for myself, so I suppose moving into a marketing *PR-type* role...I'm hoping will give me the skills to do that in a couple of years.

MC: Okay...but related to the financial sphere in some way or...not at all?

V: Yes...let's say if I wasn't to go on and do that - if I was to stay in the financial services...the *progression* would be to move on to perhaps move abroad again. I mean...the industry seems to be a little bit better over in the States. That will never happen but yes, I would like to stay in a marketing-type role within financial services, if possible.

MC: But even if you set up your own company Jennifer, would that be something you'd like to do - to link in towards...?

V: Oh, yeah...within the financial markets, absolutely - it's something I'd do on my own.

MC: Okay, that's great...thank you very much.

V: Not at all...you're very welcome. If you think of any...