

Your guide to:

Investment Banking

Explained in simple terms.



What Is Investment Banking?

Investment Banking is a financial service that involves **providing advice, underwriting securities, and facilitating mergers and acquisitions** to help companies **raise capital and achieve their strategic goals.**



Key Functions of Investment Banking

- **Front Office:** Revenue-generating roles like corporate finance, sales and trading, and research.
- **Middle Office:** Supports revenue generation through risk management and treasury.
- **Back Office:** Includes compliance, accounting, IT, and HR.



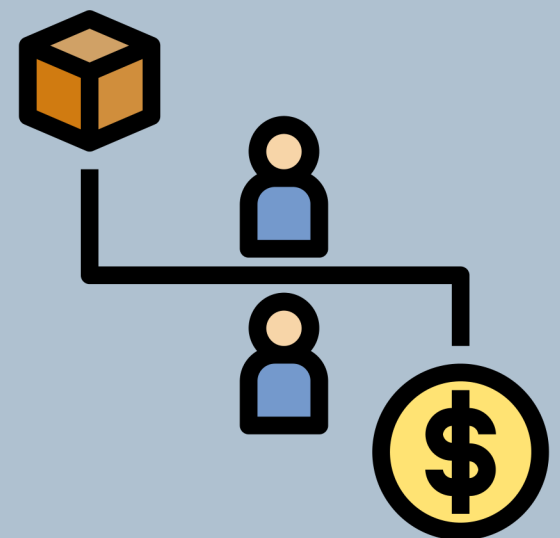
Front Office Corporate Finance

- Involves capital raising, mergers and acquisitions, and restructuring.
- Divided into Product Groups (deal type-focused) and Industry Groups (industry-specific).



Front Office Sales & Trading

- Helps institutional investors buy and sell securities.
- Divided into Equity Trading and Fixed Income Trading.



Front Office Research

- Research division provides reports on companies and their prospects.
- Reports used by salespeople and investment bankers for recommendations.



Middle Office and Back Office

- **Middle Office:** Supports revenue generation through risk management and treasury.
- **Back Office:** Involves compliance, accounting, IT, and HR.



Investment Banking Companies

- **Bulge Bracket Banks:** Global banks with wide-ranging services (e.g., JPMorgan, Goldman Sachs).
- **Elite Boutique Banks:** Smaller firms specializing in areas like M&A (e.g., Lazard, Evercore).
- **Middle Market Banks:** Offer various services with a wide presence (e.g., Jefferies, Houlihan Lokey).
- **Industry-Specific Boutiques and Regional Boutique Banks:** Focus on specific industries or operate in one location.

DID YOU KNOW?

- The **first modern investment bank, J.P. Morgan & Co.** was founded in **1871** by **J. Pierpont Morgan.**
- Investment banking has its own **unique jargon**, including terms like "**pitchbook**," "**due diligence**," and "**roadshow**."

Top Investment Banks Globally

JPMORGAN
CHASE & CO.

Goldman
Sachs

Bank of America
Merrill Lynch 

Morgan Stanley

citigroup 

 BARCLAYS

 Deutsche Bank

 UBS