

**JON
MICHEL**

executive search

SYDNEY
Level 14
135 King Street
SYDNEY NSW 2000
Tel 61 2 9235 9400

MELBOURNE
Level 5
189 Flinders Lane
MELBOURNE VIC 3000
Tel 61 3 9653 8600

www.jmes.com.au

Market Insight – February 2011

Big topics on a Valentine's Day ...

Apart from the "Sheik of Tweak" punching well above his not inconsiderable weight or the history in the making events unfolding in Egypt (we run a broad church here at JMES), the big topic of gossip, as ever at this time of year, has been around bonus season. Whilst there seems widespread acceptance of overall quantum being down (15 – 25% say) accompanied by an increasing sense of suspected cross firm collusion between HQs, there was a greater lack of communication and consequent expectation management within the firms themselves. This was probably due to the uncertainty surrounding compensation structures under the newly Government influenced compensation regime. Most were resigned to their fate of a lower bonus quantum, after all people were generally well looked after last year and of course a number are sitting on guarantees ... you know who you lucky ducks are out there!!!

So the distressing news has been more around the split between cash and stock and the dreaded deferment of a large portion of bonus... oh and the odd performance hurdle and leaver payback clause thrown in for good measure...

As this plays out over the coming months some have made the following observations ... the cash will still flow ... just in future years as these payments or grants kick in ... so the pain is associated with a bruised rather than broken heart ... yes it will be more expensive and complicated to extract people from firms (cupid's arrows will have to be sharper and tipped with gold methinks) however, when they move on they will leave monies behind that in turn can be used to find their replacements ...or reward the loyal left behind.

Those hardest hit? Well, for MD's it seems last year was not a great year to have your deals land ... it is unlikely your whale of a deal would have got full financial recognition in line with prior years ... also VP's and D's, who will find the deferment pill hard to swallow, were probably not as well looked after as say Senior Analysts and Associates, in a relative sense at least So, under the new compensation regime some will also be looking in the mirror and asking themselves is this the firm I really see myself being with for the long haul ... in the same way you may look across the dinner table tonight at your current flame and ask ... is this person really a keeper? ... are they long term partner material or merely an interim option till the lightning bolt strikes when Mr or Mrs right walk in the door. All in all it will prove to be an interesting recruitment environment ... better go sharpen those arrows ...

Moves and Restructures

Investment Banking

- Robert Sennitt joining RBC Capital Markets in Metals and Mining from Macquarie.
- Malcolm Ezzy has left Credit Suisse.
- David Potaznik has joined Flagstaff in Melbourne.
- Hein Vogel has joined Investec as a Director in advisory from Macquarie.
- Mark Burrows has joined Credit Suisse in a senior advisory capacity.
- David Tonuri ex NAB is going to Bank of Queensland as Head of Corporate Development and Strategy based in Brisbane.
- Robert Rankin, Deutsche Bank's CEO for Asia-Pacific ex-Japan, has been appointed a member of the bank's group executive committee (GEC). Rankin will be the first CEO from Asia to get a seat on the committee.
- Bryan Dean has left AMP to start his own corporate consulting business.
- David Symons has left his role as an insider columnist at Sydney Morning Herald, to join Cato Counsel as a senior advisor.
- Nick Bagot of Goldman Sachs and Dragi Risteovski of Macquarie Capital have joined Tony Osmond's mergers and acquisitions team at Citibank.

Private Equity and Venture Capital

- Justin Ryan has joined Quadrant as a Partner in their recently raised fund.
- Paul Wilson and David Kirk (ex Fairfax CEO) have raised a small expansion capital fund named Bailador.
- Bennelong Australian Equity Partners (BAEP) has appointed Kieran Sisson as a senior analyst. Kieran is joining from ING Investment Management.
- The Silverfern Group Australia has appointed Mark Baldassarre as managing director in its merchant banking business.
- David Goldsmith is leaving Goodman Fielder to join private equity firm TPG as a senior adviser.
- Christopher Stacey joins the Blue Sky Private Equity team, from Advent International's London office, at which he was a Partner.
- Gary Gabriel has made the move from Future Fund Management Agency to Wilshire Private Markets Group.

Fixed Income and Capital Markets

- Sean Henderson, the head of HSBC's Asia debt syndicate, is relocating to Australia to become Head of DCM, Australia.
- Simon Ling left Westpac to join CBA as Head of DCM.
- Alex Hayes-Griffin joins Citi as Head of DCM to replace David Bailey, comes from HSBC in Hong Kong.
- Chris Williams has joined ANZ as an associate director in DCM after an extensive career on the financial markets.
- At Goldman, Sean Hogan MD has moved internally to head up principal investments, Alan Stuart-Grant, Director, has also moved internally to the UK to principal team, Aidan Hallett VP has joined Barclays.
- Patrick Mullins ex NAB has joined Morgan Stanley as Head of DCM.
- Tim Waters ex JPM Institutional FX sales joins NAB corporate FX sales in Melbourne reporting to David Holloway.
- CBA has appointed Fabio Gomez as a senior FX salesman in New York reporting to Paul Plessner, head of FX sales.
- Peter McLaughlin has joined NAB as Head of SME & retail FX global markets.
- The Treasury has appointed Robert Nicholl as CEO of the Australian Office of Financial Management (AOFM).
- Iain Munro has joined RBCCM as VP in FICC quant being ex HSBC.

Structured Debt

- Jonathan Evans, ex-Dexia UK joining Credit Agricole to work with Erik Lapstun as Associate Director Project Advisory.
- Vivi Basilakis is joining Citigroup in global loans reporting to Steve Zuckerman.
- Lachlan Tracey has joined BNPP as head of leveraged/acquisition finance being ex UBS and RBS UK.

Corporate & Institutional Banking

- Michael Stackpool has left Westpac to join Citigroup, as Director of Corporate Banking.
- Peter Nicholson has left GE Capital and joined Bankwest as Head of Corporate and Specialised Finance NSW.

Equity Markets

- Len Eldridge has left Macquarie and has taken a role at Equinox as Head of Investor Relations.
- Shannon Briggs has moved from Macquarie Group to the private client arm of Morgan Stanley Smith Barney.
- Frank Henze, formerly of HSBC, has joined State Street global Advisors in the newly created position of head of ETF's, Asia-Pacific.
- James O'Kane and David Basha, two senior advisors from Macquarie Group's Queensland branch, have joined Morgan Stanley's private client arm, Morgan Stanley Smith Barney.

Corporate Infrastructure & Risk Management

- Brian Robertson, currently group chief risk officer, has been appointed chief executive, HSBC Bank.
- Marc Moses has been appointed group chief risk officer, HSBC Holdings.
- John O'Donnell, former KPMG, and Brett Curtis, former Deloitte partner, have joined Grant Thornton's Sydney office in the privately held business and tax teams, respectively.
- AMP has appointed Colin Storrie as deputy CFO and group treasurer, reporting to chief financial officer Paul Leaming. Most recently, Storrie was CFO at Qantas and served on its board.
- Macquarie Private Wealth appointed Natasha Yeoh as Chief Operating Officer.

Funds Management

- Aviva Investors has hired Manish Singhai and Kevin Talbot as inaugural CIOs for Asia equities and fixed income, respectively.
- Chris Wade has accepted a role in Paul Fosters team as Head of Separately Managed Accounts for AMP Capital – Infrastructure.
- The Blackstone Group have announced that Martin Donnelly has joined the firm as a Managing Director in its Sydney office.
- Divyesh Bhana has been appointed as Consultant Relationship Manager at Russell Investment Group. He joined from BNP Paribas Securities.
- The ex-chief executive of Amundi, Richard Borysiewicz, has joined Apostle Asset Management as director of Sales.
- Mark Plimley has joined Russell Investment Group as institutional business development, non super / industry financial institutions. He joins from UBSGAM.
- HSBC has appointed Geoffrey Pidgeon as Head of Global Investments in Australia.
- Mercer has appointed industry expert Steve Schubert to the role of Enterprise-wide Client Management Leader for Australia/New Zealand.
- John Nolan has joined Russell Investment Group as Head of Practice Management. John is ex IPAC and AMP Financial Services.
- Quantitative boutique Plato Investment Management has recruited Dr Mark Thompson of GMO Australia's equities team.
- Marian Carr ex MIR Deputy MD has joined Russell Investment Group.
- Robert Backwell has re-joined the Board of Helmsman.
- ING Investment Management has appointed two new business development managers, Heath Branigan and Jenine Hayman, to complete its Northern Region Retail Distribution team.
- HSBC Holdings has appointed Paul Thurston as chief executive, retail banking and wealth management.
- UBS Global Asset Management has expanded its Australian fixed income team with the senior appointments of James Blair as capability manager and Jeffery Grow as portfolio manager.
- Valad Property Group has appointed former UBS investment banker and property fund manager Clem Salwin as acting chief executive.
- UBS Global Asset Management has appointed Dr Caitlin Ruddock as research house & consultant relationship manager Australia. Ruddock joins from Van Eyk.
- AMP Financial Services has named Robert Caprioli as acting director for product manufacturing.
- Raphaelle Moysan has left NAB to become client portfolio manager for fixed income at Aviva Investors.
- Matt Olsen has joined Van Eyk in equity research as a Senior Analyst from Colonial First State Global Asset Management.

We are keen to hear your feedback or should you require further information, please contact Helen Lindner on 03 9653 8600 or hlindner@jmichel.com.au

The content of this document is not to be copied or reproduced without the prior consent of the Directors of JMES.

To unsubscribe please respond to email with 'unsubscribe' in subject line.