

Insight: Wall St commodity talent wars: Return of the merchants

(Reuters, Feb. 14, excerpt) - When it comes to hiring top commodity traders, what goes around comes around. Wall Street, after years of poaching the best and brightest from specialized commodity firms, is losing the war to keep the essential traders who know how to arbitrage copper or store crude.

After financial reforms sounded the death knell for the excessive use of bank money to trade markets two years ago, banks such as Goldman Sachs ([GS.N](#)) and Morgan Stanley ([MS.N](#)) had resigned themselves to watching their proprietary trading rainmakers flee to hedge funds with few limits on risk or compensation.

Now as banks make deep compensation cuts and stricter oversight forces them to take less risk and bolster balance sheets, the latest wave of talent migration risks cutting deeper -- luring away the physical traders who excel at arbitraging copper markets, importing heating fuel or storing wheat.

Not too long ago, moving from a merchant trading firm to an investment bank was regarded as the ultimate career step. Now experienced bank traders are happy to go the other way.

"There have been emails in the middle of the night from people," said [George Stein](#), managing director for [Commodity Talent](#) in New York. "We've had a lot of candidates going in for first, second and even third rounds of interviews."

For the full story:
<http://reut.rs/xDf0xO>

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George H. Stein, CFA
Managing Director, Commodity Talent LLC
349 5th Ave., 7th Flr., New York, NY 10016
T +1 646 205-3557 M +1 917 545-9850
E ghstein@commoditytalent.com