



PREP INVESTMENT BANKING

Break into the world of Finance

*Financial Markets, Math and Tricky and
Accounting Questions*



Financial Markets – Key Question Examples

- 1 Let's say I'm working on an IPO for a client. Can you describe briefly what would I do?
- 2 Let's say you had \$10 million to invest in anything. What would you do with it?
- 3 Pitch me a stock
- 4 What is a convertible bond?
- 5 How should investors make up a portfolio? Which are the key aspects you would consider for a person who want you to invest \$ 1 million?
- 6 How much is the share price of our firm?

Math & Tricky – Key Question Examples

- 1 How many «cheers» I hear if there are 10 people drinking a beer?
- 2 What is the sum of all the numbers from 0 to 100?
- 3 What is the angle of the hands of the clock at 15:30?
- 4 8 at the power of 3? 7 at the power of 3? 9 at the power of 3?
- 5 A car travels a distance of 60 miles at an average speed of 30 mph. How fast would the car have to travel the same 60-mile distance home to average 60 mph over the entire trip?
- 6 You've got a $10 \times 10 \times 10$ cube made up of $1 \times 1 \times 1$ smaller cubes. The outside of the larger cube is completely painted red. How many of the smaller cubes have a red paint?



Accounting – Key Questions Example

- 1 How do the 3 statements are linked together?
- 2 If I were on a desert island with the possibility to choose just 1 financial statement to review the overall health of a company, which statement would I use and why?
- 3 If Depreciation is a non-cash expense, why does it affect the cash balance?
- 4 What happens when Inventory goes up by \$10, assuming you pay for it with cash?