



# CORPORATE FINANCE

MARKET INSIGHTS Q4 2018

ambition

In Q3, we noted global M&A hitting an all-time high during the first half of 2018. The industry of Corporate Finance continues to grow through this quarter although perhaps at a slower pace than the first half of the year.

According to Steve Krouskos, Global Vice Chair of Transaction Advisory services at EY, “It will likely be a record year, but it’ll be difficult to maintain the pace we’re on for another six months”. There is also some apprehension of a substantial drop. When M&A activity reached similar levels in the past, these were also the years before financial crashes. Will history repeat itself towards the end of 2018 going into 2019?

As well as Brexit being around the corner affecting Europe and UK acquisitions, PwC emphasise how companies need to rethink their M&A strategies, working with clients to help them through these upcoming challenges.

Whilst there is great uncertainty, firms still continue to recruit and expand.

## SKILLS IN DEMAND

As companies continue to recruit, the market is becoming competitive forcing clients to be more selective on skills required.

Sector experience has become more vital when taking on experienced candidates. As technology and healthcare continue to dominate M&A, experience in these sectors is valued much higher. However, it seems candidates who have sector expertise specific to the role outweigh candidates who have M&A or TAS experience.

Although perhaps not so much of a skill, candidates are being tested further on their commercial awareness. Should they not have specific TMT experience, they must be aware of recent transactions. It is vital that they have a passion or great interest in this area.

Financial modelling continues to be a skill in demand. Candidates are now being differentiated on whether they can build a model from scratch or just review complex models. Building models from scratch and capability of using Excel has become significant for Financial Modelling roles.

## MARKET NEWS

- Transcend Corporate Finance opens an international office in Hong Kong
- Wilkins Kennedy was acquired by CogitalGroup
- Grant Thornton welcomes Nick Gilliott as a new Corporate Finance Partner for their Birmingham office
- FRP Advisory bolsters their Corporate Finance team with three new appointments – Dani Patel (Manager), Robbie Wirdnam (Assistant Manager) and Joel Coulson (Assistant Manager)
- KBS Corporate named the most active advisors in Midlands

## PREDICTIONS FOR THE COMING QUARTER

The M&A market is in the fifth year of its current up-cycle and potentially looking to take a slight dip towards the end of this year. Some sectors, however, are not likely to be affected as the technology sector is expected to do well as we move towards 2019.

It is also likely that buyers will favour firms who have experience in UK as well as Europe which will be attractive to foreign firms wanting to look at these markets.

As Brexit negotiations fail to provide clarity on future trade, there is a possibility of cross-border transactions slowing down impacting future M&A deals for the UK

## PROFESSIONAL SERVICES SALARIES (LONDON) Q4 2018 MID-TIER/SME FIRMS

Job title	Annual salary range (£)
<b>Corporate Finance / M&amp;A / Transaction Services</b>	
Associate / Executive	40K - 52K
Senior Associate / Assistant Manager	50K - 60K
Manager	55K - 65K
Senior Manager	60K - 70K
Associate Director	70K - 90K
Director	90K - 110K
Partner	120K +
<b>Financial Modelling</b>	
Associate / Executive	40K - 52K
Senior Associate / Assistant Manager	50K - 60K
Manager	55K - 65K
Senior Manager	60K - 70K
Associate Director	70K - 90K
Director	90K - 110K
Partner	120K +

## PROFESSIONAL SERVICES SALARIES (LONDON) Q4 2018 CONT. MID-TIER/SME FIRMS

Job title	Annual salary range (£)
<b>Valuations</b>	
Associate / Executive	40K - 52K
Senior Associate / Assistant Manager	50K - 60K
Manager	55K - 65K
Senior Manager	60K - 70K
Associate Director	70K - 90K
Director	90K - 110K
Partner	120K +

### Notes on salary table:

1. The salary ranges given are only approximate guides. For tailored salary advice, please contact us directly.
2. Roles outside of London are likely to be £5K - £10K lower than the salaries indicated above.
3. 12-month base salaries are assumed.
4. All other benefits and bonuses are in addition to these figures.
5. Bonus ranges can vary significantly from company to company and will be influenced by market conditions, business and individual performances.