



Boutique Investment Banking Compensation 2023-2024

Introduction

At Parker & Masters, we recognise the distinct challenges and intricacies inherent in the financial services industry. Our team of experienced professionals possesses a rich background and deep insights into market dynamics, enabling us to provide focussed solutions tailored to the specific requirements of our clients. Whether we are securing top-tier candidates for pivotal executive positions, or offering strategic advisory services, we approach every engagement with integrity, diligence, and an unwavering commitment to excellence.

In the fast-moving landscape of London's Investment Banking scene, keeping pace with compensation trends is vital for both professionals and firms. As we explore the complexities at the Associate and Vice President levels, it becomes clear that the financial compensation landscape is experiencing some significant transformations.

Last year marked a significant downturn in Bonus Levels, setting the stage for subsequent shifts. This year, however, within the Balance Sheet Banks, we have observed some stabilisation and even a rallying of bonus figures in some instances at critical levels. That said, prevailing market uncertainties and prolonged processes have tempered the magnitude of this recovery. This document aims to provide a thorough analysis of these developments, illuminating the factors influencing these changes and their consequences for industry stakeholders.

By delving into data, insights, and expert viewpoints, we strive to equip professionals and organisations with the essential knowledge needed to navigate this evolving landscape adeptly. From identifying the root causes of these trends to proposing strategies for adaptation, our goal is to present actionable insights that will enhance decision-making and promote success in the competitive sphere of London's Investment Banking Space.



MA What do the numbers say?

The Investment Banking market has experienced notable developments over the past year, not just from a headcount and strategic perspective but also on the compensation front. The large Global Independent Advisory Houses are no exception to this and despite tempestuous conditions and market fluctuations, many have witnessed both resilience and strategic growth. The following trends mark key observations in this unique segment of financial services.

Independent Advisory Houses have outshone larger institutions in terms of compensation, with many professionals enjoying robust bonuses. While there are some exceptions, the overall trend indicates that independent firms are rewarding their teams generously for their contributions. Given the lack of a Balance Sheet in many of these organisations, they operate under less strict regulations when it comes to compensation hence are able to offer such significant percentages.

An observation across levels within the Independent Advisory Houses is that the Vice President level continues to be increasingly lucrative compared to more junior positions, with many VP's receiving variable compensation well over 100% and in some cases exceeding the 200% mark. This trend underscores the value placed in mid-level management within these firms as they play a critical role in deal execution and client relations whilst also providing the mouth-piece between senior stakeholders and junior Investment Bankers.

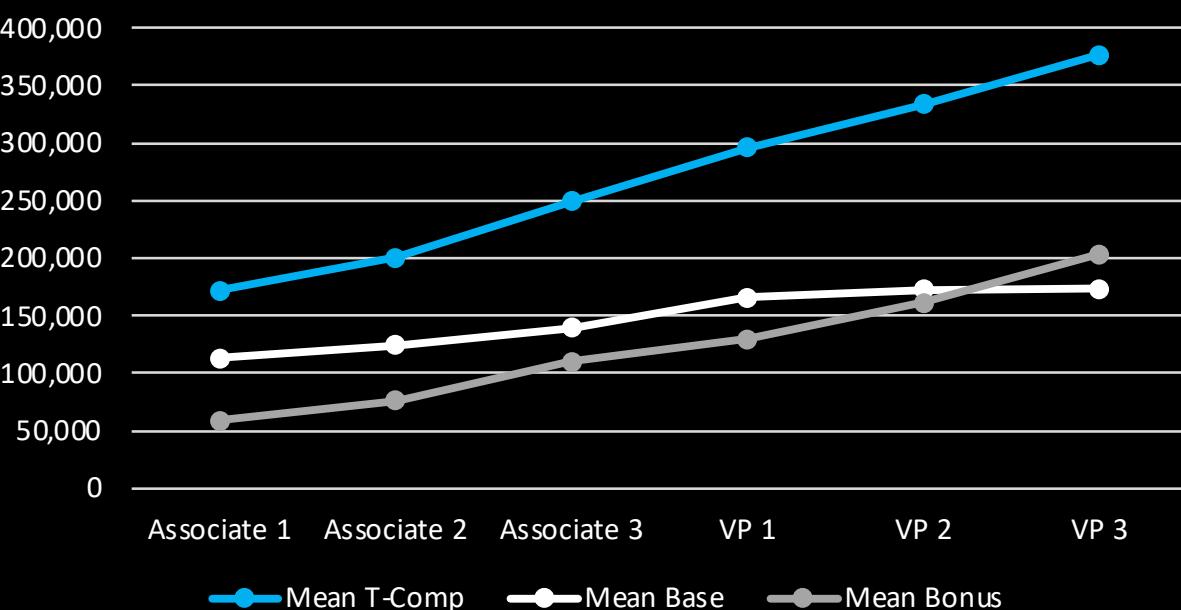
While Boutique Investment Banks have experienced fixed compensation adjustments similar to those of Tier 1 Global Banks, the impact on their structured pay has been less severe. Certain levels are indeed impacted, but the drop in bonuses and base salaries is comparatively modest, reflecting stronger operational foundations in the boutique spaces and a more buoyant area of focus also aligning to the mid and upper-mid market.

Firms that engage across product groups, particularly those involved in Mergers and Acquisitions (M&A) and Restructuring, are reporting attractive base salaries. This dual focus across product groups across opposing market areas insulates these firms well irrespective of market conditions and highlights their stable revenues and reinforces their position as formidable players in the Investment Banking Landscape.

Generally, the boutique market demonstrates a relatively uniform trend regarding bonus percentages, with minimal divergence among most firms. While there are clear outliers with exceptional compensation packages, these are typically identified internally as future business leaders, and their high earnings often function as retention bonuses aimed at keeping top talent within the firm.

The Boutique Investment Banking Market is navigating a complex landscape with stability and growth at its core. As we move into the next phases of the economic cycle, these trends could further evolve, impacting both talent retention and recruitment strategies in the sector. Firms that adapt and remain responsive to the changing tides will continue to thrive and attract the best talent, positioning themselves for long-term success.

Compensation Progression 2023 - 2024

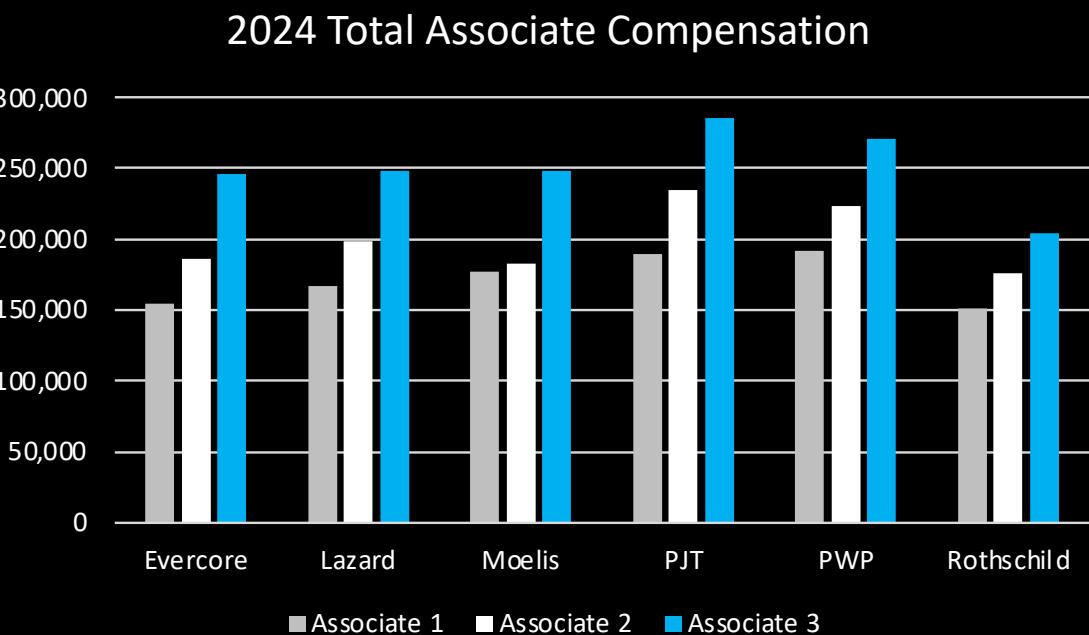


M Associate Compensation

Associate 1				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
Evercore	March	110,000	44,875	154,875
Lazard	February	105,000	61,750	166,750
Moelis	February	110,000	67,500	177,500
PJT	December	125,000	65,000	190,000
PWP	February	120,000	71,750	191,750
Rothschild	March	110,000	41,250	151,250

Associate 2				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
Evercore	March	120,000	66,500	186,500
Lazard	February	120,000	78,750	198,750
Moelis	February	120,000	63,250	183,250
PJT	December	135,000	105,000	235,000
PWP	February	125,000	93,425	223,425
Rothschild	March	125,000	51,333	176,333

Associate 3				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
Evercore	March	130,000	110,700	245,700
Lazard	February	135,000	113,250	248,250
Moelis	February	135,000	113,650	248,650
PJT	December	150,000	135,000	285,000
PWP	February	145,000	125,500	270,550
Rothschild	March	140,000	64,166	204,166



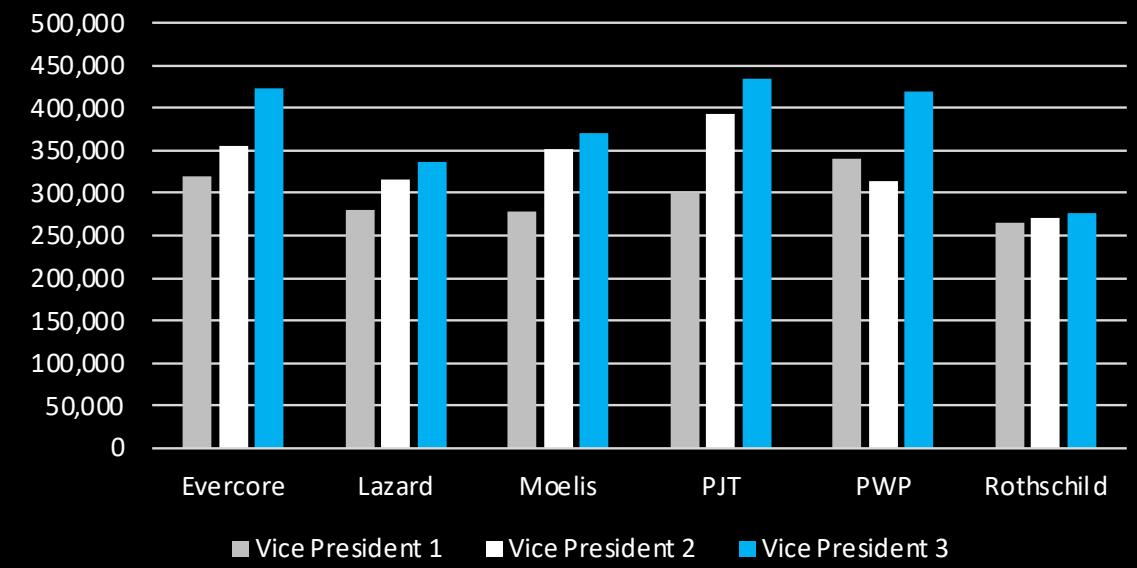
M Vice President Compensation

VP 1				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
BAML	March	165,000	155,000	320,000
Barclays	February	160,000	120,375	280,375
Citi	February	150,000	129,200	279,200
Deutsche Bank	December	200,000	101,250	301,250
Goldman Sachs	February	165,000	165,000	340,000
JP Morgan				
Morgan Stanley				
UBS	March	155,000	109,200	264,200

VP 2				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
Evercore	March	165,000	190,920	355,920
Lazard	February	160,000	155,000	315,000
Moelis	February	170,000	182,500	352,500
PJT	December	200,000	192,666	392,666
PWP	February	175,000	138,333	313,333
Rothschild	March	165,000	106,466	271,466

VP 3				
Bank	Bonus Cycle	Mean Base	Mean Bonus	Mean Total Comp
Evercore	March	165,000	257,500	422,500
Lazard	February	160,000	176,000	336,000
Moelis	February	170,000	200,000	370,000
PJT	December	200,000	235,000	435,000
PWP	February	175,000	245,000	420,000
Rothschild	March	170,000	106,250	276,250

2024 Total Vice President Compensation



Summary

The Mergers and Acquisitions (M&A) market is showing clear signs of recovery, gradually regaining momentum after a period of caution driven by global economic uncertainty and shifting interest rate dynamics. As inflation stabilizes and financial markets adjust to a more predictable monetary policy landscape, corporates are regaining confidence in both their balance sheets and long-term strategic planning. This renewed optimism is translating into a measurable uptick in M&A activity, driven by a strategic focus on consolidation, innovation, and growth through acquisition.

Improved access to capital, combined with more resilient market fundamentals, is supporting a resurgence in dealmaking. This in turn is creating a ripple effect across the broader Investment Banking ecosystem - energizing advisory, financing, and capital markets activity. The positive momentum is also underpinned by stronger macroeconomic indicators and an increased appetite among investors to deploy capital into transformative deals.

As a result, Investment Banks are experiencing a notable increase in demand for Advisory and Execution capabilities. Institutions are not only revisiting previously shelved mandates but also aggressively pursuing new opportunities. This has led to a marked rise in hiring demand, particularly for professionals with sector expertise, strong client relationships, and ability to navigate complex transactions in a competitive environment.

At Masters & Associates, we are seeing a clear trend: firms are making strategic hires to position themselves ahead of what is expected to be a heightened-growth period. Whether expanding product coverage, building out sector-specific teams, or strengthening execution capacity, the industry is recalibrating for a new cycle of activity.

About us

Masters & Associates is a leading Executive Search Firm specialising in Investment Banking Recruitment and the broader Financial Services Industry. Our team partners with premier Global Investment Banks and Merchant Banks to deliver top-tier talent solutions, underpinned by deep market insights and a consultative approach.

If you're interested in discussing this year's hiring trends or reviewing your current compensation structures, we'd be delighted to connect.

Investment Banking Search

- Mergers & Acquisitions
- Leveraged Finance/Financial Sponsors
- ECM
- DCM
- Structured Finance
- Project Finance
- Merchant Banking

Dorian Masters
Director - Investment Banking
Tel: +44 7702 409 999
Email: dorian@mastersandassociates.com

Robin Austin
Researcher
Tel: +44 7534 152 303
Email: robin@mastersandassociates.com

Masters & Associates Ltd.
30 Moorgate, London, EC2R 6DA
+44 7702 409 999
dorian@mastersandassociates.com