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Quants head for the shop floor

From banks to buy-side firms, and from XVA pricing to data science, today's quants have a dizzying array of opportunities available to them – but employers are looking for specific skills, and as *Louie Woodall* reports, some schools are not keeping up

In the old days, there were banks and there were quants. The banks were making a fortune trading complex derivatives, and the quants were there to show them how.

Empathy is a virtue especially welcome in regulatory circles, where the recruitment of quants is picking up pace. *Marcello Minenna*, head of quants at the Italian financial regulator Consob and adjunct professor of quantitative



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finance at Bocconi University in Milan, explains that though additions to the financial rulebook must be grounded in science, articulating them to an inexpert audience of lawyers, traders and fellow regulators is an art all of its own.

"This is the most difficult aspect. If you are a mathematician, you need to back up your thesis, but also write it down in a way that the enforcement officer can understand. If you're proposing inflicting sanctions on a bank, you reduce the freedom of the individual trader. I sign off on all the acts of course, but I need a first draft that supports the final result. Not every regulator has quants who can do this," he adds.

