

**For Immediate Release**

Contact: Ed Emerman  
609-275-5162  
[eemerman@eaglepr.com](mailto:eemerman@eaglepr.com)

**WALL STREET INCENTIVE AWARDS WILL VARY SHARPLY,  
JOHNSON ASSOCIATES ANALYSIS FINDS**

**Big Rebound in Incentives for Traders at Investment and Commercial Banks**

NEW YORK, November 5, 2009 – The stock market rebound this year will result in sharply higher year-end incentive payouts for many Wall Street professionals, particularly equities and fixed income traders at investment and commercial banks, according to an annual compensation analysis released today by Johnson Associates, Inc., a New York-based compensation consulting firm. The news, however, won't be as cheerful for the rest of the financial services industry which is expected to see bonuses decline for the second consecutive year.

The analysis shows that year-end incentives, which include cash bonuses and equity awards, are projected to increase by an average 40 percent at investment and commercial banks, but incentives for the rest of the financial services industry, including asset management, alternative investments and insurance will decline by approximately 20 percent.

“This year will be one of the most uneven for Wall Street bonuses we've seen in a long, long time,” said Alan Johnson, managing director of Johnson Associates. “The improved trading performance we are seeing at investment and commercial banks this year is translating into significantly higher bonuses for traders. However, bonuses will be down sharply again for professionals at asset management firms and hedge funds, whose performance has stabilized somewhat but is still lagging. Clearly, this year is a tale of two worlds.”

Fixed income and equities traders at investment and commercial banks will be among those receiving the largest increases in year-end incentives. They were also among the hardest hit last year. This year, the hardest hit will be private equity and prime brokerage professionals, whose incentives will be lower by 20 to 30 percent.

<b>Business Area</b>	<b>Percent Change from 2008</b>
Fixed Income	Plus 50 – 60%
Equities	Plus 40 – 50%
Corporate Staff	Plus 30 – 40%
Investment Banking (Underwriting)	Plus 15 – 20 %
Retail Banking	Flat to Minus 10%
Commercial Banking	Minus 5 – 10%
Investment Banking (Advisory)	Minus 10 – 15%
High Net Worth	Minus 15 – 20%
Hedge Funds	Minus 15 – 20%
Private Equity	Minus 20 – 25%
Prime Brokerage	Minus 25 – 30%

Johnson Associates regularly monitors compensation trends among a wide range of commercial and investment banks, and financial services companies. Its quarterly compensation analysis is based on the firm’s ongoing monitoring of the financial services industry and public data from eight of the nation’s largest investment and commercial banks and ten of the largest asset management firms.

“Without question, Wall Street is showing signs of steady improvement and we are seeing many professionals benefit financially from it,” said Johnson. “However, as the industry and economy improve, many challenges lie ahead given the proposed pay regulation and closer scrutiny that is being given to Wall Street pay.”

**Improved Outlook for 2010**

The Johnson Associates analysis also noted that the improved business and compensation environment experienced in the commercial and investment banking sectors will spread to other business areas in 2010.

“We are now expecting to see an uptick in hiring on Wall Street, starting as early as the first part of next year. This, of course, will create some retention issues for many firms, especially those which provided smaller bonuses this year,” concluded Johnson.

**ABOUT JOHNSON ASSOCIATES**

Johnson Associates is a boutique compensation consulting firm specializing in the design of annual and long-term incentive plans and establishing appropriate market pay levels. The firm is well-known for providing candid advice and for its expertise and in-depth knowledge of the financial services industry, including major investment and commercial banks, asset management firms, hedge funds and other alternative investments, insurance companies, and brokerages. For more information, visit [www.jaiconsulting.com](http://www.jaiconsulting.com)