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Average 2007 Wall Street Bonus Drops Only 1.6%

DOW JONES NEWSWIRES

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NEW YORK (Dow Jones)--Despite the massive write-downs, subprime mess and credit crunch seeping out of Wall Street the average bonus fell only 1.6% in 2007, according to a survey by WallStreetComps.com, a group of former investment bankers that polled 228 current professionals.

The average 2007 bonus was \$344,683, down from \$350,349 in 2006.

Second-year associates and senior vice presidents saw the largest increase in average bonuses from 2006, while second-year vice presidents had the biggest decrease in average bonuses. The survey included answers from first-, second- and third-year associates, as well as first-, second- and third-year vice presidents and senior vice presidents.

According to the survey, among associates, those working in industry coverage received the highest average bonus of \$269,399, and those working in leveraged finance/financial sponsors received the lowest average bonus of \$215,925. However, senior vice presidents working in leveraged finance/financial sponsors received the highest average bonus of \$950,000.

Associates, those hired right after graduation, received strong bonuses at several companies hit hard by the subprime mess including Citigroup Inc. (C) and Merrill Lynch & Co. (MER), both of which saw their chief executives leave in 2007.

First-year associates at Citigroup, JPMorgan Chase & Co. (JPM) and Merrill Lynch, second-year associates at Credit Suisse Group (CS), Lazard Ltd. (LAZ) and Morgan Stanley (MS) got the highest average bonuses in 2007.

However, first-year associates at Bank of America Corp. (BAC) and CIBC World Markets and second-year associates at Citigroup received the lowest average bonuses in 2007.

Third-year associates did well across the board, the only group that didn't report a lower-than-average bonus.

Nonsenior vice presidents at UBS AG (UBS) and JPMorgan Chase got the highest average bonuses, and senior vice presidents at UBS received the lowest average bonus.

Those in New York fared better than their counterparts in London in 2007.

The survey includes answers from employers at 23 companies across Wall Street, including large U.S. and European investment banks as well as boutique firms.

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