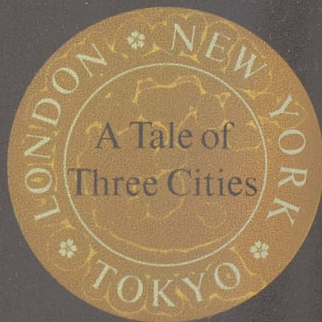


INVESTMENT BANKING



Samuel L. Hayes III
Philip M. Hubbard

Harvard Business School

INVESTMENT BANKING: A Tale of Three Cities traces the evolution of international banking from its beginnings to the present day, focusing on the three markets that make up the Golden Triangle of the investment banking industry: London, New York, and Tokyo. It describes in detail the historic role investment banks have played in financing governments and industry and how that role has changed dramatically in the last two decades. Today the world of investment banking is one of tremendous activity, profitability, and risk, and the companies that succeed will be the ones that understand — and respond to — the changes taking place.

Written by two leading authorities, Samuel Hayes of the Harvard Business School and Philip Hubbard, formerly of Orion Royal Bank and Morgan Stanley, *Investment Banking* is an inside look at the volatile world of high finance. The authors see two powerful forces as responsible for the dramatic changes in investment banking in recent years — internationalization, which has helped break down the barriers to funds flows between countries, and deregulation, which has created a private sector less fettered by rigorous systems of government control. These factors have played a large role in the transformation of investment banks from small, nationally oriented businesses to large, international enterprises.

Successful investment banks have adapted to the new financial environment by devising innovative and comprehensive strategies to position themselves globally. These strategies are often in sharp contrast as American, European, and Japanese competitors approach the task with different products, skills, and domestic firm histories. The authors profile three leading investment banks in detail — Salomon Brothers, Nomura Securities, and Credit Suisse First Boston — to depict the tactics individual firms have used to develop global strategies. Salomon Brothers' relative success in penetrating the Japanese market and Nomura's difficulty in generating significant profits in New York clearly illustrate the op-

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A Tale of Three Cities

Samuel L. Hayes III
and
Philip M. Hubbard

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**To
Colette Devauvre Hubbard
and
Ann Barclay Hayes and Samuel L. Hayes, Jr.**



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