

PREMIUM

FINANCE

Inside Citadel's elite summer internship that takes less than 1% of applicants

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- Two-thirds of interns should be receiving job offers from the company next week.
- Citadel execs said the firm looks for candidates that are curious and good collaborators.
- Three interns told Insider about their experiences of the program, and what surprised them most.

Interns at billionaire Ken Griffin's Citadel packed their 11-week summer internship program with rotations, talks with senior leaders, and honed in on their investment and technical skills.

All of the pressure from the program does pay off — a big chunk of this summer's internship class will be getting job offers next week after the program wraps up on Friday. Should they accept their positions, the interns, mostly rising college seniors, will join the firm next summer as full-time employees.

The lucky group could receive big salaries, the interns at \$50 billion hedge fund Citadel and market maker Citadel Securities are already earning \$14,000 a month, Bloomberg reported, and could start their careers with annual salaries of \$150,000.

The program of 290 interns began with a offsites at South Florida luxury resorts to kick off the 11-week program. Afterward, interns began their internships at Citadel's offices in either New York, Chicago, or Miami which included rotations with different teams.

Earlier this month, Citadel Securities chief executive Peng Zhao — who climbed up to the top rank at Citadel Securities in his 30s — spoke to interns about his career path. Griffin advised interns to hustle in their 20s in a fireside chat.

"It is important to find a culture that fits for you," Zhao told interns during the sit-down interview. "I was blown away by everyone I met when I interviewed at Citadel. Their intellectual capacity, their drive, their passion about what they do. It was a done deal right away — it wasn't a close decision. And I've never looked back."

Which interns will get offers?

Citadel's 2022 class of interns includes finalists of the prestigious Putnam math competition and a NASA researcher. Citadel had 33,000 applicants and accepted only 290 to its elite program this year — an acceptance rate of less than 1%.

Software engineers made up almost half of the entire class. The rest include quantitative researchers, traders, and members of the Citadel Associate Program, which is focused on fundamental equity investing, Matt Mitro, Citadel's head of campus recruiting, told Insider. Now, two-thirds, or roughly 193 interns, will be receiving job offers from the company.



Ken Griffin shares his career advice with a group of 150 interns earlier this month.

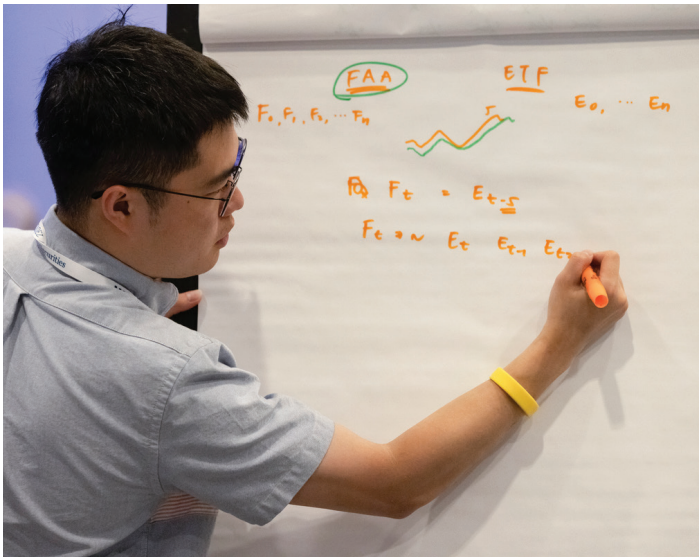
"We don't have a specific target and try to be incredibly objective about how people have performed during the program," Mitro said.

The company expects top interns to be driven, intellectually curious, willing to dig into challenging problems, and can think about different risk scenarios while working under pressure, Kelly Brennan, Citadel Securities ETF head, told Insider.

Brennan's team runs interactive trading simulations for its interns, which imitate real-life stress scenarios in the markets. During the exercise, interns had to think about how to provide liquidity in various market conditions. They make decisions based on algorithms they build, their intuition, and present their solutions, Brennan said.

"Some of the interns have really excelled and come up with very creative ideas," she said.

For example, Citadel Securities deals with a lot of unstructured data that needs to be organized and packaged together so traders can make decisions based on it.



CITADEL

Citadel Securities intern Sijie Chen at the offsite in Palm Beach.



CITADEL

Citadel's Johnna Shields with Justin Luo of the Citadel Associate Program.

“This summer, one of the interns built a really useful dashboard that presented data in a unique way,” Brennan said. “Another noticed a specific dynamic related to how we were providing liquidity on-exchange and he worked with one of our traders to refine a strategy we had in live trading, so he not only made an important observation, but he worked with our team to develop a solution that benefits our clients.”

The interns speak for themselves

Interns are largely measured on their ability to collaborate with different departments outside of their teams, Mitro told Insider.

“I knew it was a tech-focused firm, but Citadel’s level of technology and the emphasis on software was still a surprise,” said Addison Zhang, a Citadel intern that works with the global fixed income team. “The focus on collaboration was too. At a lot of other places, you just work with your team, but at Citadel, I collaborated with a lot of different teams.”

Zhang, a computer science student at Harvard University, previously interned for Facebook as a software engineer. She took a gap year and moved to Hong Kong, where she was hired by a hedge fund to do some software engineering work. That’s when she dipped her toes into researching markets.

“Though I don’t do it as much as I used to, I still spend part of my day coding,” she said. “That’s still a part of me. But trading is much more fast-paced, and you get immediate feedback from the market. I find that really exciting.”

Throughout her internship at the hedge fund, she worked across two different desks — both focused on relative value investing. At the end of each rotation, she had to present her research findings to a group of team members and senior leaders, which was “daunting,” she said.

“But they are really interested,” Zhang said. “One of the senior leaders even followed up with additional questions afterwards.”

The program helps interns develop soft skills, too.

For Lily Yang, who graduated from the University of California, Berkeley last December, her internship with Citadel Securities really helped her open up and develop her confidence, she told Insider.

“I’m a shy person and struggle a bit with imposter syndrome, especially in a place like Citadel Securities where there’s so many extraordinary people,” she said. “The other interns, my team members, and my managers have been so encouraging to me and have made me feel more comfortable contributing to conversations and sharing my ideas and my experiences.”

She has been able to practice asking the right questions when building a tool, clarifying the scope and the expectations of a particular project, and share updates with other teams and other team members.

Justin Luo, who is part of the Citadel Associate Program, said a big challenge was being exposed to industries he’s never covered before.

“It’s really important to have a repeatable and unique investment process that works for you,” he said. “My team has really helped me focus on the debates that really matter, the resources that are most helpful, and how I can refine my own process.”

For next year, Citadel and Citadel Securities plan on adding more opportunities for younger students that are beginning to consider a career in finance.

“Most of the interns are rising seniors who are already pretty certain that they want to work in finance,” Mitro, the head of campus recruiting, said. “Over time, we’re looking to add access points for younger students so they can explore the field earlier on without a career decision coming so quickly after the program.”