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Sorry Harvard and Yale, the Trading Whiz Kids Are at Baruch College

The students who dominated trading competitions recently go to public college in New York



Baruch College students Yifan Hu, Jaime Abbariao, Bell Chen and Dmitriy Treyger face off against other teams at the Massachusetts Institute of Technology's annual intercollegiate trading competition in November. Photo: Jarrod Pickens, Baruch College

By
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The college students who dominated trading competitions around North America this school year aren't finance majors at Harvard, the University of Pennsylvania or the Massachusetts Institute of Technology.

They're students at Baruch College.

Students in the Baruch Traders Club crushed rivals at several competitions this year, claiming first, second and third place at MIT's ninth annual trading face-off in the fall—an unprecedented feat—and beating Columbia University and Carnegie Mellon to rank first at the Rotman International Trading Competition in February.

At a typical competition, undergraduate students are given a limited amount of time to maximize profits in trading simulations that might focus on stocks, commodities, volatility instruments or other areas of the markets.

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Most students in the Baruch Traders Club join without having ever held an internship in the financial-services industry. Baruch, a public college in the City University of New York system, isn't usually thought of as a feeder school for Wall Street jobs: The University of Pennsylvania, Harvard and Columbia [sent the most graduates](#) into asset management, data provider eVestment found in a 2015 study.

“In theory, you think Baruch College students have some kind of inferiority complex regarding Harvard. We don't. Here, you don't have to convince the students that [the trading club] is something they want to do,” said Dan Stefanica, a Baruch College professor who helped coach the Traders Club.

The [only work experience](#) Baruch senior Bell Chen had before he became a member of the club in August 2015 was tutoring peers at Baruch's Student Academic Consulting Center. He claimed first place in the options market-making division at the University of Chicago's algorithmic trading competition in April 2016 and took first place at MIT's trading competition in November.

Members of the Baruch Traders Club, which has about 50 students, attribute their success to practicing simulated trading ahead of competitions—combined with a steady stream of classes in subjects like multivariable calculus, options pricing, corporate finance and linear algebra.

At MIT, that preparation paid off when one of the winning Baruch teams watched profits in the foreign-exchange algorithmic-trading round plunge from \$200,000 to \$100,000—a drop that might have spooked other teams into deploying new code and switching strategies. Instead, members of the team held their course, knowing from the simulations they ran before the competition that their portfolio usually rebounded quickly from such drops if they stuck to the same strategy.

The club's faculty adviser is also enthusiastic in motivating the students, said Rajeev Parvathala, an MIT junior and co-president of the Traders@MIT Club, which lends the club "a big advantage."

Baruch senior and Traders Club member Dmitriy Treyger said he spent many late nights at the library crunching numbers and reworking his trading models, only to return to campus at around 6 a.m. He also kept up on the latest in financial markets by reading articles from publications including the New York Times, The Wall Street Journal and Bloomberg.

"The nice thing is that finding a job, working on these competitions and studying for math classes all really go hand in hand—so when you're working on one, you're developing your skills in the other two," said Mr. Treyger, who believes his performance in the MIT competition helped him secure an interview—and ultimately, a summer internship for after graduation—with Chicago-based Wolverine Trading LLC.

Some college trading clubs go beyond running simulated portfolios to manage real money, like Lafayette College's Investment Club, which says it is the country's oldest student-run investment club, and the University of Delaware's Blue Hen Investment Club.

What sets Baruch's club apart from its peers, Mr. Stefanica said, is the opportunity it has given students who might otherwise not have pursued a career in finance. The club was launched in April 2015, supported by alumni who volunteered to help prepare its members for competitions.

"Someone whose only experience was at a bubble-tea shop... apparently him and other people like him end up in a disproportionate amount in the city university system and in particular at Baruch," Mr. Stefanica said. "Now we are doing what we can to tease out this talent and it's not just for the whole goal of winning competitions, but it's truly a transformational career and life-changing experience for the students."

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