

Stockbroker interview questions

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What to expect

Stockbroker interviews mix technical market knowledge with compliance scrutiny and client-handling judgement, since the role sits at the intersection of trading, advice and regulation. Panels typically include a senior broker or desk head and someone from compliance or risk, especially at licensed brokerages and investment banks where AFSL obligations are non-negotiable.

- **Technical/market knowledge:** Tests understanding of markets, valuation and trading mechanics, often with a live or recent market example.
- **Compliance and regulatory:** Probes familiarity with ASIC rules, AFS licensing conditions and record-keeping obligations.
- **Behavioural:** Explores past conduct in client relationships, pressure situations and error handling using specific examples.
- **Scenario/judgement:** Presents a hypothetical market or client situation to assess decision-making under uncertainty or conflict.
- **Client-facing:** Assesses communication style and how advice is framed to different client types.

Interviews usually open with background and motivation, move into technical and market questions, then shift into compliance and scenario questions before finishing on behavioural and cultural fit. Expect a case-style question involving a live market event or a difficult client situation somewhere in the middle.

1. Walk me through how you'd execute a large sell order for a client without moving the market against them.

Why they ask

Tests practical trading knowledge and understanding of market impact, order types and timing.

How to structure your answer

Walk through the process step by step: assessing liquidity and volume, choosing order type (e.g. VWAP, iceberg), timing execution, and communicating progress to the client.

Example answer

"I'd start by checking the stock's average daily volume and current order book depth to gauge how much the market can absorb without significant price impact. For a large position I'd likely use a VWAP or iceberg order to spread execution across the session rather than dumping it all at once. I'd also check for upcoming announcements or ex-dividend dates that could affect timing. Throughout, I'd keep the client updated on progress and any material price movement, and document the rationale for the execution approach in case it's reviewed later."

2. How do you stay compliant with ASIC regulations and AFS licensing conditions in your day-to-day trading and advice?

Why they ask

Directly probes regulatory knowledge, which is non-negotiable given ASIC oversight of licensed brokers and authorised representatives.

How to structure your answer

Explain the systems and habits used to maintain compliance: give a walk-through of routine checks, documentation practices and how breaches or grey areas are escalated.

Example answer

"Compliance is built into my routine rather than something I check at the end of the day. Every piece of advice I give gets documented with the reasoning behind it, in line with our AFSL's record-keeping requirements. I keep my RG146 training current and flag anything that looks like a conflict of interest, such as a client wanting to trade around insider information, straight to compliance rather than trying to handle it myself. I also review my client files periodically to make sure disclosures and risk profiles are up to date."

3. Tell me about a time you had to deliver disappointing investment news or performance results to a client.

Why they ask

Behavioural question assessing communication skill and resilience in client relationships, core to retaining assets under advice.

How to structure your answer

STAR: describe the situation, the specific task or conversation required, the action taken to deliver the news constructively, and the result on the client relationship.

Example answer

"A client's portfolio underperformed its benchmark over a quarter due to sector exposure that had been deliberately defensive going into a volatile period. I scheduled a call rather than sending a report, walked them through why the positioning had lagged, and showed the downside protection it had provided during a sharp market dip earlier that year. The client stayed with the strategy because they understood the reasoning, and the portfolio recovered relative performance the following quarter."

4. A client wants to make a trade that seems driven by panic after a bad news day, against your professional advice. What do you do?

Why they ask

Scenario question testing judgement, ethical obligation and how firmly the candidate balances client autonomy against professional advice.

How to structure your answer

Judgement-under-pressure: state the immediate response, the reasoning behind it, and how you'd document or follow up to protect both the client and yourself.

Example answer

"I'd hear the client out first, since panic often comes from a specific fear I can address directly. I'd walk through the actual fundamentals affecting the stock versus the headline reaction, and give my honest recommendation, including the risks either way. If they still insist on the trade after that conversation, it's their capital and their decision, so I'd execute it, but I'd document that I advised against it and why, to protect the record and the relationship."

5. How do you analyse market trends and economic data to form a view on an investment opportunity?

Why they ask

Technical question checking depth of analytical process beyond just reciting tools used.

How to structure your answer

Walk-through: describe the data sources consulted, how they're weighted, and how a conclusion translates into a client recommendation.

Example answer

"I start with macro data, interest rate direction, inflation prints, and sector-specific indicators relevant to the stock or asset class. I cross-reference that against company fundamentals using Bloomberg Terminal and FactSet, looking at earnings trends and valuation relative to peers. From there I form a

view on whether current pricing reflects known information or if there's a gap worth acting on, and I frame that as a recommendation with a clear risk profile so the client can decide if it suits their portfolio."

6. Where do you see the stockbroking industry heading over the next few years, and how are you preparing for that?

Why they ask

Assesses awareness of industry pressures, including automation and AI affecting trade execution and research, given the role's moderate AI exposure.

How to structure your answer

Open-ended reflection: state your view briefly, then link it to a concrete action or skill you're building in response.

Example answer

"Execution itself is increasingly automated, so the value I bring is shifting more toward advice, relationship management and interpreting what market moves actually mean for a specific client's goals. I've been building deeper skills in portfolio construction and client communication rather than just order execution, because that's the part of the job that's harder to automate and where clients still want a person they trust."