From July to October this year, I undertook a 3-month placement as a Research Intern with Moody’s Analytics (MA) in Edinburgh. MA provide analytical tools that help their customers to understand the financial risks associated with their investment portfolios. Although they are part of the (very large) Moody’s Corporation, their Edinburgh office where I worked has more of a focus on research and development of their tools rather than the corporate environment I was perhaps expecting.

During my placement, I worked on a self-contained project where I tried out a model for estimating liquidity premia, which are a component of the price of a corporate bond but are very difficult to separate out from the other factors involved in pricing a bond. First, I had to learn a lot about the financial terminology (and the maths behind it) in order to understand what I was going to be doing, which I found to be more interesting than I expected. I then spent the rest of my time creating a piece of R code that implemented the model outlined in a paper, which involved performing a large number of multiple linear regressions on a few million data points. As I had no previous experience of working with R, I learned the language as I went along which reminded me how much I missed programming and figuring out how to work with new languages. I also had to learn some SQL in order to extract the data I needed from a larger database.

As well as the more practical aspects of learning what I needed in order to do my project, I learned about how companies such as MA communicate with their clients in order to create and update their products to suit their customers’ needs. I also appreciated the opportunity to experience working in a different office environment, doing work with a direct purpose for the company.

Although this placement was completely unrelated to my project, I found it to be a valuable and worthwhile experience. It gave me a great opportunity to brush up on my programming skills and enabled me to notice some ways in which I could improve my approach to programming projects in the future. I also was able to expand my programming repertoire to include R and SQL, neither of which I had used before. Perhaps most importantly for me, this placement has confirmed to me that I could happily consider a similar role as a career after I finish my PhD, and that MA is definitely a company I would consider working for (although I think it would have been an equally valuable experience if I had learned that it wasn’t for me).