The Trading Game

The Trading Game

A Confession

GARY STEVENSON



ALLEN LANE
an imprint of
PENGUIN BOOKS

ALLEN LANE

UK | USA | Canada | Ireland | Australia
India | New Zealand | South Africa

Allen Lane is part of the Penguin Random House group of companies
whose addresses can be found at global.penguinrandomhouse.com.

Penguin
Random House
UK

First published by Allen Lane 2024
001

Copyright © Gary Stevenson, 2024

The moral right of the author has been asserted

Set in 13.5/16pt Garamond MT Std
Typeset by Jouve (UK), Milton Keynes
Printed and bound in Great Britain by Clays Ltd, Elcograf S.p.A.

The authorized representative in the EEA is Penguin Random House Ireland,
Morrison Chambers, 32 Nassau Street, Dublin D02 YH68

A CIP catalogue record for this book is available from the British Library

ISBN: 978–0–241–63660–2
TPB ISBN: 978–0–241–68827–4

www.greenpenguin.co.uk

MIX
Paper | Supporting responsible forestry
FSC® C018179
FSC
www.fsc.org

Penguin Random House is committed to a sustainable future for our business, our readers and our planet. This book is made from Forest Stewardship Council® certified paper.

For all the cold kids and the hungry kids,
who dream of being millionaires. I did it
for me so I did it for you.

Contents

1	Prologue	1
2	Going Up	5
3	You Want Some?	65
4	Go Home and Ask Your Mum	175
5	Thermostat	219
6	Going Down	299
7	Postscript	411
	Acknowledgements	413

‘In a mad world, only the mad are sane.’

– Akira Kurosawa

‘Life is life, game is a game.’

– Anish’s grandad

Prologue

'I want to tell you a story.'

Caleb's oversized face loomed over the table. Beneath it sat two ramen bowls. One empty, one full. A few stray wisps of steam floated upwards, where they danced with his beaming white smile. From where I was sitting, slumped down low in my chair, the two chopsticks jutting upwards from my bowl seemed to reach nearly up to his chin. His smile grew.

'I used to know a really good trader. A really, really good trader. He used to work for Deutsche Bank. Smart guy. Young. Just like you.'

Caleb's thick forearms were wrapped around his warm, empty bowl, and they pushed down, hard, into the table. His hands were not far from my face now, clasped tightly together. I've never forgotten how those fingers looked. Thick, round and pink, like raw sausages. They looked ready to burst.

'You know, he was a really good trader, this guy. Made a lot of money. Made a lot of money for himself, made a lot of money for Deutsche Bank. He had a good career ahead of him.'

The hubbub of the restaurant filled the space around us. It wasn't one of those rustic, hole-in-the-wall ramen joints that seem to birth themselves in the back alleys of Japan's big cities. This was a big, sprawling, corporate restaurant on the sixth floor of a big, sprawling, corporate skyscraper. Loose-tied businessmen clinked beer glasses with their bosses, laughing at their jokes. A few American bankers mixed in

with the Japanese salaryman types, talking too much and too loudly. I wasn't talking at all. I was watching that oversized face float through the darkness, across the table, towards me.

'But you know, this guy, this young trader. Even though he was a good trader, he had one really serious problem. One fatal flaw, you could say . . . You see, this guy, he thought he could walk away. He thought he could leave. Do you know what I mean?'

Caleb was a big guy. I've probably made that clear by now, but it wasn't just his face and his fingers that were big. Everything about him seemed about two sizes bigger than it should have been. His eyebrows were big, his chin was big. Somehow, the hair on his head was too big, too thick, and too dark. More than all of that, his smile was enormous. Huge, white and pearly. Right now it seemed to me to stretch wider than his face. Like the Tuesday night Cheshire cat of the ramen-ya, that smile seemed to shine through the dark of the room.

'So this guy, he decided he was going to take the money and walk away. Leave the industry, you know? Nice idea. Have a family somewhere. Sweet. You see, the thing is, this guy though, he just didn't really understand how this industry works. Deutsche didn't really want to see him leave. You know?'

It didn't take a genius to tell where this conversation was going, and I felt my stomach starting to sink. I began to feel a bit sick, and I could taste or smell something in my mouth. Was it blood? I sat deep in my chair and I watched. Caleb was still smiling. That smile seemed to grow bigger by the minute.

'Anyway, Deutsche Bank went back and had a look, at all of his trades, you know? All of his chat history, all of his emails. He had been working there for a long time, you know, he'd done a lot of trades. And they managed to find some

stuff in there that wasn't good stuff. Do you know what I'm talking about? Stuff he shouldn't have done.'

I could start to feel fire in my legs now. In my feet. A hot, growing, itchy feeling. A burning. But I didn't move.

'So you know, it wasn't the right thing to do, but Deutsche actually took that trader to court for a few things. He hadn't really done anything that bad, to be honest, but they managed to put something together. The case rumbled through the courts for years and years. Do you know what I mean? In and out of court, in and out of court. Real nightmare. That trader, great young trader, he never really got to leave, you see. Never got to have that family. Just courtrooms. Best years of his life. Can you imagine that, Gary? Can you imagine? The case never went anywhere, but he lost all of his money anyway, in the end. Lawyers' fees. All of his money, and much more besides. In the end, he was bankrupt. In the end, that guy lost everything.'

The fire was everywhere now, so was the sickness, and that blood taste. I still didn't move though. I looked up at his face.

'Gary, are you listening to me? Do you understand what I'm saying here?'

That big round face loomed closer still.

'Gary. I like you. I think you're a good person. But sometimes, bad things happen to good people. You are going to learn that. We can make life very difficult for you.'

In that moment, a lot of memories came flooding back. Memories that carried me thousands of miles. Away from Tokyo and back to Ilford, East London. I was eighteen and sitting on a football, in a dead cul-de-sac next to the railway, as Harry told me that his mum had cancer. I hadn't known what to say, at the time: 'Do you wanna play football?' I remembered being stood up against the wall of an alleyway

on a dark night and watching Saravan as he threatened to stab me. His hands were in his pockets. Did he have a knife? I didn't know. I remembered being chased down streets of terraced houses and jumping over garden fences and that time that Brathap got run over and the way that his body shook as it lay on the ground. I remembered all the stupid violence and the blood and the nonsense so much nonsense of the kids on the street and all the promises that I'd made and the people I'd known. I remembered sitting with Jamie on the top of the multistorey carpark in the nighttime, watching the new skyscrapers go up around us in our city and telling him that I was gonna be somebody, someday. Promising him that I'd do it. He'd laughed at me, smoking into the moonlight. But he knew that I would though. So did I.

No, I thought. It doesn't end here.

Not here in this cold, corporate restaurant. Not buried down by the weight of that smile.

PART ONE

Going Up

I

In some ways, I was born to be a trader.

At the end of the street I grew up on, in front of the tall, concave wall of a recycling centre, a lamp post and a telegraph pole stand four metres apart from one another, forming the perfect set of impromptu goalposts.

If you stand between those two posts, take ten big steps backwards and stare upwards and between them, into the far distance, the light of the tallest Canary Wharf skyscraper will peek over that high wall, and wink at you.

After school, as a child, I would spend long evenings kicking battered foam footballs in and around those goalposts, wearing battered school shoes and my brother's school uniform. When my mum would come and call me home for dinner, I'd look back and watch that skyscraper wink at me. It seemed to mean some sort of new life.

It wasn't just the streets of East London I shared with those gleaming, towering temples of capitalism. There was something else too, some kind of shared belief. Something about money. Something about want.

The importance of money, and the knowledge that we didn't have much of it, was something I always felt deeply. In one of my earliest memories, my parents gave me a pound coin, and sent me to the Esso garage to buy lemonade. At some point in the trip, I dropped that pound coin, and lost it. In my memory, I searched for that pound coin for what seemed like hours – crawling under cars, scrabbling in the

drains – before returning home, empty-handed, and in floods of tears. In reality, it was probably only thirty minutes. But thirty minutes is a long time when you're a child, I guess, and one pound was a lot of money.

I don't know if I ever really lost that love for money. Although, now, when I look back and think about it, I'm not sure that love is the right word. Perhaps, especially when I was a kid, I think it might have been more of a fear. But whether it was fear, or a love, or a hunger, it only got stronger as I started to grow, and I was always chasing those pounds I didn't have. At twelve, I started selling penny sweets in school; at thirteen, I started delivering papers, 364 days a year, for £13 a week. By sixteen, my high school sales business had become considerably more adventurous, more profitable, and more illicit. But those small kills were never really the end game, and every evening, after the sun went down, I'd always look up at those skyscrapers, winking down at me from the end of the street.

But there were many other ways in which I was not born to be a trader, and those ways were and are, very important.

Because there are many, many, young, hungry, ambitious boys kicking broken footballs around lamp posts and cars in the shadows of East London's skyscrapers. Many of them are smart, many of them are committed, almost all of them would make all kinds of sacrifices to put on a tie and some cufflinks and go walk into those tall, shiny towers of money. But if you step onto those trading floors, which take pride of place in those glimmering skyscrapers where young men earn millions of pounds every year in the heart of what was once East London's docklands, you will not hear the proud accents of Millwall and Bow, of Stepney and Mile End and Shadwell and Poplar. I know, because I worked on one of those

trading floors. Someone once asked me where my accent was from. He'd just graduated from Oxford.

The Citibank Tower in Canary Wharf has forty-two floors. In 2006, which was the year I first entered that building, it was the joint second-tallest building in the UK. One day, in 2007, I decided to go up to the top floor of the building, to see what the view was like, and to see if I could see my home.

The top floor of the Citibank Centre was used only for conferences and events. This meant that, when it was not in use, the entire space sat totally empty. A vast, uninterrupted country of lush blue carpet, bordered on all sides by thick glass windows. I floated across the soundless carpet to the window, but I couldn't see the place where I lived. From the 42nd floor of the Citibank Centre, you cannot see East London. You can only see the 42nd floor of the HSBC Tower. The ambitious young children of East London look up to the skyscrapers that cast shadows on their houses, but the skyscrapers don't look back. They look at each other.

This is the story of how I, of all the kids playing football and selling sweets in those shadows, got a job on the Citibank trading floor. It's a story of how I became Citibank's most profitable trader, in the whole world, and it's a story about why, after all of that, I quit.

These were the years when the global economy started to slip off the precipice from which it's still falling. At times, my sanity slipped with it. At times it still does. God knows, I didn't treat everyone the best. Harry, Wizard, JB, myself. All the others who really should have had names. I hope you can forgive me for telling your stories. They're all part of my story, you know?

I'll dedicate it to Anish's grandad, who, when we were drunken teenagers, and he was a drunken old man, would

mutter to us endlessly the only sentence that he knew well in English.

'Life is life. Game is a game.'

We never really figured out what it meant. I still hope that one day we will.