

SocGen Plans to Hire More People for Commodities Team

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By Anna Stablum

Aug. 25 (Bloomberg) -- Societe Generale SA, France's second-largest bank by market value, plans to expand its commodities team about 35 percent by the end of next year, seeking to double the size of the business.

The bank is adding the personnel in trading and sales, including four for an agriculture team that will deal in grains, cocoa and sugar from the fourth quarter, Adrian Lismore, deputy head of commodities marketing, said in an interview. In addition to more than 100 traders and sales staff in commodities, the bank also has 60 people involved in the carbon market, he said.

Bank of America Corp., Barclays Plc and Morgan Stanley are also expanding their commodity businesses as a doubling in copper and 66 percent gain in crude oil this year bolsters revenue. **Some banks are again offering \$1 million bonuses to attract the best traders, according to recruitment firms [Commodity Talent LLC](#)** and Kennedy Associates.

"The market has a huge way to go," Lismore said from London yesterday. "You can easily see the commodities space double or triple in size."

SocGen, based in Paris, said on Aug. 5 that net banking income from fixed income, currencies and commodities rose to 821 million euros (\$1.18 billion) in the second quarter, 14 times the amount a year earlier. The Reuters/Jefferies CRB Index of 19 commodities gained 14 percent this year, rebounding from a record 36 percent decline in 2008.

Agriculture Team

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The bank will also add at least 35 people to its support services team in commodities, Lismore said. The agricultural team will offer over-the-counter trading, adding to its existing futures business on exchanges, he said.

SocGen is already involved in markets for oil, refined products, natural gas, coal, precious metals and plastics. It is one of 12 ring-dealing members of the London Metal Exchange.

The bank also has a venture with GDF Suez SA, the owner of Europe's biggest natural-gas network, to trade gas and power and another with Rhodia SA, France's largest maker of specialty chemicals, to handle carbon products.

Bank of America said this month it may expand its metals and energy team by 25 percent in the next two to three years. The commodities group is now about 600 people, people familiar with the matter said. Barclays said it plans to hire about 20 commodities traders in the next year.

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