

Annual Bond Investment Strategies

for Pension Funds

Tuesday 9 January 2018
at Le Meridien Piccadilly, London

Sponsored by:

CQS
Franklin Templeton Investments
Macquarie Investment Management
Pictet Asset Management
Putnam Investments
TwentyFour Asset Management



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by SPS Conferences



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CPD = 6.5 hours



Programme

08.30 **Registration and coffee**

09.00 **Welcome and Opening Remarks**
TREVOR COOK, MANAGING DIRECTOR, SPECIALIST
PENSION SERVICES

09.10 **Setting the Scene**
MODERATOR: **KEVIN CLARK**, CLIENT DIRECTOR, PS
INDEPENDENT TRUSTEES

Opportunities in shorter dated credit

An overview of our investment outlook for the year ahead. How can shorter dated credit be used to achieve strong returns with minimal volatility? Comparing this approach with traditional absolute return credit and how they can provide liquidity and cash flow.

CHRIS BOWIE, PARTNER, TWENTYFOUR ASSET
MANAGEMENT

Relative Value Investing in Multi Asset Credit

As the relative value between different credit asset classes shifts over time, Multi-Asset Credit (MAC) investing enables tactical and dynamic asset allocation to profit from a broad range of opportunities, mitigate risk and manage duration. Where are we today across credit markets and what are the current trends? Looking forward, what worries us and where are the most compelling individual credit opportunities that MAC strategies will seek to capture on a relative value and absolute basis.

DARREN TONER, PORTFOLIO MANAGER , CQS

10.25 **Coffee / Tea**

10.55 **Securitised Markets**
MODERATOR: **CLIVE GILCHRIST**, DEPUTY CHAIRMAN,
BESTRUSTEES

Securitised Markets

Introduction to the securitised credit market and an overview of the US and European ABS markets. What are the interesting opportunities as well as potential areas of concern within the securitised market? Are we being lulled into a false sense of security 10 years on from the Financial Crisis, or are there reasons to be in the MBS sector? Are car loans or US commercial real estate mortgage backed securities the seeds of the next crisis? How can securitised credit be used within a UK DB scheme.

MICHAEL P. WANDS, HEAD OF GLOBAL INVESTMENT
STRATEGIES, PUTNAM INVESTMENTS

Targeting Absolute Returns from Investing in Agency MBS

This session will explore why US Agency Mortgage Backed Securities may be the largest fixed income sector currently overlooked by UK Pension Funds, with the potential to provide diversification, downside protection and strong risk-adjusted returns.

ION DAN, PORTFOLIO MANAGER – US CORE FIXED
INCOME AND ABSOLUTE RETURN MBS, **MACQUARIE**
INVESTMENT MANAGEMENT

12.10 **Drinks and Lunch**

13.20 **Changes Ahead**
Moderator: **JOANNA MATTHEWS**, CLIENT
DIRECTOR, CAPITAL CRANFIELD

Unconstrained Fixed Income Investing

Rising interest rates and inflationary risks could result in losses for investors with traditional global fixed income exposure. How can unconstrained fixed income protect capital and deliver positive returns in such an environment?

STUART LINGARD, VICE PRESIDENT, DIRECTOR - GLOBAL
FIXED INCOME PRODUCT MANAGEMENT, **FRANKLIN**
TEMPLETON INVESTMENTS

Investing in a rapidly-changing bond market

A three-decade long bull market is coming to an end. It may soon become much harder to achieve the desired balance between risk and return. We believe that flexibility will be key. To deliver performance in this changing market, investors should consider an unconstrained approach to fixed income, with a focus on absolute rather than relative returns.

PATRICIA SCHUETZ, SENIOR CLIENT PORTFOLIO
MANAGER, **PICTET ASSET MANAGEMENT**

14.35 **Coffee / Tea**

15.00 **Practical Issues**
MODERATOR: **JOANNA MATTHEWS**, CLIENT
DIRECTOR, CAPITAL CRANFIELD

Putting it all together

With such a lot going on in the economy and so many investment opportunities apparently available at the moment, how do pension fund trustees choose? Today's presentations demonstrate the extent of the opportunities in fixed income alone but how should trustees choose which are the most appropriate opportunities for their fund and how can you best combine opportunities to enhance return and reduce risk?

SAM ROBERTS, HEAD OF INVESTMENT CONSULTING,
CARTWRIGHT

A panel of pension scheme executives and trustees will talk about their pension fund's alternative credit and private debt investment strategies and experiences. Panelists:

PETER MARTIN, INVESTMENT OFFICER, **MEDICAL**
DEFENCE UNION

HOWARD BLUSTON, OFFICIAL PENSION FUND ADVISOR,
LONDON BOROUGH OF HARROW

16.15 **Drinks reception followed by Close of
Conference**

Speaker bios



Howard Bluston is an Independent Investment Adviser and Official Adviser to the **London Borough of Harrow Pension fund** Committee. He was a City investment manager for over thirty-five years in such institutions as merchant banks, investment banks, unit trust companies and in property management. He was a Local Councillor in Harrow for eight years, chairing the Pensions Panel for that period as well as other committees. He brought Harrow into the Local Authority Pension Fund Forum (LAPFF), in which he is an active member, and also the NAPF, where he is a committee member in the North London Group. He is a Director of the Northwest London Chamber of Commerce and is Chair of Trustees of the Edward Harvist charity, encompassing the boroughs of Harrow, Brent, Barnet, Camden and Westminster. He is a trustee of other charities in Brent and Harrow and is a Local School Governor.



Chris Bowie is one of the partners at **TwentyFour**, joining in September 2014 to create and manage the Outcome and Index Driven business line. This business line sits between the ABS and Unconstrained strategies and tends to have greater exposure to interest rate sensitive bonds, where the active management of duration risk is a key determinant of absolute and relative performance. Day to day, Chris is the lead manager for the Corporate Bond Fund and Absolute Return Credit Fund. He also is a member of the firm's Investment Committee. Chris has 23 years of experience across fixed income markets, having been Head of Credit at Ignis for 10 years, and Head of Rates at AEGON (now Kames). Before AEGON, Chris was a senior portfolio manager at Murray Johnstone Ltd (which was acquired by Aberdeen Asset management).



Ion Dan is a member of the firm's taxable fixed income portfolio management team, with primary responsibility for portfolio construction and strategic asset allocation. He is lead co-portfolio manager for the Absolute Return MBS strategy, and senior analyst and trader for agency mortgage-backed securities (MBS). Dan joined **Macquarie Investment Management** (MIM), which includes the former Delaware Investments, in April 2011 as part of the firm's integration of Macquarie Allegiance Capital, with responsibility for evaluating and trading agency MBS. Previously, he spent 10 years with Macquarie Allegiance, most recently as MBS sector manager and portfolio manager. Dan started his career as a junior options trader on the PCX Exchange. He earned bachelor's degrees in both business administration and economics from the University of California at Berkeley.



Stuart Lingard, Vice President, Director - Global Fixed Income Product Management, is based in London and is a product representative for the Franklin Templeton Fixed Income Group across Europe. Mr. Lingard has 18 years of investment experience. Prior to joining **Franklin Templeton Investments**, Mr. Lingard worked at Invesco, where he managed a portfolio of high profile global fixed income client accounts and was responsible for developing the fixed income product range globally. Mr. Lingard holds a Bachelor of Science (B.Sc. Hons) degree from the University of Surrey.



Sam Roberts heads the investment consulting team at **Cartwright**, with overall responsibility for the quality of the investment advice provided by the team, the fund manager research and the smooth implementation of Trustees' investment decisions. Sam is also the lead investment consultant for his own portfolio of clients, covering all aspects of investment strategy and investment-related consulting. Sam believes that investment strategies can be relatively sophisticated without being over-complicated or expensive, and that every pension scheme is unique. He enjoys helping clients to prioritise those areas that will have the most beneficial impact, to better understand and manage their investment risks, and to implement practical cost-effective scheme-specific solutions to help to achieve their (and their members') objectives. Sam is a qualified actuary and worked for over 10 years as a pensions actuary before switching to investment consulting. He believes that this helps him to

better understand both sides of a pension schemes' balance sheet (i.e. both the assets and the liabilities). This is particularly important when considering liability-related assets such as LDI and bulk annuities, the interaction between the different measures of the liabilities, and the potential investment implications of liability management exercises.



Patricia Schuetz joined **Pictet Asset Management's** Fixed Income team in 2014 as Senior Client Portfolio Manager. Before joining Pictet, Patricia was a senior client portfolio manager at Invesco Asset Management for over four years, where she focused on global macro and credit strategies, including emerging markets and absolute return strategies. Previously she worked for five years as an account manager in PIMCO's London office, and brings more than 25 years industry experience to her role. Patricia holds an MBA from Columbia University in New York, a BS in Business Management and BA in German, both from Bradley University in Illinois. She is also a Chartered Financial Analyst (CFA) charterholder.



Darren Toner is a Portfolio Manager. He is responsible for managing Global Long-Only High Yield & Financial portfolios and is assistant Portfolio Manager for the **CQS** Credit Multi Asset Fund. Prior to joining CQS in 2010, Darren has worked at GE Capital in London, where he joined the graduate scheme in 2005. His career has been focused on Leveraged Finance execution, distressed debt and restructuring / workout. Darren holds a BSc (1st Hons) in Economics and Finance from University College Dublin.



Michael. Wands is Head of Global Investment Strategies, reporting directly to Robert L. Reynolds, President and CEO of Putnam Investments. He is also a member of Putnam's Operating Committee. Michael is responsible for overseeing the equity, fixed income, and global asset allocation product teams. In addition, he manages product development, strategies, and programs for Putnam's retail, institutional, and retirement businesses. Michael joined Putnam in 2008 and has been in the investment industry since 1986. Previously at Putnam, he was a Senior Investment Director in the Global Investment Strategies group, specializing in fixed income products. Prior to joining Putnam, Michael served at State Street Global Advisors (SSGA) in various leadership roles, including Head of Fixed Income, North America, Head of Structured Products, and Portfolio Manager, from 2000 to 2008. Prior to SSGA, he was a Senior Vice President, Mortgage Sales, at Lehman Brothers from 1991 to 2000; a Vice President, Fixed Income Sales, at Kidder Peabody from 1990 to 1991; and a Vice President, Mortgage Research, at Drexel Burnham Lambert from 1988 to 1990. Michael earned a B.S. in Management Systems from Rensselaer Polytechnic Institute and is a member of the CFA Society Boston.

Conference Notes

Purpose: The 17th instalment of this popular conference aims to examine some of the more important and pertinent issues, challenges and opportunities facing Pension Fund Bond Investors in 2018. We will also seek, to consider practical issues such as market conditions, risk, volatility and timing on different pension fund portfolios

Date: Tuesday 9 January 2018 **Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000

Cost: There is no cost to you to attend this event and your conference documentation, drinks, lunch, tea and coffee breaks will all be provided free of charge. If you would like to nominate a colleague to attend please ask them to contact us so we can ensure they are eligible for a free place. SPS events are exclusively aimed at genuine pension fund executives, trustees and their advisers, who may qualify for free entry. SPS Conferences reserves the right of admission (free or paid) and our decision is final.

Amendments: SPS reserves the right to amend or cancel the conference at any time but will always attempt to give prior notice. Cancellation by SPS will result in a full refund of delegate fees paid but no other expenses incurred.

PMI Accreditation: Attendance at the conference will be given 6.5 hours of CPD with the PMI.

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Queries: please contact: Ms Sue Golton at Specialist Pension Services Limited. Telephone +44 (0)1438 712345 Telefax +44 (0)1438 718883 Email: sue@spsconferences.com

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Booking Form

Please read the Conference Notes, then complete the details below.

Please reserve place(s) at The **SPS Annual Bond Investment Strategies Conference** taking place on 9 January 2018.

Free guest places are offered to genuine pension and institutional investor attendees. Please contact us to confirm you qualify. A limited number of provider places at a cost of £1625 + VAT may be available. Please enquire to Sue Golton sue@spsconferences.com.

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