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CONFERENCES

Informing Pension Funds

Investment Strategies to Address Current and Forthcoming Challenges

Thursday 9 February 2017
at Le Meridien Piccadilly, London

Sponsored by:

Capital Group
Goldman Sachs Asset Management
TOBAM
Union Investment
Wellington Management



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Investment & Pensions Europe
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This conference is arranged
by SPS Conferences



www.spsconferences.com
CPD = 6.5 hours



Programme

08.30 **Registration and coffee**

09.00 **Welcome and Opening Remarks**

FRED JAFFE, EXECUTIVE DIRECTOR, SPECIALIST PENSION SERVICES

09.10 **Cash Flow Strategies**

MODERATOR: TO BE ADVISED, PI PARTNERSHIP GROUP

Navigating an Uncertain World

Uncertainty across global markets continue to challenge investors' ability to generate returns from traditional assets. As Gilts remain volatile, with Sovereign credit still expensive and with credit in late cycle, we will discuss the macroeconomic outlook for 2017 and ask what investors should be doing in the year ahead to: 1. Effectively access returns (through credit and unconstrained fixed income) and 2. Through innovation, better achieve their liabilities (utilising Cash Flow Matching strategies)..

JASON SMITH, EXECUTIVE DIRECTOR, GLOBAL FIXED INCOME TEAM, GOLDMAN SACHS ASSET MANAGEMENT

Optimizing Portfolios to meet your Cash Flow Requirements 12.45

As pension schemes mature and cash-flow requirements increase, schemes should consider how benefit payments can be most effectively met. We believe CDI portfolios can provide an efficient way of meeting cash-flow requirements. As cash-flow profiles and funded statuses vary, it is important to select a structure to ensure CDI portfolios are suitable for the specific objectives and risk tolerance of the scheme.

PAUL SKINNER, MANAGING DIRECTOR AND INVESTMENT DIRECTOR, PRODUCT MANAGEMENT, WELLINGTON MANAGEMENT

Cash Flow Investing – Using Equities to Enhance Income

Why consider using equities to close the income gap for cash negative pension funds? Equities can deliver an income stream even during times of market stress. Although not contractually linked to inflation, equity income has appreciated at a rate above inflation and can help fill the gap the "income gap" that still exists after considering fixed income assets. But what about the objections to investing in equities? This presentation will look at the income challenge, address concerns with using equity as a source of income and aims to present a case for using equities for cash flow investing.

MARTYN HOLE, INVESTMENT DIRECTOR, CAPITAL GROUP

11.00 **Coffee / Tea**

11.30 **Alternative Solutions**

MODERATOR: SIMON COHEN, CHIEF INVESTMENT OFFICER, DALRIADA TRUSTEES

Why is Passive Investment Not the Solution?

Using market cap-weighted indices as the basis for equity portfolio construction raises issues given these benchmarks' significant bias toward past success, their

vulnerability to asset price bubbles, and their concentration risk. The presentation is aiming at demonstrating the inefficiencies of market cap-weighted benchmarks, coming from insufficient diversification in the implicit strategy of passive portfolios that track market cap-weighted indices.

CHRISTOPHE ROEHRI, MANAGING DIRECTOR, DEPUTY CEO, TOBAM

Navigating Risk Premia through the Cycle

In our approach to Alternative Risk Premia (ARP), we tap new sources of return by actively managing premia. We currently consider a variety of different premia in four asset classes (Equities, Fixed Income, FX, Commodities). All premia are market-neutral, highly liquid and possess a high diversification potential. We are actively allocating an ARP portfolio along four dimensions: macro regime, valuation, trend and sentiment. Moreover, risk management is at the core of our investment process. We strive to mitigate downside risks by considering co-drawdowns of the ARP and change active weights accordingly.

MICHAEL HERZUM, PORTFOLIO MANAGER, HEAD OF MULTI ASSET STRATEGY, UNION INVESTMENT

Drinks and Lunch

Multi Strategy Investments & Looking to the Future 14.00

Moderator: ROGER MATTINGLY, DIRECTOR, PAN TRUSTEES

Multi Strategy Investments

How can pension funds broaden their opportunity set, access better illiquidity and relative value across the capital structure, mitigate cyclical factors and avoid interest rate duration risk through a multi-strategy investment approach?

CONSULTANT SPEAKER TBC

Facing up to a Challenging Future

What are the major economic impacts for pension funds given the major recent events? Equities alone will not solve the problems and diversification is not a "magic bullet" – what else can we do? Should we continue to buy bonds at current levels? What about moving from DB to DC?

JOHN WALBAUM, PARTNER & HEAD OF INVESTMENT CONSULTING, HYMANS ROBERTSON

15.15 **Coffee / Tea**

15.30 **Practical Session and Pension Fund Investor Insights**

Moderator: TO BE CONFIRMED

A panel of pension scheme executives and trustees will talk about their pension current investment strategies and experiences. Panelists to include:

CHETAN GHOSH, CHIEF INVESTMENT OFFICER, CENTRICA

Drinks reception followed by Close of Conference

Speaker bios



Chetan Ghosh is the Chief Investment Officer for **Centrica's** pension scheme arrangements and has held an in-house role for the last 7 years. He has been responsible for providing support to the Directors of the Investment Committee. His role covers investment strategy considerations, asset class and manager research, and the liaison with the investment advisers. His background is primarily from the consultancy side, where he spent 5 years as a pensions actuary and 15 years on the investment side, a large part of which was at Hewitt. In addition, he has spent time in the asset management industry as a Multi-manager, Investment Solutions, where he was involved in developing their Fiduciary Management offering



Michael Herzum is head of Multi-Asset & Commodities Strategy at **Union Investment**. His team develops investment strategies across asset classes including equities, commodities and alternative risk premia and manages several multi-asset funds. In addition, Michael is the manager of the Union Investment Committee (UIC), which formulates Union Investment's capital market strategy. Michael established the active management process for alternative risk premia at Union Investment. Previously, he served as a senior strategist focusing on asset allocation within the portfolio management division. Before joining Union Investment Michael was a research analyst on the sell-side at Bayerische Landesbank, where he focused on macroeconomic analysis and government bond markets. Michael graduated with a degree in economics from Ludwig Maximilian University of Munich in 1999. He is also a CFA charterholder.



Martyn Hole is an investment director at **Capital Group**. He has 33 years of investment industry experience and has been with Capital Group for 12 years. Prior to joining Capital, he worked at J.P. Morgan Asset Management. He holds a master's degree in natural and engineering science with honours from the University of Cambridge. He also holds the Chartered Financial Analyst® designation. Martyn is based in London.



Christophe Roehri joined the team at **TOBAM** in 2009 from Fortis Investments, where he was in charge of French institutional investors, after spending 3 years at Amundi (previously Credit Agricole Asset Management) developing the institutional client base in Paris. Prior to his European-based roles, Christophe held different positions for Credit Lyonnais, both in the USA (1999 – 2003) where he was developing the bank's corporate banking activities from New York and in Asia (1997-1999) where he was involved in corporate finance and leveraged loans for Asian-based subsidiaries of European corporates. Christophe graduated in 1997 from EM Lyon Business School with a major in Finance.



As an investment director in Fixed Income Product Management, **Paul Skinner** works closely with fixed income investors to help ensure the integrity of their investment approaches. This includes meeting with investment teams on a regular basis and providing oversight of portfolio positioning, performance, and risk exposures as well as developing new products and client solutions and managing business issues such as capacity, fees, and guidelines. Paul also meets with clients, prospects, and consultants to communicate our investment philosophy, strategy, positioning, and performance. He is based in the London office. Prior to joining **Wellington** in 2005, Paul worked as fixed income and currency product specialist at Gartmore (2001 – 2005). Before that, he was a business developer at WestLB Asset Management (1999 – 2001) and product specialist for Asset Allocation at Barings Asset Management (1998 – 1999). Paul spent four years in Singapore working for Standard Chartered Bank and Credit Agricole Bank as head of Investment Group (1994 – 1998). He started his career with nine years as a global fixed income and currency investment manager with CSFB Investment Management, SBC Portfolio Management, and Mercury Asset Management (1985 – 1994). Paul received his MA (1988) and BA (1985) in chemical engineering from Cambridge University. He is a member of the Securities Institute in London.



Jason Smith is a portfolio manager in the Global Fixed Income team at **Goldman Sachs Asset Management (GSAM)**. He joined Goldman Sachs as an executive director in 2015. Prior to joining the firm, Jason worked for five years at Barclays, where he was Head of Portfolio Management for the Absolute Return Funds, receiving both a Citywire 'A' rating and Lipper leader awards for performance. Previously he spent six years at Blackrock, latterly managing the absolute return fixed income and derivative overlay strategies. Before that Jason spent three years at JP Morgan Asset Management and four years as a Senior Investment Manager at IBM. He has 20 years of industry experience and is a post-graduate of the University of Westminster.

Conference Notes

Purpose: This conference aims to update pension funds on the macro-economic impact (past and future) of major recent events (e.g., oil price volatility, the Brexit referendum and the US presidential election), as well as to consider the prospects, risks and expected returns of a variety of different investment strategies.

Date: Thursday 9 February 2017 **Venue:** Le Meridien Piccadilly Hotel, London W1J 0BH T: 020 7734 8000

Cost: £1590 plus VAT. In addition a limited number of sponsored places are available to representatives of pension funds (and other institutional investors who themselves do not offer investment management services to others) at £1190 plus VAT. Please check that you are eligible. The charge includes all conference documentation, drinks, lunch, tea and coffee breaks. Payment is required before the event. A VAT receipt will be supplied on request. SPS Conferences 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.

Cancellation: prior to 1 February 2017 subject to a fee of £60.00. No refunds can be made if cancellation is after this date but delegates may be substituted at any time. Cancellation by SPS will result in a full refund of delegate fees paid but no other expenses incurred.

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.

Data Protection: Personal data is gathered in accordance with the Data Protection Act 1998. Your details may be passed to other companies including the conference sponsors who may wish to provide you with offers or other information related to your business activities. If you do not want to receive such information please tick the box in the booking form below.

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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 Investment Strategies to Address Current and Forthcoming Challenges** taking place on 9 February 2017.

- delegates at £1590 plus VAT
 delegates at £1190 plus VAT
(reduced rate only applicable to trustees and other representatives of pension funds who do not themselves offer investment advisory services to other institutions).

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