

# INVESTMENT STRATEGIES FOR PENSION FUNDS

**“LOOKING FOR THE HOLY GRAIL...”**

**THURSDAY 2 SEPTEMBER 2010**

**AT LE MERIDIEN, PICCADILLY, LONDON**

**PROGRAMME**

This conference is arranged by **SPS Conferences**

Sponsored by:

**FIRST STATE INVESTMENTS**

**JPMORGAN ASSET MANAGEMENT**

**M & G INVESTMENTS**

**STATE STREET GLOBAL ADVISORS**

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**STONE HARBOR**

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**PALGRAVE MACMILLAN**

## Programme

08.30 **Registration and coffee**

09.00 **Welcome and Opening Remarks**

**TREVOR COOK**, MANAGING DIRECTOR,  
SPECIALIST PENSION SERVICES

09.05 **Investment Opportunities and Risk Constraints**

**MODERATOR: JUDY SAUNDERS**, CHIEF  
INVESTMENT OFFICER, WEST MIDLANDS  
METROPOLITAN AUTHORITIES PENSION FUND

### “Diversified Growth Strategies”

Client experiences and requirements according to their objectives; Different classes have different needs; DB scheme solutions; Growth solutions; Links to liability benchmarks; Issues across the spectrum, with a focus on the beta end.

**DANIEL FARLEY**, MANAGING DIRECTOR- HEAD  
OF US MULTI ASSET CLASS SOLUTIONS, STATE  
STREET GLOBAL ADVISORS

### “Absolute Return Investing – Generating Performance in different Return Scenarios”

Navigating through a muted and choppy economic backdrop: Taking risk that is rewarding; Implementing ideas efficiently.

**RICHARD BATTY**, INVESTMENT DIRECTOR,  
GLOBAL INVESTMENT STRATEGIST, STANDARD LIFE  
INVESTMENTS

10.25 COFFEE / TEA

10.55 **Real Investments - Infrastructure and Real Estate**

**MODERATOR: BETH WERNHAM-KEMP**,  
INVESTMENT CONSULTANT, JLT BENEFITS  
SOLUTION

### “Enhancing Portfolio Optimisation Through Infrastructure”

How Infrastructure, as an emerging asset class, can provide an effective absolute return strategy to match long duration inflation linked pension liabilities? It's evolution into its own asset class and the resulting segmentation by geography, sector and risk profile? How has it performed against other asset classes during the recent volatile markets? What are the key sector themes and how do investors get access?

**DANNY LATHAM**, HEAD OF INFRASTRUCTURE  
INVESTMENTS – EUROPE, FIRST STATE  
INVESTMENTS (UK)

### “The Big Questions Facing European Real Estate”

What is driving real estate pricing in the main European markets? Is the bounce-back in prime

pricing sustainable? What does a slow transaction market mean for the type of funds that managers will launch? How should investors adjust their risk/return expectations? And, finally, what investment opportunities offer the most attractive risk-adjusted returns?

**NICK HAYWARD**, VICE PRESIDENT, JP MORGAN  
ASSET MANAGEMENT

12.15 **Drinks and Lunch**

13.45 **Emerging Market Strategies**

**MODERATOR: MARK HORNE**, SENIOR  
INVESTMENT CONSULTANT, TOWERS WATSON

### “Emerging Markets Debt – Structural Trends and Investment Opportunities”

Emerging Markets Debt has evolved from being a satellite investment to now being a core mainstream investment - with many institutional investors considering it a strategic long term allocation. What opportunities lie ahead in Emerging Markets Debt? What is the debt sustainability, fiscal and growth outlook for the asset class. Finally, what are the opportunities and key risks across sovereign and corporate debt, and local rates and currencies.

**DAVID GRIFFITHS**, SENIOR PORTFOLIO MANAGER,  
STONE HARBOR

### “Emerging Market Equities”

Stock Selection is Key. Investing in equities is about backing companies that create value for shareholders. Challenging the view that such companies only exist in western economies

**MICHAEL GODFREY**, CO-FUND MANAGER,  
GLOBAL EMERGING MARKETS FUND, M & G  
INVESTMENTS

15.05 COFFEE / TEA

15.20 **LDI Update and Panel Session**

**MODERATOR: TREVOR COOK**, MANAGING  
DIRECTOR, SPECIALIST PENSION SERVICES

### “Worried about Liabilities?”

What if your fund is getting all the promised good returns only to be outdone by an unexpected increase in your fund's liabilities? Should you consider liability driven investing?

**ANDREW FIRTH**, SENIOR INVESTMENT  
CONSULTANT, AON CONSULTING

### “Panel Session”

A panel of pension scheme executives and trustees will talk about their experiences:

**PROF. MICHAEL GREEN**, TRUSTEE, MEDICAL  
RESEARCH COUNCIL PENSION FUND

**SARAH SMART**, BOARD MEMBER, LONDON  
PENSIONS FUND AUTHORITY

**GARY WALLER**, CHAIRMAN, SUN MICROSYSTEMS  
PENSION TRUSTEES

16.40 DRINKS and networking opportunity

17.10 **Close of Conference**

## Speaker Biographies



**Richard Batty** is Investment Director, Global Investment Strategist at **Standard Life Investments**. Richard is a member of the strategic and global investment groups making asset allocation decisions for balanced and absolute return funds. He provides macro analysis and support for fund managers across the firm. Richard is also rotating editor and writer of the House publications. Richard has 7 years investment experience at Standard Life Investments and 15 years experience in the industry.



**Daniel Farley** is a Managing Director of **State Street Global Advisors**, and the Head of SSgA's US Multi Asset Class Solutions (MACS) team. In this role, he is responsible for the firm's strategic/tactical asset allocation and exposure management clients in the US. He is also a senior portfolio manager, assisting clients in the development of strategic investment policy as well as managing tactical and static asset allocation portfolios. Prior to joining MACS, Dan led the investment team for the firm's Charitable Asset Management group. Dan holds a BSBA from Stonehill College and an MBA from Bentley College, and has earned the Chartered Financial Analyst designation. He is a member of CFA Institute and the Boston Securities Analyst Society. Dan has been a frequent speaker on the topics of asset allocation, liability driven investments and investment management for endowments/foundations. Dan also serves on the Board of Directors of the Crispus Attucks Children's Center in Dorchester, MA.



**Andrew Firth** is a Principal in **Aon's** Investment Consulting Practice and has been with the firm for 3 years. Prior to that he worked in investment banking for over 20 years, latterly with BNP Paribas, where he focused on using fixed income derivatives for risk management purposes across various client types, including pension funds. His focus at Aon is to help clients understand liability risks and how they can be managed efficiently. He obtained a BSoc Sci (hons) in international Studies from the University of Birmingham.



**Michael Godfrey** joined **M&G** in 2004 as a fund manager on the equity structured products desk. He is a member of the global team and is co-manager of the M&G Asian Fund and the M&G Global Emerging Markets Fund. Prior to joining M&G, Michael worked for Shell Pensions Management Services as an assistant portfolio manager and was later promoted to portfolio manager. Prior to this, Michael worked for Westpac Investment Management as a portfolio manager. He graduated in 1997 from UTS, Sydney, with a bachelor of business, majoring in finance and economics. Michael is a CFA charterholder.



**Michael Green** has been a trustee director of the **Medical Research Council Pension Scheme** since 1995, first as a trade union-nominated trustee, then as a member-nominated trustee. The Medical Research Council is one of seven UK research councils and receives a government grant-in-aid of just under £600m per year to fund basic medical research. About 40% of this money is spent on grants to university scientists and about 60% to fund the research by its own staff, who are members of the pension scheme. So far, the MRC has funded 29 Nobel Prize winners, including the discoverers of the structure of DNA and of monoclonal antibodies. The MRC Pension Scheme is a final salary scheme with assets of over £800m and about 9,300 members (about 3,500 current, 3,500 deferred and 2,300 pensioners). The scheme is open to new members, is in modest surplus, and has an affordable contribution rate. Michael Green was a research scientist with the MRC for nearly 30 years. He is currently Emeritus Professor at the University of Brighton. His main hobby is racing a Wayfarer dinghy. He finds interesting analogies between how Research Councils choose what research to support and how trustees choose an investment manager.



**David J. Griffiths** is Senior Portfolio Manager at **Stone Harbor Investments Partners**, and has 24 years of industry experience. Prior to Stone Harbor he was a Senior Portfolio Manager and Economist at Salomon Brothers Asset Management Limited, part of Citigroup Asset Management. His responsibilities included managing client portfolios and analyzing them to identify market opportunities and hedging strategies as well as evaluating alternative asset allocation strategies. In addition, he was a member of the Investment Policy Committee. His prior work at Salomon Brothers included monitoring European economic and interest rate developments and he has been a regular contributor to various research publications for international bond market research. David holds a BA in Economics from Exeter University and Statistics, and LTCL from Trinity College of Music in London.



**Nick Hayward**, Vice President, joined **J.P. Morgan** in 2008 in a real estate product strategy and business development role. He joined from Cordea Savills where he was Director of Institutional Business, raising equity from institutional investors for European real estate funds. Nick has over fifteen years experience in real estate, including research & consulting roles at Jones Lang Wootton and Stanhope Properties plc. He has helped found and launch serviced office business, as well as a property services business with Simon Property Group, Grosvenor and Henderson. He holds a BA (Econ) Hons from the University of Manchester.



**Danny Latham** has overall responsibility for the European infrastructure business, at **First State Investments** with a primary focus on origination, execution and management of infrastructure assets, portfolio management and client interface for the European Infrastructure fund and client mandates. In his prior role he was a Director of RREEF Infrastructure based in London, where he was responsible for fundraising, deal origination and execution and sat on the investment committee for the European business. Danny has over 13 years of direct infrastructure investment experience as a fiduciary including 3 years at RREEF Infrastructure, a Deutsche Bank Subsidiary, and was a founding member of the AMP Group's infrastructure team in 1994. Danny has held board positions at numerous companies and was an Investment Committee member for the AMP / UTI Indian Infrastructure Fund. Danny was an Executive Committee Member and Board Director of the Australian Council for Infrastructure Development, and a Fellow of the Australian Institute of Company Directors. He has a Bachelor of Economics and a Master of Applied Finance from Macquarie University.



**Sarah Smart** is an independent trustee and a director of SmartCats Consulting, an independent strategic consultancy company. She is currently Chair of the Pensions Trust, the leading multi-employer occupational pension fund in the UK for the Third Sector. She is also a Board member of the **London Pensions Fund Authority** and Chair to the Trustees of the Macmillan Cancer Support Pension Scheme. Sarah is a Chartered Accountant, and has over 10 years experience in the investment management industry, latterly responsible for developing and managing liability-driven investment solutions for institutional investors. Sarah has worked as a trustee since 2004, and has held trustee appointments for nine pension schemes during that time, including several appointments as Chair to the trustees.

## Conference Notes

**Purpose:** This conference will help pension funds to review their investment strategy. We will feature some of the strategies that pension funds are increasingly looking at to improve returns whilst keeping risk levels at manageable levels. We will consider the practical benefits and drawbacks of Diversified Growth and Absolute Return Strategies, Real Investments such as Infrastructure and Real Estate and the case for Emerging Market Bond and Equity Strategies. We will consider the benefits of diversification and how incorporating new strategies into an overall portfolio can improve a fund's return and risk management

**Date:** Thursday 2 September 2010.

**Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000.

**Cost:** £865 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 £435 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.

**Cancellation:** prior to 19 August 2010 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.

**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.

**PMI Accreditation:** Attendance at the conference will be given 6½ 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.

**Specialist Pension Services:** please visit our website: [www.spsconferences.com](http://www.spsconferences.com) for an update of this conference and details of the other specialist pension and investment conferences we organise.

**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](mailto: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 for Pension Funds** taking place on: 2 September 2010.

- complimentary
- delegates at £865 plus VAT @ 15% = £994.75
- delegates at £435 plus VAT @ 15% = £500.25 (only applicable to trustees and other representatives of pension funds who do not themselves offer investment advisory services to other institutions).

Please indicate method of payment:

- Cheque enclosed, made payable to Specialist Pension Services Ltd. (A VAT receipt will be supplied on request).
- Please invoice me/my company (payment to be made before event).
- Please do not pass my information to third parties.

**Please complete delegate details below:**

Surname:.....

First Names:.....

Mr/Mrs/Miss/Ms:.....

Position: .....

Company:.....

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