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CONFERENCES

Informing Pension Funds

Optimising Value from Bond Investments for Pension Funds

Thursday 1 September 2016
at Le Meridien, Piccadilly, London

Sponsored by:

Capital Group
Hymans Robertson
J.P. Morgan Asset Management
Macquarie Asset Management
Newton Investment Management
Royal London Asset Management
Standard Life Investments



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arranged by SPS Conferences



www.spsconferences.com
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: JOHN AMOASI, SENIOR ASSOCIATE, PUBLIC MARKETS, FIXED INCOME SPECIALIST, BFINANCE

Questions you should be asking your Fixed Income Manager?

The objective of this session will be to equip pension funds with the right questions to ask their fixed income portfolio managers. In this session we will begin by examining the structural factors that have led to the disappearance of yield, and then assess the challenges of investing across fixed income markets in the current environment.

BRETT LEWTHWAITE, HEAD OF FIXED INCOME AND CURRENCY TEAM, MACQUARIE ASSET MANAGEMENT

Delivering Absolute Return through Bonds

The traditional use of bonds has been to provide a regular source of income and to hedge liabilities/risks. A broader approach means they can also be used to generate absolute returns. The outlook for markets in 2017 will shape the bond allocation. Safe/haven or Risk? The evolution of bond investing has led to a proliferation of markets with separate characteristics and attributes. Liquidity and credit cycles play an important part in deciding whether they will be able to benefit investors. A straight forward global approach can allow investors the chance to benefit from the growth in markets but also the flexibility to avoid getting burnt. This is especially important now as the authorities are influencing bond market levels. Simplicity or complexity?

PAUL BRAIN, INVESTMENT LEADER, FIXED INCOME, NEWTON INVESTMENT MANAGEMENT

10.25 **Coffee / Tea**

10.55 **Looking at the Longer Term**

MODERATOR: CHRIS HELYAR, PARTNER & HEAD OF FIXED INCOME MARKET RESEARCH, LCP

Long-term credit investing: Seeking value and security for pensions funds

An outline of a distinctive, long-term approach to exploiting credit market inefficiencies, highlighting the pitfalls associated with many traditional benchmark oriented processes. What role can credit research play in building robust portfolios? Examples of where this can unearth often overlooked sources of value. A brief look at the limitations of some smart beta concepts, illustrating how bespoke portfolio construction and buy and maintain strategies could instead provide optimised returns

MARTIN FODEN, HEAD OF CREDIT RESEARCH AND

SHALIN SHAH, CREDIT FUND MANAGER, ROYAL LONDON ASSET MANAGEMENT

Generating Yield through Effective Credit Management

This session on global credit, looks in detail at how investors can build better portfolios by ensuring an

appropriate return for risk, avoiding losers and diversifying across a broader opportunity set, including more esoteric securities such as CoCos. Most importantly, We will explain how bottom-up security selection and hedging can produce more effective risk management across the credit spectrum.

ANDREAS MICHALITSIANOS, EXECUTIVE DIRECTOR, J.P. MORGAN ASSET MANAGEMENT

12.10 **Drinks and Lunch**

13.30 **Diversification and Other Opportunities**

Moderator: To be confirmed

Emerging Markets Are Diverging Markets

Low to negative rates are forcing investors to search further afield for yield potential. Emerging market debt has been in and out of favour several times over the last few years. However, increasing divergence between markets mean it's less about *whether* to have exposure to the asset class and more about *how* to structure that exposure

JAMES HURLIN, FIXED INCOME INVESTMENT SPECIALIST, CAPITAL GROUP

Multi-sector credit investing for today's environment

Pension schemes are considering the role of credit within their portfolios in a world of heightened volatility and uncertain outlook. Multi-sector credit solutions carry great merits for investors in this environment, bringing the dual benefit of enhanced credit diversification and a wider opportunity set. This session will focus on the opportunities in the current credit market and how a more effective portfolio construction across a broader opportunity set can help pension schemes achieve enhanced returns from credit with lower level of volatility.

MARK MUNRO, INVESTMENT DIRECTOR, CREDIT, STANDARD LIFE INVESTMENTS

14.45 **Coffee / Tea**

15.05 **Practical Session and Pension Fund Panel – A summary of the options**

Moderator: To be confirmed

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? How do you set about achieving a sustainable investment strategy?

JOHN WALBAUM, HEAD OF INVESTMENT CONSULTANCY, HYMANS ROBERTSON

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

RICHARD SOPER, CHAIRMAN, FIRST UK BUS PENSION SCHEME

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

Speaker bios



Paul Brain is Investment Leader of the fixed income team. He joined **Newton** in 2004 and manages a range of global bond funds. He is also the lead manager of Newton's Global Dynamic Bond strategy. Paul is Chairman of the bond/ FX strategy group, and a member of the investment strategy group and the investment committee. He has held a number of senior fixed income positions within the industry at MSG & Partners, Investec and Credit Suisse.



Martin Foden joined **RLAM** at the start of 1998. He initially joined RLAM's UK Equity Team, with responsibility for analysing the transport, business services and construction sectors, as well as managing balanced pension funds. This experience greatly enhanced RLAM's credit research capabilities when he joined the Fixed Income Team at the beginning of 2003. Since moving to the Fixed Income Team, he has been instrumental in developing RLAM's analytical process through the advancement of the team's cashflow forecasting and evaluation of issuer structures. Martin has a degree in Industrial Economics from Nottingham University.



James Hurlin is a fixed-income investment specialist at **Capital Group**. He has 27 years of investment industry experience and has been with Capital Group for nine years. Prior to joining Capital, he was a senior global fixed-income product specialist for Fortis Investments. Before that, he was a global fixed-income director and product specialist for WestLB Asset Management, a senior global fixed-income portfolio manager for Paribas Asset Management, and a fixed-income investment analyst and a global fixed-income portfolio manager for The St. Paul Companies. James holds an MBA in finance and policy from the University of Chicago Booth School of Business and a bachelor's degree in economics and mathematics from Hamilton College. He also holds the Chartered Financial Analyst® designation. James is based in London.



Brett Lewthwaite leads the **Macquarie** Fixed Income and Currency team, and is a senior portfolio manager for the multi-sector credit and absolute fixed income portfolios. Brett has been responsible for managing credit portfolios at Macquarie since he joined 2003 as a senior credit portfolio manager. Prior to joining Macquarie, Brett spent nine years at BT funds management in various fixed income roles including portfolio construction and portfolio management. He holds a Bachelor of Agricultural Economics degree from the University of Sydney and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

Andreas Michalitsianos, Executive Director, is a member of the Global Fixed Income, Currency & Commodities (GFICC) group at **J.P. Morgan Asset Management**. Based in London, he is a portfolio manager within the European Investment Grade Corporate Credit Team and is responsible for managing credit exposure across client portfolios. An employee since 2002, Andreas previously worked as a portfolio manager in the Long Duration group in New York. Andreas received a B.Sc. (Hons.) in Biochemistry from the University of Warwick in England. He is a CFA charterholder and holds the Investment Management Certificate from the UK Society of Investment Professionals.



Mark Munro is a portfolio manager within the global credit team based in Edinburgh for **Standard Life Investments**. Mark shares responsibility for various institutional and retail funds and focusses primarily on Sterling investment grade credit. Previously Mark was a portfolio manager at Scottish Widows Investment Partnership where he ran institutional credit funds. Mark has ten years industry experience and holds the CFA and IMC designations.



Shalin Shah joined the Fixed Income Team at **RLAM** in mid-2008. Over the last eight years he has been involved in a variety of areas, with a particular focus on actively managing credit portfolios and working closely with RLAM's Head of Fixed Income (Jonathan Platt) and Head of Credit Research (Martin Foden) on the development and management of RLAM's Buy & Maintain credit strategies. Prior to joining RLAM, Shalin worked at PricewaterhouseCoopers LLP, where he was involved in advising clients on a variety of investment solutions, including LDI and strategic asset allocation. Shalin holds a BSc in MORSE (Mathematics, Operational Research, Statistics and Economics) from the University of Warwick and is a qualified actuary.



John Walbaum has been involved in the leadership of the investment practice for many years and is now Head of Investment Consultancy. He is also an owning Member of the Firm. He has been with **Hymans Robertson** for 8 years and advises a range of our most important private sector clients. He is involved in all areas of investment consultancy, providing advice on investment strategy, portfolio structure, managers and implementation. John He is a member of the NAPF DB Council and speaks regularly in the press on pensions, investment and economics

Conference Notes

Purpose: This conference aims to consider approaches for making pension fund fixed income assets work harder without significantly increasing risk. Speakers will look at the opportunities in both the quoted and unquoted credit markets as well as other fixed income/bond markets.

Date: Thursday 1 September 2016 **Venue:** Le Meridien, 21 Piccadilly, London, W1J 0BH. Tel: 020 7734 8000.

Cost: £1250 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 £850 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.

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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 Optimising Value from Bond Investment for Pension Funds Conference** taking place on 1 September 2016.

- ☐ delegates at £1250 plus VAT
☐ delegates at £850 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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