

## The Investment Agenda 2015

### No man is an island: holistic investing in a volatile world

June 4<sup>th</sup> 2015 • The Stationers' Hall • London

The legacy of the global financial crisis has been truly long-lasting; its aftershocks are continuing to shake economies and monetary policies worldwide. As the Fed and the BoE are preparing to raise interest rates, policy is diverging and numerous central banks are cutting rates further or holding them at record lows. In February, the European Commission raised its growth forecast for the eurozone on the back of cheap oil and a weak euro. However, the return to growth remains fragile. The ECB has only just embarked on quantitative easing to boost economic growth, putting significant pressure on haven currencies outside the eurozone.

For investors the impact has been both significant and dichotomous, with the continued collapse in core sovereign bond yields on one hand and yielding assets performing well on the other. How sustainable is the present growth path? Where will the search for yield go next? In a world where financial markets are increasingly interconnected and volatile, the need to gain a holistic view to make informed investment decisions has become crucial.

This spring, **The Investment Agenda** will bring together leading institutional investors, asset managers and industry experts to examine the prevailing economic and political environment and determine its impact on investment operations and asset allocation. This exclusive summit will lay the foundation for informed decision making, highlighting investment strategies to overcome volatility and achieve success amidst a testing backdrop.

To understand how a holistic view of the world can benefit your investments, attend **The Investment Agenda 2015**.

#### Programme

##### 08.30 REGISTRATION AND REFRESHMENTS

##### 09.00 CHAIR'S OPENING REMARKS

*Philip Coggan, Capital Markets Editor and Buttonwood Columnist, **The Economist***

##### 09.10 KEYNOTE ADDRESS: THE BIG PICTURE PART ONE—GLOBAL GROWTH PROSPECTS FOR 2015

Little consensus exists around the sustainability of the global economic recovery. With the eurozone having narrowly avoided an outright recession in 2014 and recently dipping into deflation, can we expect more turmoil though this year? What consequences will result from the beginning of the long anticipated quantitative easing programme? Though growth predictions are more optimistic domestically, signs of slowing are beginning to emerge and inflation is still below target. Is a rise in interest rates on the cards in the UK for 2015? Outside Europe, can we expect the US to continue to forge a path of growth and what of China, a driver of global growth since 2008, what impacts will the slowdown have?

*Ian Shepherdson, Founder and Chief Economist, **Pantheon Macroeconomics***

#### **09.40 KEYNOTE ADDRESS: THE BIG PICTURE PART TWO—GLOBAL INVESTMENT PROSPECTS FOR LONG-TERM INVESTORS**

What long-term rates of return can be expected in today's global environment? Professor Dimson will examine global investment returns on cash and deposits, equities, bonds and other assets, spanning 23 markets over the period from 1900 to date, and will draw conclusions about strategy for long-term investors.

*Elroy Dimson, Chairman, Centre for Endowment Asset Management at Cambridge Judge Business School, Emeritus Professor, London Business School*

#### **10.15 INTERVIEW: NAVIGATING THE MARKETS AMIDST RISING GEOPOLITICAL RISKS**

From the rise of Islamic State to plummeting oil prices and sanctions against Russia, the big stories driving investor sentiment are constantly evolving. In an ever-changing geopolitical environment, it can be difficult to sift through the white noise and discern which events will have a real and lasting impact on investments and which will pass with little economic disturbance. This interview will highlight the key geopolitical trends investors must take into account through 2015 when constructing their investment portfolios and will examine their potential impacts on the markets.

*Mark Burgess, Chief Investment Officer, EMEA and Global Head of Equities, Columbia Threadneedle Investments*

#### **10:40 REFRESHMENT AND NETWORKING BREAK**

#### **11.10 IN CONVERSATION: REMOVING OUR HEADS FROM THE SAND—KEY CONSIDERATIONS FOR AN INFORMED INVESTMENT OPERATION**

In order to effectively capture the investment opportunities of 2015 and mitigate emerging risks, funds must have a well-rounded investment methodology in place, starting from a good governance structure on down to a suitable investment style. This panel of leading institutional investors will discuss the vital components of an effective and profitable investment operation. Amidst the fragile recovery, they will share their present take on classical debates such as pursuing an active versus passive strategy and the role of extra-financial environmental, social and governance (ESG) factors in influencing investment performance. How have the priorities and approaches of investors evolved over the past five years and how might they change in the future?

*David Adkins, Chief Investment Officer, The Pensions Trust*

*Alan Rubenstein, Chief Executive Officer, Pension Protection Fund*

**Moderator:** *Philip Coggan, Capital Markets Editor and Buttonwood Columnist, The Economist*

#### **11.50 PANEL DISCUSSION: STRATEGIC ASSET ALLOCATION—CREATING AND MANAGING A ROBUST ASSET MIX IN A LOW GROWTH, HIGH VOLATILITY ENVIRONMENT**

In light of the economic and political realities shaping the investment agenda for 2015, investors must take a strategic relook at the makeup of their portfolios. This session will explore the prospects for the key asset classes preferred by Europe's institutional investor community and how they can be combined to create the ideal asset mix. Should investment in domestic equities continue to decline? What percentage should fixed income comprise in the optimal portfolio? As the search for attractive alternatives grows in popularity, which areas will deliver the best returns in the present environment?

*Stefan Dunatov, Chief Investment Officer, Coal Pension Trustees*

*Kathryn Graham, Head of Strategy Coordination, Universities Superannuation Scheme (USS)*

*Ian McKinlay, Pensions Investment Director, Aviva Staff Pension Schemes*

*Toby Nangle, Global Co-Head of Asset Allocation, Columbia Threadneedle Investments*

**Moderator:** *Rupert Pennant-Rea, Chairman, The Economist Group; Chairman, Royal London Group*

**12:30 CHAIR'S CLOSING REMARKS**

Philip Coggan, *Capital Markets Editor and Buttonwood Columnist, The Economist*

**12.40 NETWORKING LUNCH AND CLOSE OF SUMMIT**