

**Institutional
Investor**

Emerging Markets Investment Summit

The Hilton Hotel, Amsterdam
May 18-19, 2011

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Understanding the Opportunities and Risks of Emerging Markets

In the next few years developed market investors are expected to buy a net \$4 trillion USD of emerging market equities. Emerging market stocks now make up 31% of the world's total stock value, some forecasts see this increasing to as much as 55%. The slowdown in economic growth in developed countries has led many investors to look towards emerging markets for badly needed returns.

In this private gathering, leading industry experts, both regional and global, join together with Europe's most innovative pension funds to discuss the fundamental arguments for investing in emerging markets. Will high returns persist or is a bubble forming and have you already missed the boat?

Experts from around the emerging world will discuss the real financial fundamentals, market security and opportunities in the new key world markets. You will also hear from veteran emerging market investors and learn how some markets have been developing to offer a wider range of investment possibilities. Is private equity the best way to get real value? Are infrastructure projects liquid enough? Are soft currency emerging market debt or corporate credit a good addition to your fixed income portfolio?

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United Kingdom

Staffan Sevón
Chief Investment Officer

Veritas Pension Insurance
Finland

Wednesday, May 18

08.00-08.45 **Registration**

08.45-08.50 **Welcome and Introduction**

Harvey Shapiro
Senior Advisor
Institutional Investor
USA

08.50-09.20 **Global Macroeconomic Climate – Is the Story to be Believed?**
Keynote Presentation

With over US\$75 billion in debt instruments and US\$250 billion in equities flowing into emerging markets last year alone, are we going to witness high inflation and how will this affect different countries' outlooks? Is the emerging market growth story still to be believed? Will the developing world continue to outstrip the US and Europe in terms of growth and productivity – and if so, for how long? In this session a leading emerging market economist shares the most recent data on the world economy and contrasts forecasts for leading emerging markets.

Neil Shearing
Senior Emerging Markets Economist
Capital Economics
United Kingdom

09.20-10.10 **Should We Treat Emerging Markets As Developed Markets?**
Panel discussion

Part 1: Emerging markets were originally low-liquidity, higher-risk investments that were only suitable for small allocations. Many markets have matured considerably and have bond spreads that are lower than in some developed countries and government debt to GDP ratios that are significantly lower than in the US or Europe. Liquidity has also increased. Does this mean we should start to treat emerging markets more like developed markets? If you invest according to global market cap this would mean over 20% of all equities would be invested in emerging markets: is this high level of investment justified or, given the stagnation of the developed world economies, should it be even higher?

Part 2: Is it most efficient to enter through a global mandate or is it a necessity to use local managers and specific mandates to reach the true potential in each emerging market? Is it not just possible to gain liquid low-risk exposure through investing in the stocks of developed market companies who are well positioned to grow with the developing world?

Staffan Sevón
Chief Investment Officer
Veritas Pension Insurance
Finland

Jorge Mariscal
Global Head of Research
The Rohatyn Group
USA

Alexander Kozhemiakin
Director of Emerging Market Strategies
BNY Mellon Asset Management
USA

Alexandre de Azara
Chief Economist
Itaú Asset Management
Brazil

Stuart Paul
Joint Managing Partner of the Asia Pacific and Global Emerging Markets equity team
First State Investments

10.10-10.35 **How to Harness Emerging Market Growth**

Interview

Baillie Gifford's CIO and former Head of Emerging Markets discusses what he has learned from more than 20 years' investing in emerging markets. He shares his views on how to achieve superior returns from exploiting directly, or indirectly, the growth opportunities in those markets.

Gerald Smith
Chief Investment Officer
Baillie Gifford & Co
United Kingdom

10.35-11.05 **Coffee Break**

11.05-11.30 **Spotlight on Latin America – Zero to Hero?**

Presentation

Chile, Colombia, Argentina, Mexico and Brazil are some of the world's most promising and rapidly developing economies. In this session, the Chief Investment Officer of Brazil's largest asset manager will detail the key risks and opportunities in each market. He will also discuss the regulatory environment and explain the ramifications of recent capital controls in Brazil. The likely economic impact of the upcoming World Cup and Olympics will also be discussed.

Paulo Corchaki
Chief Investment Officer

Itaú Asset Management
Brazil

11.30-12.20 **Spotlight on China - Unstoppable Superpower or Inflationary Bubble?**

Panel discussion

Inflation is now the main concern of the Chinese government. What measures are being put in place to halt the rise in food prices and what are the ramifications of these regulations for investors? Capital controls have been promised to be looser in the long-term, but what does this actually mean? Will the RMB become convertible and when will you be able to make RMB-denominated investments? Local experts discuss these regulatory issues and explore the vast possibilities in the dynamic Chinese economy.

Larry Zhang
Former Senior Advisor / Chief Executive Officer
National Social Security Fund (NSSF)/JT Capital
China

Andrew Ballingal
Member, Asia Advisory Board
Euromoney Institutional Investor
Hong Kong

Erh-Cheng Hwa
Chief Economist
Baoshang Bank
China

12.20-12.45 **The Total Approach to Investing in Emerging Markets**

Presentation

How can spreading your emerging market exposure across equities, bonds and currencies help lower volatility, create greater diversity and increase alpha?

Alexander Kozhemiakin
Director of Emerging Market Strategies
BNY Mellon Asset Management
USA

12.45-14.15 **Lunch**

14.15-14.25 **Investor Intelligence Network**

Presentation

Institutional Investor has created an exciting new interactive service for investors – find out how this service can assist you and put you in contact with your peers around Europe and the rest of the world.

Scott Anderson
Director
Institutional Investor Institute

14.25-14.50 **A Roadmap for Positioning – the Hegemonic Cycle**
Presentation

Over the last few years, investors have flocked towards “Emerging Markets”, an ill-defined group which encompasses a wide variety of countries. From such an undifferentiated view, it is difficult to see the true opportunities as well as threats of these countries. Approaching countries through the lens of the Hegemonic Cycle creates a solid base for investment decision making. It goes beyond calling a market “emerging” and provides a roadmap for future positioning.

Erwin Kooij
Strategist
Cyrte Investments
The Netherlands

14.50-15.15 **Establishing the Optimal Level of Exposure to Emerging Markets**
Presentation

Pension funds are still heavily underweighting emerging markets in their portfolios compared with market capitalisation and growth expectations. Should this imbalance be corrected and if so, how do you calculate the optimum level of exposure? Is weighting by market capitalisation the best way to allocate globally or should GDP weighting be preferred? This session looks at the case for GDP weighting and also looks at the effect of factoring in price power parity.

Fraser Hedgley
Head, Global Emerging Market Strategies
Nomura Asset Management
United Kingdom

15.15-16.10 **Spotlight on Eastern Europe/Central Asia - Opportunities Closer to Home**
Macroeconomic Presentation

Senior Economist at the European Bank for Reconstruction and Development, Dr. Franziska Ohnsorge, shares the EBRD’s forecasts for Eastern Europe and Central Asia, including the promising and diverse countries of Turkey, Russia, Uzbekistan and Kazakhstan. This session will compare Eastern Europe and central Asia’s prospects with those of the more celebrated emerging economies of East Asia and Latin America and examine the case for investing closer to home

Franziska Ohnsorge
Senior Economist in the office of the Chief Economist

European Bank for Reconstruction and Development
United Kingdom

Eastern promise

Panel discussion

Eastern Europe is a heterogeneous region featuring a number of countries with healthy debt-to-GDP ratios, low deficits, cheap labour costs and enormous amounts of natural reserves. In this session experts on the region discuss the relative value of Eastern Emerging Europe compared to other emerging and developed markets. Opportunities in infrastructure developments, the strength of the banking sector, the push-pull relationship between Russia and China and the main risks to investors in Eastern Europe will also be discussed.

Ole Gotthardt
Chief Portfolio Manager
Danske Capital
Denmark

Franziska Ohnsorge
Senior Economist in the office of the Chief Economist
European Bank for Reconstruction and Development
United Kingdom

Boris Feschiev
Chief Investment Officer
EuroIns Insurance Group
Bulgaria

16.10-16.40 **Coffee Break**

16.40-17.20 **Incorporating ESG Factors into EM Investments**
Break-out Discussions

How can you incorporate ESG into your emerging market investments? What are the differences in approaches compared to developed markets? Is corruption a big issue or just a different way of doing business? This session will also look at SRI issues associated with investing in regional firms where employment laws are less developed.

Group 1 Moderator
Stephan Olajide-Huesler
Founder
Responsible Investment Capital
Switzerland

Group 2 Moderator
Nick Greenwood
Pension Fund Manager

Royal County of Berkshire Pension Fund
United Kingdom

Group 3 Moderator

Rodria Laline
Chair, Board of Directors

Intrabond Capital
The Netherlands

17.20–18.00 **Spotlight on India – The World’s Number One Economy?**
Panel discussion

With big infrastructure projects planned to solve the bottlenecking problems that plague India, what opportunities have been created for investors and what kind of growth can we expect once transport and power issues have been resolved? Is the Indian economy positioned to outgrow that of China in the coming years?

Ajit Ranade
Chief Economist
Aditya Birla Group
India

Bundeep Singh Rangar
Chairman
IndusView
United Kingdom

Vipul Mehta
Senior Portfolio Manager
Nomura Asset Management
Singapore

18.05-19.00 **Cocktail reception**

19.00 **Dinner with keynote**

Politics Matters – Wars, Revolutions, Insurgencies and Illegitimate Regimes

Keynote Presentation

The political climate in the emerging world has never been more important to investors. Through strong governance and pro business/open trade legislation governments can create vast amounts of wealth for their citizens and well placed investors. The converse is also true and bad government can destroy value and disrupt growth. Michael Binyon is one of the world’s most distinguished experts on the political environment in the emerging world and insights are invaluable for any investor looking to adjust allocations to emerging markets.

Michael Binyon

Writer and Former *Foreign Affairs Editor*
The Times
United Kingdom

Thursday, May 19

09.25-10.05 **New Opportunities - Emerging Market Debt**

Panel discussion

With the emerging market sovereign debt-market being split between local currency and US dollar classes, an important decision investors face is what denomination to choose. Should you give individual mandates for each class or should you give your managers the freedom to switch between classes as they see fit? This session will also take a look at different debt strategies and we will hear from investors on how they have included EM debt in their portfolios.

Gordon Brown
Investment Manager, Emerging Market Bonds
Baillie Gifford & Co
United Kingdom

David Bennett-Rees
Director of Trustees
SAUL
United Kingdom

Erik L van Dijk
Principal
LMGEmerge
The Netherlands

Hemmo Hemmes
Investment Strategist - Emerging Markets
Cardano
United Kingdom

10.05-10.20 **An Investor Experience in Frontier Markets**

Case Study

BankPension's CIO Leif Hasager has travelled the world in search of the best returns for his Danish pension fund. In this session, Leif details some of his most interesting experiences from investing in frontier markets and shares what he has learned.

Leif Hasager
Chief Investment Officer
BankPension
Denmark

10.20-11.00 **Frontier Markets - the New Emerging Markets?**

Panel discussion

As emerging market economies get bigger, their link, and therefore their correlation, to the global economy increases. This in turn reduces their ability to act as a diversifier. Should you therefore be looking to frontier markets to provide this diversified growth? This session will look at how much you should be allocating to frontier markets and what is the best way of gaining exposure. Liquidity and political risk will also be discussed.

Dominic Scriven
Chief Executive Officer
Dragon Capital
Vietnam

Haroon Sheikh
Senior Research Analyst
Cyrte Investments
The Netherlands

Leif Hasager
Chief Investment Officer
BankPension
Denmark

11.00-11.30 **Coffee Break**

11.30-11.55 **Spotlight on Vietnam – Lessons from the Frontline**
Case Study

Vietnam has long been a destination for foreign capital and has seen more than its fair share of ups and down. Throughout the years there have been currency crisis, stock market bubbles and crashes as well as government risk. This all makes Vietnam a perfect case study for what to expect from frontier/emerging markets in general. This session examines what can be learned from the example of Vietnam and takes a close look at the private equity model of EM investing. You will also hear what opportunities are currently worth looking at in this fast growing well positioned country.

Dominic Scriven
Chief Executive Officer
Dragon Capital
Vietnam

11.55-12.35 **Can Emerging Market Equities be Managed Passively?**
Panel discussion

Can you do emerging market equities passively? What are the best indices to use as manager benchmarks – is market cap weighting relevant? Is unconstrained investing a good way to access emerging markets?

Michel Meert
*Senior Investment Consultant
& Member Global Investment Committee*
Towers Watson
Belgium

Dimitris Melas
Executive Director, Research
MSCI
United Kingdom

Jenya Emets
Senior Investment Manager
State Street Global Advisors
United Kingdom

Jan Kees Van Heusde
Vice President
Capital International
The Netherlands

12.35-13.00 **Behavioural Finance and Emerging Market Bias**
Presentation

The domestic bias of pension funds is well documented but it seems there are more psychological factors at play when making asset allocation decisions. New research, by emerging markets experts LMG Emerge, suggests there are also large foreign biases, which overweight some regions while underweighting others, regardless of the underlying financial fundamentals. In this not to be missed session, we learn what these biases are and how they could be influencing your own decision making.

Erik L van Dijk
Principal
LMGEmerge
The Netherlands

13.00-14.30 **Buffet Lunch**

14.30 **Summit Concludes**