



“BANKSTERS - HEROES OR HIGHWAYMEN?”

AGENDA

Monday, June 10th

- 8:45 – 9:30 **Registration Opens (*Light Breakfast available*)**
- 9:30 – 9:50 **Welcome and Opening Remarks**
Christopher Holt, Managing Director, Global Absolute Return Congress (Global ARC)
Tristram Lett, CIO, Integra Capital Management
- 9:50 – 10:50 **KEYNOTE SPEAKER: ULTRA EASY MONETARY POLICY AND THE LAW OF UNINTENDED CONSEQUENCES: THE NEXT CHAPTER**
Dr. William R. White Chairman of the Economic Development and Review Committee (EDRC) at the OECD in Paris
Moderated by: William W. Moriarty, President & CEO, University of Toronto Asset Management
Dr. White, a native of northern Ontario, will discuss the topic of his widely acclaimed research paper prepared for the Dallas Fed, “Ultra Easy Monetary Policy and the Law of Unintended Consequences”. Bill has spent his career in the banking systems of Canada, the UK and Europe creating quite a reputation for himself in the process. As our keynote speaker for this year’s Dialogue, he will set the stage for all the dialogue that follows. His thesis that central banks and bankers can only do so much before their actions start creating unintended consequences is a sober reflection on the reality of the workings of the fiat money economy.
William White’s presentation will be live via satellite from Vienna, Austria.
- 10:50 – 11:50 **FEATURE SPEAKER: THE POLITICAL ECONOMY OF CREDITISM – WHY BANKERS RULE**
Richard Duncan -Author of: The New Depression: The Breakdown of the Paper Money Economy
Moderated by: Julie Cays, Chief Investment Officer, Colleges of Applied Arts and Technology (CAAT) Pension Plan
It is a fundamental political reality that whoever creates the wealth controls the political power. Since the link between money and gold was broken four and a half decades ago, total credit has expanded fifty-fold in the United States; and credit creation has replaced capital accumulation as the key driver of economic growth. In other words, Capitalism has evolved into Creditism. It should come as no surprise then that those who create the credit, the bankers, now hold the reins of political power. In this presentation, Richard Duncan will discuss the political economy of Creditism.
- 11:50 – 1:10 **Lunch**



- 1:10 – 2:40 **Global Alternative Investing**
Educational presentations to the NID Investment Committee on private vs. public investments in alternatives.
Robert Cultraro, CIO of the Hydro One Pension Fund, following approval of NID's Investment Committee, has the authority to invest in global real estate and global infrastructure. The committee has been in a quandary as to how best to access these markets-either through listed products such as REITs and listed infrastructure or perhaps, a hybrid. To learn more about the way to proceed, he has invited two firms to present to the NID Investment Committee. Each firm will have 25 minutes to make its case by comparing and contrasting direct and indirect alternatives to investing in their specialty. He has invited:
Global REITs - Chris Blanchard, Portfolio Manager, Presima
Global Listed Infrastructure – Daniel Marchand, Senior Vice President, Nuveen Investments
Following each firm's presentation, Robert will engage the presenter in a Q&A with his committee, the NID audience. We expect a robust discussion
- 2:40 – 3:00 **Dialogue Break**
- 3:00 – 4:00 **Evolution in the US Banking System in response to the New Regulatory Environment**
Brad Hintz, Senior Research Analyst, Banks and Capital Markets, Bernstein Research, Sanford C. Bernstein
The changes in financial institution regulation that were implemented after the 2007-2009 downturn are slowly working their way into the broader economy. The banks' market making, OTC derivatives and commodities businesses are rapidly evolving in response to these changes. In the fixed income markets, liquidity is shifting and trade execution is becoming more costly. In equities the core execution business of many banks is becoming unviable as OTC derivatives move to central clearing. Brad will discuss the shifting competitive and market share position of the major global capital markets banks and the potential impact on the investors and asset managers.
- 4:00 – 5:00 **A Roadmap of Changes in Global Banking Regulation: Implications for Capital Markets and the Global Economy**
Nicholas Le Pan, Former Superintendent of Financial Institutions
International and domestic regulators and policymakers have come up with a plethora of new rules all designed to meet the objective of 'never again'. What matters most, what doesn't? What will likely work and what may not? What is finished and what isn't? How is the new rules landscape playing out now, and some thoughts on how it will play out in the future, in influencing the financial services landscape.
- 5:00 **Closing Remarks –**
Christopher Holt, Managing Director, Global Absolute Return Congress (Global ARC)
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- 6:00 – 9:30 **Russell Investments** is pleased to invite you to an exclusive BBQ Dinner at Queen's Landing, followed by a Niagara-on-the-Lake Historian and optional Haunted Walking Tour



Tuesday, June 11th

- 7:00 – 7:45 **Breakfast**
- 7:45 – 8:00 **First Day Recap**
Christopher Holt, Managing Director, Global Absolute Return Congress (Global ARC)
- 8:00 – 9:00 **FEATURE SPEAKER: THE FUTURE OF THE CANADIAN BANKING SECTOR**
Don Drummond, Former TD Chief Economist and Finance Canada, Associate Deputy Minister
Don will address the issues and forces he believes will shape the banking sector over the next 5-10 years. Canadian banks have had a fantastic run of growth and profitability, even through the recent financial crisis. But the banks need to respond to demographic, economic and regulatory changes that offer both opportunities and challenges. The ageing of the population with tilts toward urbanization and immigration will affect retail banking. The likelihood of continuing low interest rates with a relatively flat yield curve will squeeze traditional ways of making profit. The banks, and the Canadian Government, want the sector to expand internationally but a new sense of risk dictates caution all around. In many respects regulatory intervention has become even tighter, as witnessed by recent involvement in marketing strategies. Don will use his extensive experience as both a senior government official and a banking executive to shed light on these and other issues facing the banking sector.
- 9:00 – 10:00 **Investing in an Unanchored World**
Dr. William De Vijlder, CIO of Strategy & Partners, Member of Management Committee, BNP Paribas Investment Partners
Over the past several months we have seen fundamental changes in the way central banks act and thereby influence financial markets. The world has become unanchored in the short run, and also in the longer run. Dr. De Vijlder will discuss how these profound structural changes in the conduct of monetary policy affect the tasks of institutional investors seeking to meet their goals in a world without reference points.
- 10:00 – 10:20 **Dialogue Break**
- 10:20 – 11:20 **The Future of Risk - Global Investment Risk Solutions**
Daniel Wywoda, Head of Global Product Management, BNY Mellon Asset Servicing
Dan will discuss the evolution of risk management practices in the aftermath of the recent financial crises and the need for a new approach to assessing, measuring and monitoring investment risk. Dan will probe into the need for a modern approach to risk analysis that includes transparency, forward-looking risk attributes and human capital expertise.
- 11:20 – 12:20 **2013 NID Honouree Interview and Presentation**
The Right Honourable Paul Martin
Interviewer: Bruce Little, Author, Fixing the Future
NID is indeed delighted to honour the Right Honourable Paul Martin at our 2013 proceedings. He was the twenty-first Prime Minister of Canada from 2003 to 2006, Minister of Finance from 1993 to 2002 and he served as the Member of Parliament for LaSalle-Émard in Montréal, Québec from 1988 to 2008.
This honour is bestowed annually on an individual who has had a material impact on the Canadian pension landscape whether it relates to assets, investment, liabilities, governance, legal issues or political ones. Few Canadian realize that Mr. Martin was largely responsible for the creation of the Canada Pension Plan Investment Board (CPPIB), an investment agency that has become the envy of its peers globally. It was not a simple or straightforward achievement. How it came into being is worthy of reflection on the eve of the 15th anniversary of its creation. It is indeed an interesting story and we are pleased to have the main player here to tell it to us.
- 12:20 – 1:30 **Lunch**



1:30 – 2:50

Emerging Market Debt

Moderated by: Nachu Chockalingam, *Assistant Portfolio Manager, Fixed Income Emerging Markets, Ontario Teachers Pension Plan*

Siddharth Dahiya, *Portfolio Manager, Aberdeen Asset Management;*

Samy Muaddi, *Portfolio Manager, Analyst, T.Rowe Price*

Emerging Market Debt has evolved significantly in the last few years with attractive yields, improving fundamentals and cheap currencies. Importantly, the biggest story in emerging market debt is the improvement in credit quality, both in an absolute sense and, perhaps more interestingly, relative to bonds from developed markets. Often, this surprises investors who have had visions of defaults and currency devaluations associated with emerging markets. Our presenters will paint a very different picture of economies with sound fiscal policies, stable economies and investment grade credit ratings.

2:50 – 3:30

Exchange Traded Funds – A Fiduciary's Perspective

Alfred Lee, *Vice President, Portfolio Manager and Investment Strategist, BMO ETFs*

Now representing more than US \$2 trillion in assets globally, Exchange-Traded Funds (ETFs) continue to be one of the fastest growing segments of the financial industry. Growth in the industry has been partially attributable to their adoption by institutional investors as they seek out new portfolio construction tools. But given their early role as index-trackers and their evolution to highly complex alpha generating hedging and active management tools, many investors assume these products require only a cursory understanding. As Lee will illustrate, however, institutional investors must understand the operational components of ETFs in order to adequately fulfil their fiduciary duties. To this end, he will cover a number of critical issues including their coverage, mechanics, liquidity, and construction.

3:30 – 4:00

Malcolm Unplugged

Malcolm Hamilton, *Former Partner, Mercer*

Malcolm Hamilton is no stranger to NID as he was last year's honouree. And as most of us know, Malcolm is no shrinking violet when it comes to expressing opinions, often unpopular, about some of the pension architecture that exists in Canada. It is our belief that these opinions need to be expressed to create dialogue to suss out the truth about real or imagined issues. Unfortunately Malcolm was often constrained about what he could say for commercial reasons. But no longer... Malcolm is retired and we have access to his unfettered views without commercial interruption! We are delighted to present Malcolm Unplugged.

4:00 – 4:10

Closing Remarks –

Christopher Holt, *Managing Director, Global Absolute Return Congress (Global ARC)*

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5:15

Transportation to Helicopter Pad (Meet in the main lobby at 5:15 sharp)
Helicopter Ride is brought to you by: Causeway Capital LLC

6:00

Transportation to Hillebrand (Meet in the main lobby at 6:00 sharp)



6:30-9:00

Cocktails and Banquet - Hillebrand Estates Winery

Returning to the Hillebrand for a second time was an easy choice for this year's banquet sponsored by **Integra Capital Management** and **Columbia Asset Management**. Hillebrand is one of Canada's premium wineries and arguably makes the best sparkling wine in the country. Chef Frank Dodds and his team will once again impress us with stunning culinary creations, using seasonal and local ingredients. For those of you who are taking the helicopter tour, you will be dropped off right at the winery! The grand evening will begin with canapes and flutes of Trius Brut, Hillebrand's award winning sparkling wine, served on the scenic outdoor patio. Following that we will be taken on a shortened path of the grape from the vineyard through the cellar to the finished wine. You will see the inner workings of Hillebrand's winery and learn about wine-growing, fermentation and barrel aging. And then up to the restaurant where our palates will be titillated through four courses of culinary delights served with samples from Hillebrand's ample cellar. Back by popular demand will be the exquisite harp and flute styling of **Variante Harp & Flute Duo**, Nathalie Younglai and Catherine Richardson, to lend a wonderful musical ambience. It will be an evening you won't soon forget!

Wednesday, June 12th

7:15 – 8:00

Breakfast

8:00 – 8:10

Second Day Recap

Christopher Holt, *Managing Director, Global Absolute Return Congress (Global ARC)*

8:10 – 9:00

The great reflation. The future of Fixed Income

Philippe Lespinard, *Chief Investment Officer, Fixed Income, Schroder Investment Management N.A. Inc.*

Policy makers are injecting unprecedented liquidity in an effort to reflate the global economy. These policies are distorting financial markets across developed and emerging markets in the short term and creating longer-term imbalances. Philippe Lespinard, CIO for Fixed Income at Schrodgers will review some of the evidence for these distortions and draw conclusions from the firm's outlook on policy and economic developments. He will focus on investment themes in fixed income markets across the world and their implementation in unconstrained portfolios.

9:00 – 9:40

Debate: Be it resolved that: "Traditional portfolio management is dead"

Jim Keohane, *President & CEO, Healthcare of Ontario Pension Plan (HOOPP) – Prime Minister*

Malcolm Hamilton, *Former Partner, Mercer – Leader of the Opposition*

Hugh Innes, *Chair, Rekai Charitable Foundation - Speaker of the House*

For many years now, "traditional" portfolio management (typically represented as a long-only portfolio of equities, bonds and cash and in a 'balanced' context of a 60/40 equity-fixed income split) has been under attack; ceding market share to "alternative" investment strategies and products such as Hedge Funds, Private Equity, Infrastructure and Real Estate. Does this mean that the future for traditional portfolio management is a straight line to extinction, that there is and can be no hope for it in the future? Or maybe, just maybe, there are new twists on an olde theme in which traditional portfolio management and asset classes will simply play a different role going forward, than they have historically.

Attend "The Great Debate" and hear our distinguished speakers for the Government (arguing for the resolution) and the Opposition (arguing against the resolution) and decide for yourself!



- 9:40 – 10:40 **FEATURED SPEAKER: MORTAL HAZARD: ARE CATASTROPHIC EVENTS INEVITABLE?**
Dr. Bryne Purchase, *Adjunct Professor, School of Policy Studies, Queen's University and a Fellow (and the founding Director), Queen's University Institute of Energy and Environmental Policy Author of Navigating the Titanic: Economic Growth, Energy, and the Failure of Governance (Queen's Policy Studies Series)*
Professor Purchase's commentary will centre on assessing the ability in a public policy framework of being able to mitigate major societal risks. His subject represents an interesting counterpoint to the main theme of this year's Dialogue wherein regulators and policy makers are attempting to craft legal structures that will prevent the next major financial disaster. Using the most recent financial crisis as a case in point, as well as other issues such as spiking energy prices and global warming, Professor Purchase superbly articulates the problems and suggests the necessary pathways society will have to follow to prevent their reoccurrence in the future.
- 10:40 – 11:00 **Recap of the Fourth Annual Niagara Institutional Dialogue and Closing Remarks –**
Christopher Holt, *Managing Director, Global Absolute Return Congress (Global ARC)*
Tristram Lett, *CIO, Integra Capital Management*
- Close of the Fourth Annual Niagara Institutional Dialogue**
- 11:15 – 1:00 **Barclays Luncheon – Guest Speaker, Managing Risk in an Unstable World**
At the close of the Niagara Institutional Dialogue, Barclays will host a special lunch Presentation featuring a member of the President's Intelligence Advisory Board, who will hold a high level discussion of the geopolitical risks that exist in EMEA region, particularly North Africa and the Middle east, and the decisions that must be reviewed for any asset allocator who is interested in emerging and frontier markets in these areas.