

出國報告(出國類別：其他)

【研習報告】

歐洲貨幣機構投資者主辦之 『大中華區—全球機構投資研討會』

服務機關：臺銀人壽保險股份有限公司

姓名職稱：鄭智元 高級辦事員

派赴國家：大陸上海

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壹、研習目的與過程

自金融海嘯以降，全球央行寬鬆貨幣政策大行其道，連帶使得金融商品的投資報酬率日益下降，而市場波動度卻反而提高。面對日益艱困的微利投資環境，交易人員除了要尋找優質投資標的外，還必須多方考量諸多外在因素，才能擬定適當投資決策，因此除了投資趨勢的基本面研究之外，資產配置以及風險管理在實務上亦日趨重要。

職本次參加歐洲貨幣機構投資者(Euromoney Institutional Investor)於上海舉辦之「大中華區—全球機構投資研討會」，為期一天半，與會者主要來自許多亞太不同國家的資產管理者，討論的議題包括影響機構投資者本身及其投資組合的重要因素，當中包括宏觀經濟主題及全球投資策略。會議共分 9 個場次，包含 4 個主題，包括「評估宏觀經濟推動因素」、「重新審視投資策略」、「校準組織的指南針」及「監管環境的演變」，會議間穿插許多圓桌討論時間，能與各國與會者直接進行交流，對拓展國際視野，瞭解投資趨勢頗有助益。

以下謹就會議重要內容摘要說明，包含大陸經濟概況重要議題、亞洲經濟展望與債市趨勢以及資產配置等，並提出心得與建議。

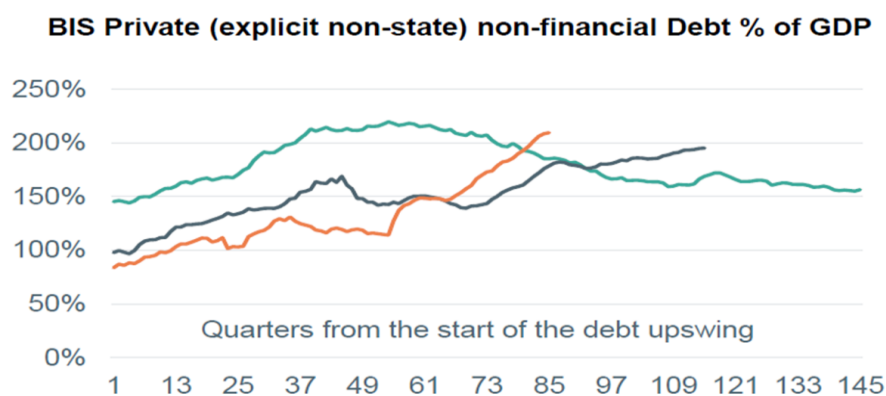
貳、研討會議題摘要

一、大陸經濟概況重要議題(2017 年至 2018 年)：

本議題主講者為伊諾多經濟公司(Enodo Economics)的首席經濟學家
黛安娜喬伊莉瓦(Diana Choyleva)。她觀察到大陸市場的幾個狀況：

- (一)大陸私人部門的非金融債務(non-financial debt)已經到了相對較高的位置，佔 GDP(國內生產毛額)的比率已超過 200%。由歷史紀錄觀之，日本與南韓在發生資產泡沫化及亞洲金融風暴前，這個比率也都達到 170%至 200%左右。

• Private non-fin debt close to the limit



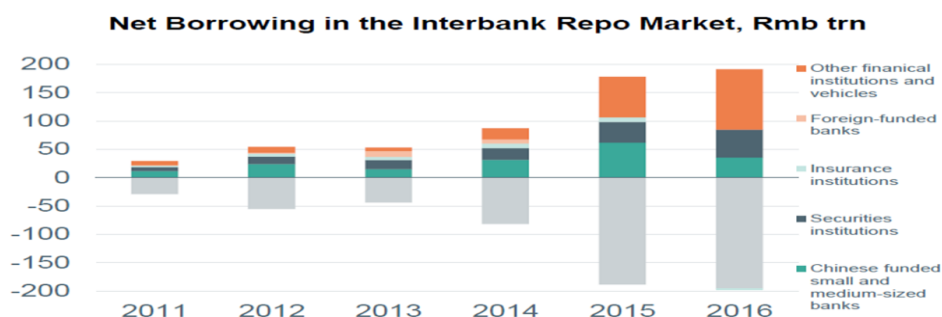
- (二)大陸的結構性經濟成長趨緩，自從金融危機以來，大陸每次刺激信貸、寬鬆貨幣政策時，所帶來的經濟增長力道卻一次比一次不足，隨後經濟再度陷入之前困境的程度卻越來越深。

• Enodo real GDP growth



(三) 貨幣市場資金緊俏，金融機構同業間的批發借貸(Wholesale funding) 開始大幅增加，已達到美國於 2008 年金融海嘯前的水準。

Non-bank fin institutions wholesale funding surges



Source: Enodo Economics, CEIC

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- Chinese OFI wholesale borrowing as a multiple of GDP surges by more than in the run-up to the crisis in the US



Source: Enodo Economics, CEIC

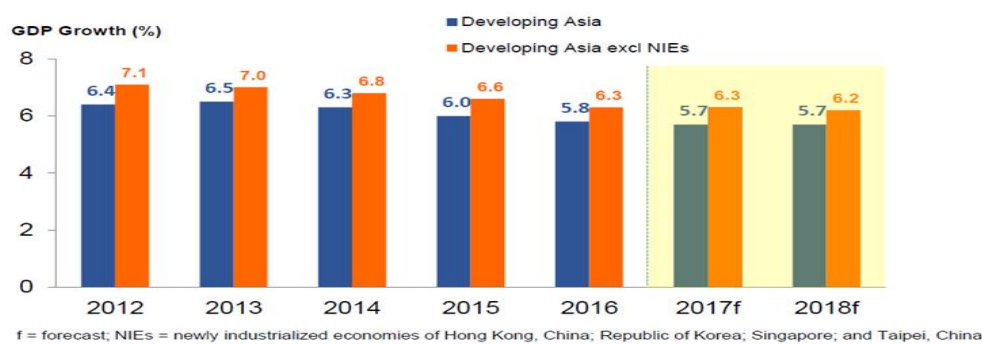
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(四) 整體而言，主講者對於 2017 年至 2018 年的大陸經濟表現並不別看好，她認為在這兩年間大陸經濟面臨轉型期，然而這考驗對於大陸而言堪稱嚴峻，近年來非銀行金融機構(即信託和投資公司、租賃公司和資產管理機構)規模的快速增長，卻也帶來新的債務問題，大陸官方必須非常注意貨幣市場的流動性問題。她認為貨幣市場將不可避免地出現紊亂的現象，整體實質 GDP 的成長率將從 2016 年的 5.8% 下降為 2017 年的 3.0% 至 4.0% 之間，並且預期未來兩年內人民幣兌美金的匯率還會下降 10%。

二、亞洲經濟展望與債市趨勢：

本議題主講者為亞洲開發銀行(Asian Development Bank)的經濟學家 Donghyun Park 及 Shu Tian 等人。

- (一) 受惠於出口暢旺以及強勁的國內市場需求，亞洲國家經濟成長仍然穩健，主要成長動能來自開發中亞洲國家(Developing Asia)，2017 年及 2018 年的 GDP 成長率預測為 5.7%。其中對於台灣的 GDP 成長率預估，2017 年為 1.8%，2018 年則為 2.2%，較 2016 年的 1.5% 相比是逐年上揚。而大陸則因為調整經濟結構，經濟成長率將持續下滑。



Source: Asian Development Outlook 2017 Database

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	2016	2017f	2018f		2016	2017f	2018f
East Asia	6.0	5.8 ↓	5.6 ↓	South Asia	6.7	7.0 ↑	7.2 ↑
China, People's Rep. of	6.7	6.5 ↓	6.2 ↓	Bangladesh	7.1	6.9 ↓	6.9 ↔
Hong Kong, China	1.9	2.0 ↑	2.1 ↑	India	7.1	7.4 ↑	7.6 ↑
Korea, Rep. of	2.7	2.5 ↓	2.7 ↑	Pakistan	4.7	5.2 ↑	5.5 ↑
Taipei, China	1.5	1.8 ↑	2.2 ↑	Southeast Asia	4.7	4.8 ↑	5.0 ↑
Central Asia	2.1	3.1 ↑	3.5 ↑	Indonesia	5.0	5.1 ↑	5.3 ↑
Azerbaijan	-3.8	-1.1 ↑	1.2 ↑	Malaysia	4.2	4.4 ↑	4.6 ↑
Kazakhstan	1.0	2.4 ↑	2.2 ↓	Philippines	6.8	6.4 ↓	6.6 ↑
The Pacific	2.6	2.9 ↑	3.3 ↑	Singapore	2.0	2.2 ↑	2.3 ↑
Fiji	2.0	3.5 ↑	4.0 ↑	Thailand	3.2	3.5 ↑	3.6 ↑
Papua New Guinea	2.0	2.5 ↑	2.8 ↑	Viet Nam	6.2	6.5 ↑	6.7 ↑

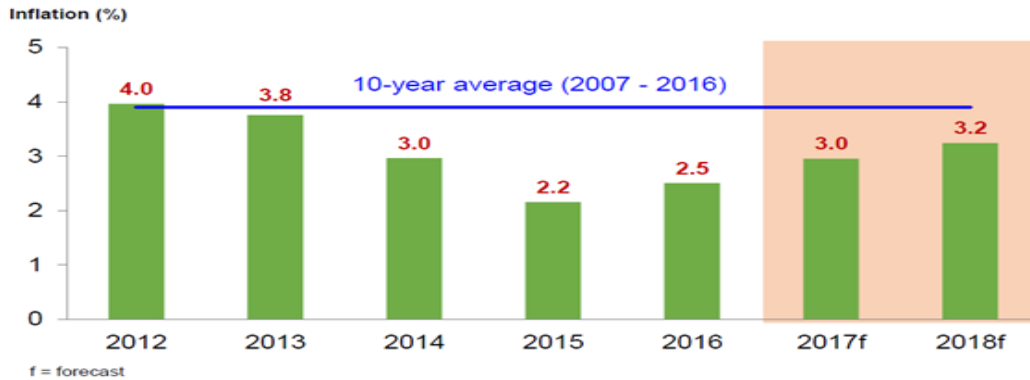
f = forecast

Source: Asian Development Outlook 2017 Database

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- (二) 相對看好印度未來兩年的表現，理由是該國的淨出口逐步增加，而貨幣流動性問題亦獲得解決(2016 年底廢鈔令僅為短暫影響)，而印度政府近幾年來的改革措施，包含對於企業投資的法規放寬，調降商品服務稅等等，都有助於印度的經濟成長。預測印度 2017 年的 GDP 成長率

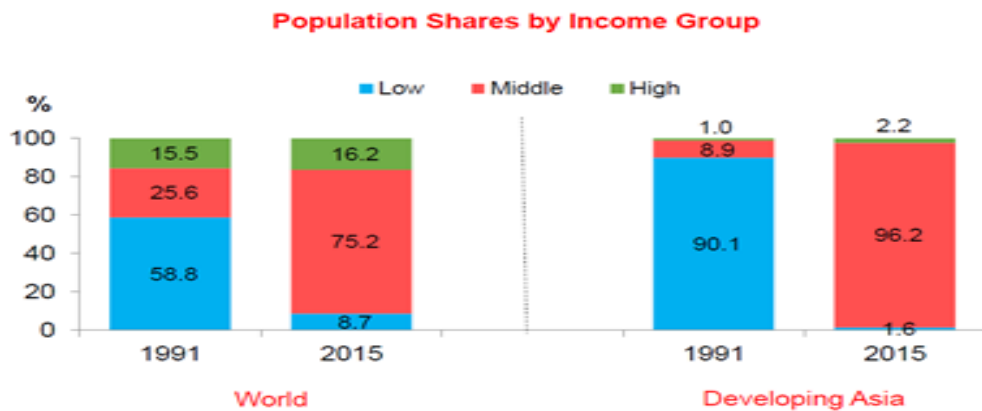
將為 7.4%，2018 年將為 7.6%。



Source: Asian Development Outlook 2017 Database

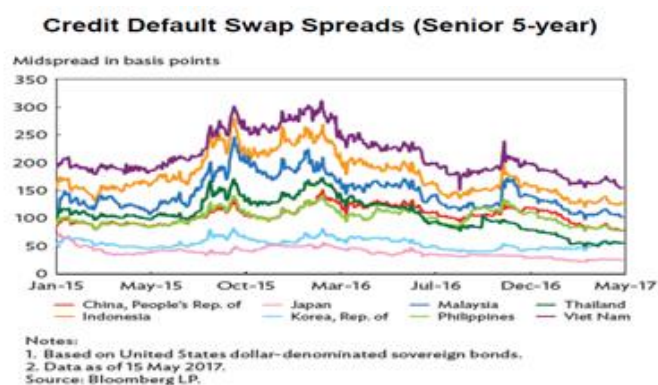
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- (三) 大宗商品價格回穩，連帶拉升通貨膨脹數據，預期開發中亞洲國家在 2017 年的通貨膨脹率為 3.0%，2018 年則為 3.2%，高於 2016 年的 2.5% 但仍低於近 10 年來的平均水準。
- (四) 經過 20 多年來的發展，開發中亞洲國家的中等收入(Middle-income) 階級，其人口數已佔 96.2%，高於全球平均 75.2%，因此也開始面臨要由勞力密集轉型為資本密集產業的階段。進一步提升生產力的驅動力將會來自創新(Innovation)、人力資本(Human Capital)以及基礎建設 (Infrastructure)，能掌握這些關鍵因素的國家，就有機會擠身先進國家之林。



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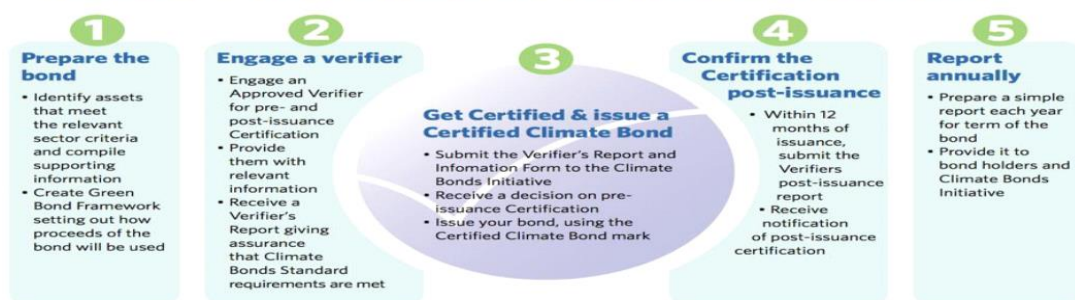
(五) 全球經濟成長無虞，美國失業率創下數年來新低紀錄，歐元區經濟穩定復甦，日本預期在 2017 年的 GDP 成長率會在該國的長期目標之上。成熟國家穩定的經濟表現，對於債市的表現是正面訊號。然而，非銀行金融機構過分擴張的債務餘額、以及近來世界各國動盪的政治局勢仍為隱憂，且東亞新興國家必須要警覺聯準會緊縮貨幣政策後，資金抽離所帶來的流動性問題。



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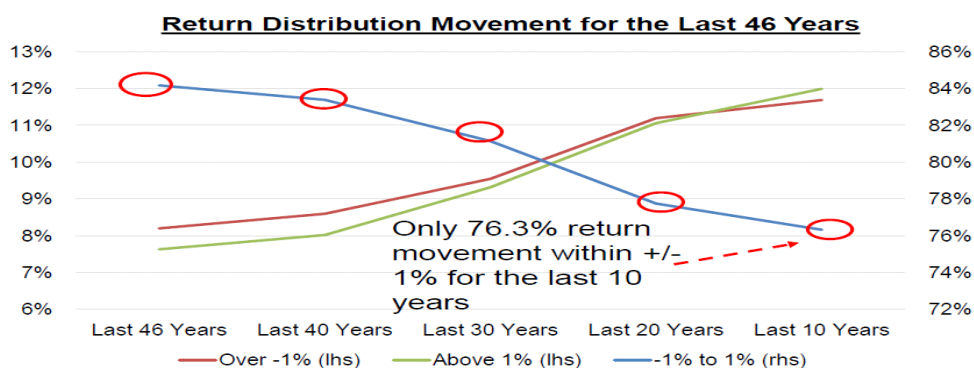
(六) 綠色債券(Green Bond)或稱氣候債券(Climate Bond)為募集資金用於特定綠色用途的債券，乃為了環境保護或減少溫室氣體排放和應對氣候變化所發行。近年來在全球資本市場快速成長，美國蘋果公司亦發行了 15 億美元的綠色債券。尤其是亞洲地區之發行量大為增加，各國政府亦開始著手制定相關法令規範。然而就算這兩年綠色債券蔚為風行，就整體綠色融資體系而言仍為冰山一角，2016 年綠色債券發行量僅占全球債券市場的 0.2%，意味著綠色債券仍然存在著巨大成長空間。

Climate Bonds Standard Certification Scheme



三、資產配置的重要性：

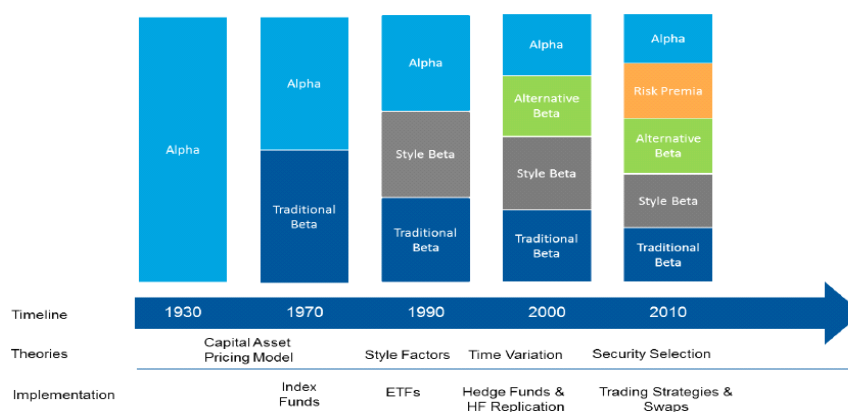
(一)近年來全球經濟成長趨緩，低利率環境盛行，然而與此相對的卻是面臨高波動的市場。由每日報酬率的機率分布觀之，在 30 年前，有超過八成的機會，每日報酬率會落在正負 1 之間，而過去 10 年，卻僅有 76.3% 的機會落在這個區間，顯示金融市場的波動度正逐年增大。



Source: Bloomberg, data from Dec 31, 1969 to Oct 31, 2016.

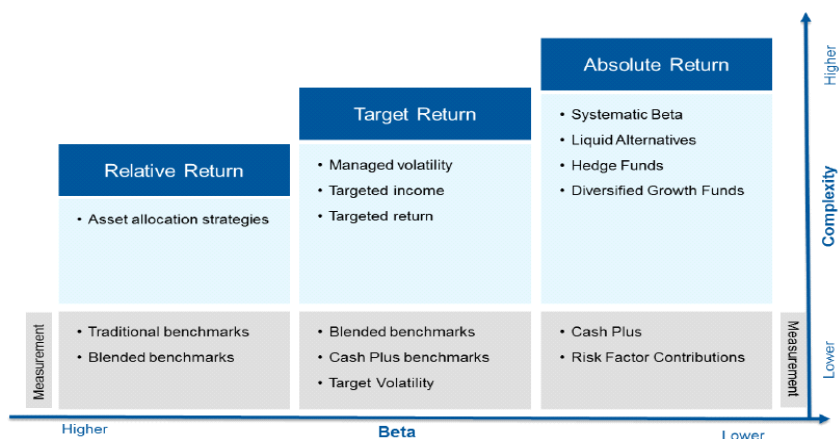
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(二)面對這樣的金融環境下，對於追求報酬率的觀念，亦由最早的追求絕對報酬，進化到現在考量各種類型的風險後的目標報酬或相對報酬，市場開始採行戰略性的資產配置：風險管理至為重要，另搭配空間與時間的多元化資產配置。



Source: Franklin Templeton Solutions. For illustrative purposes only.

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(三)風險管理的必要性：根據過去 17 年來的統計，上海綜合指數最大跌幅為 71.58%，MSCI 世界指數則為 61.40%。而投資組合若虧損達到 25%，要恢復元氣所需的報酬率必須為 33%；若虧損達到 40%，要恢復元氣所需的報酬率必須為 67%。

(四)動態資產配置的重要性：根據過去 10 年來的統計，依資產類別觀之，沒有任何一項資產是常勝軍。就算是這段時間表現最優異的高收益債券、S&P500 以及上海股市，都曾在單一年度出現負報酬。

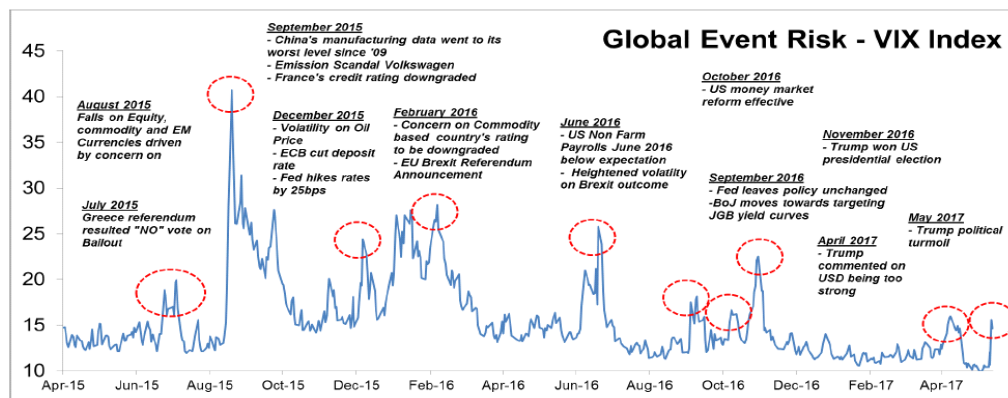
最高	累計回報 2007-2016	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	高收益 82.6%	中国 97.7%	全球政府債券5+ 4.7%	中国 82.3%	新兴市场股 15%	全球政府債券5+ 4.2%	新兴市场股 17%	标普500 28.6%	中国 56.1%	中国 11.4%	高收益 25.3%
	标普500 74.2%	新兴市场股 30.5%	全球政府債券1+ 3.7%	新兴市场股 78.5%	商品指数 13.1%	全球政府債券1+ 1.3%	EAFE 16.1%	EAFE 19.3%	标普500 16.5%	标普500 6.1%	能源 24.4%
	中国 40.3%	能源 12.9%	高收益 -31%	高收益 58.2%	高收益 11.4%	高收益 0%	标普500 14.8%	高收益 4.4%	全球政府債券5+ 6.6%	EAFE 3.8%	标普500 19.7%
	全球政府債券5+ 32.2%	商品指数 8.8%	商品指数 -39.8%	EAFE 31.8%	标普500 11.4%	标普500 -2.7%	高收益 14.6%	能源 2.2%	高收益 5%	全球政府債券1+ 0.9%	商品指数 19.5%
	全球政府債券1+ 19.5%	EAFE 4%	标普500 -41.1%	标普500 26.5%	EAFE 4.3%	EAFE -16.3%	中国 5.8%	中国 -4%	全球政府債券1+ 2%	全球政府債券5+ 0.7%	新兴市场股 18.9%
	新兴市场股 6.8%	全球政府債券1+ 3.8%	EAFE -47.1%	商品指数 18.9%	全球政府債券5+ 2.9%	商品指数 -17.4%	全球政府債券5+ 2.5%	新兴市场股 -5.4%	新兴市场股 0.3%	高收益 0%	全球政府債券5+ 10.1%
	EAFE -4.1%	全球政府債券5+ 3.6%	能源 -50.8%	全球政府債券1+ 2.5%	全球政府債券1+ 1.8%	中国 -19.9%	全球政府債券1+ 0.6%	全球政府債券1+ -6.7%	EAFE -2.5%	新兴市场股 -11%	全球政府債券1+ 8.7%
	商品指数 -49.9%	标普500 -1.3%	新兴市场股 -56.4%	全球政府債券5+ 1.8%	中国 -13%	能源 -19.9%	商品指数 -2.1%	全球政府債券5+ -7.7%	商品指数 -14.9%	商品指数 -21.2%	EAFE 8%
最低	能源 -83.5%	高收益 -4.7%	中国 -64.6%	能源 -5.3%	能源 -13.4%	新兴市场股 -22.3%	能源 -10.3%	商品指数 -12.1%	能源 -37.8%	能源 -36%	中国 -10.6%

指数：SP500 = 标普500®总回报指数，EAFE = MSCI EAFE净总回报美元指数，中国 = 上海证券交易所综合指数(EMT)，新兴市场股 = MSCI新兴市场总收益美元指数，WGBI 1+ = 花旗全球政府债券1+年美元指数，WGBI 5+ = 花旗全球政府债券5+年美元指数，高收益 = 彭博巴克莱美国企业高收益总回报指数，能源 = 彭博能源子指数总回报，BCOM = 彭博总回报商品指数
所有历史资产回报均以人民币显示。
资料来源：彭博资讯，Mellon Capital

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(五)學習與風險共存：誠如前美國第一夫人，愛蓮娜羅斯福所言，「如果人生可以預測，就不是人生了，滋味也沒了。(If life were predictable it would cease to be life, and be without flavor.)」金融市場永遠會存在不確定性，投資者要做好的就是確定目標，然後將風險控制於可承受範圍內。

- **Structural and cyclical factors** weigh on prolonged uncertainties



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Source: Bloomberg

參、研習心得與建議

本次研討會在上海舉行，與會者主要來自許多亞太不同國家，會議間穿插許多圓桌討論時間，讓大家更能互相激盪出不同的想法，收穫頗豐。例如有與會者提問，最近熱門的人工智慧在金融界有沒有發展性？近來愈來愈多的投資機構裁撤經理人，而更依賴人工智慧及大數據來制定投資決策。幾位主講者倒是有志一同地認為，用人工智慧來做投資還不成氣候，因為人類的投資行為並不是理性的，更多時候是被情緒及心理因素所左右，常出現行為陷阱(Behavior Traps)，這部分電腦要怎麼樣去模擬甚至去克服，主講者們目前還想不到，也意味著在場的金融從業人員都還不會失業。

茲就此次研討會研提心得及建議如次：

一、應注意新興亞洲尤其是大陸的債券市場風險。

近年來新興亞洲及大陸，特別是以當地貨幣計價的政府主權債，收益率相對較高，投資人因此趨之若鶩。然而研討會中幾位經濟學家均示警，新興亞洲及大陸的私人部門債務比重占GDP過高的情況一直沒有改善。尤其是大陸官方公布的數字已經如此，在市場普遍不是很信任該數字的背後，其隱藏的債務有多少實在難以估算。近期開放的「債券通」多少也是官方解決流動性的手段，然而大陸為較不透明的市場，對債券投資人而言最重要的信用風險實在難以評估，相關衍生性商品避險工具的配套不足，都是外國機構投資人需要謹慎之處。亞洲各國難以預測的政治局勢也是機構投資人需要特別留意的，同時應特別注意一旦將來美國聯準會將貨幣政策逐步向正常化調整，其過程中大批資金勢必從東亞國家中流出所造成的影響。

二、資產配置宜同時以空間與時間來做平衡考量，不宜過度集中。

因壽險業之產業特性及法規的限制因素，與追求短期績效之基金，在投資策略的擬定與執行面上實有非常大的差異，研討會中某些主講者強調的積極動態管理並無法完全適用於本公司。惟在考量公司所有現實情況

後，於合理且可接受之風險及收益比內，在資產配置面上若能多元化分散，對穩定收益應有幫助。例如長短期債券間的搭配，提升優質企業的公司債比重，酌量增加美國以外如歐元區的投資等，應有助於公司整體國外投資之穩健性。

三、風險管理及投後管理亦至關重要。

金融市場的波動程度日趨擴大，同時程式交易的盛行更是起到推波助瀾的效果，而包括國際政治不穩定等因素的影響，黑天鵝事件永遠潛伏在意想不到的地方伺機突襲，交易人員所面臨的考驗日漸加劇，也因此過去較容易被忽略的風險管理以及投後管理愈顯重要。唯有良善的管理機制，才能減少損失發生的可能性，或是將已發生的損失掌握在可控制範圍內並逐步改善狀況，公司方能長久健全經營。

肆、附件

『研討會議程』

▶ Institutional Investor Forums – Greater China - Global Investment Symposium Shanghai

Wednesday 21 June, 2017

All sessions will be held in Diplomats Hall, Level 2 unless specified.

8:00 am

Registration & Continental Breakfast

Writer's Hall, Level 2

9:00 am

Welcome and Opening Remarks

Symposium Chairs:

Marsha Larned, *Head of Asia, Institutional Investor; Director, Asia Institute*

Wallace Yu, *Head of Multi-Asset Group, China Investment Corporation*

9:10 am

Investor Polling Survey

Delegates will participate in a short polling survey to determine the investment sentiment of the audience. The results will be incorporated into Institutional Investor's Sentiment Index and highlighted in our post forum Executive Summary Report.

9:20 am

Chapter 1: China - Key Themes for 2017-2018

China has made the biggest contribution to global growth in recent years, but there are deep concerns about its macro outlook. Investors are fundamentally concerned about China's investment-driven growth model, which has led to rapid debt buildup, overcapacity and poor efficiency. These issues raise serious questions about the sustainability of China's long-term growth.

Presenter:

Diana Choyleva, *Chief Economist, Enodo Economics*

Major theme: Assessing Macroeconomic Drivers

Session format: Interactive Forum

Time horizon: Visionary (5+ years)

Investment considerations:

- China's ability to rein in financial risks
- Debt, deleveraging and the future of China's economy
- Asset classes and strategies to benefit from future growth models

Table discussion: How will the PRC Government balance the need to deleverage the economy and ensure long term growth/social stability? Are you concerned about Chinese economic growth? How can investors protect portfolios against a slowdown? What does the ongoing internationalization of the Renminbi mean for local investors? What new investment opportunities are being created by China's changing growth model?

10:15 am

Refreshment Break

Writer's Hall, Level 2

10:30 am

Chapter 2: Asia's Economic Outlook and Bond Market Trends

Asia faces many challenges as it pursues sustained economic growth. Overcoming the middle-income trap, improving its institutions and governance, coping with an aging population, curbing rising inequality, and promoting financial development are only just a few.

If current trends continue, Asia's economy will surpass those of the United States and Europe combined in less than two decades—a prospect that has prompted some to dub the 21st century the Asian century. But, while Asia's future appears bright, its success is not guaranteed. It depends crucially on choosing the right policy mix to contain risks and secure growth.

Presenters:

Donghyun Park, *Principal Economist, Asian Development Bank*

Shu Tian, *Economist, Asian Development Bank*

Major theme: Assessing Macroeconomic Drivers

Session format: Interactive Forum

Time horizon: Visionary (5+ years)

Investment considerations:

- Asia's short-term growth prospects
- Major economic risks and challenges
- Major bond market trends
- The middle income challenge – can regional wages rise?

No table discussions. Questions directly from the floor.

11:20 am

Chapter 3: Creating Asset Allocation Frameworks for International Exposures

In anticipation of a period of lower returns, many investors have moved to lower their return objectives. In addition, portfolio changes have included higher allocations to alternatives and greater flexibility through unconstrained mandates and dynamic asset allocation. In this session, investors will discuss these various changes and the issues they continue to grapple with when setting asset allocations and managing risk.

Presenters:

Ricky Chau, *Vice President and Portfolio Manager, Franklin Templeton*

Jeff Zhang, *Executive Vice President and Chief Investment Officer, Mellon Capital*

Practitioner Insights:

Wallace Yu, *Head of Multi-Asset Group, China Investment Corporation (China)*

Major theme: Revisiting Investment Strategies

Session format: Interactive Forum

Time horizon: Strategic (2-4 years)

Investment considerations:

- Frameworks for investing internationally
- Utilising unconstrained strategies to optimise returns
- Assessing the outlook for geographies and asset classes

Implementation issues:

- Reframing the portfolio construction challenge to explicitly target risk
- Understanding the risk selection and risk allocation process for your portfolio
- Incorporating multi-strategy solutions into an overall asset allocation

Table discussion: What do you believe are the major cyclical and structural trends affecting institutional portfolios? Which asset classes and/or regions are most attractive to help achieve your investment objectives? What is the best way to benchmark and measure the performance of a multi-asset strategy?

12:40 pm

Lunch

Council Hall, Level 2

1:40 pm

Chapter 4: China's Thriving Hedge Fund Industry

The Chinese hedge fund industry is booming, thanks to cautious support from securities regulators and the gradual liberalisation of local equity and bond markets. Assets under management have more than tripled over the past two years, while the total number of hedge funds almost doubled in 2016. Despite some scandals—including a high-profile market manipulation conviction—policymakers are starting to view hedge funds as worthwhile contributors to Asia's largest economy.

Presenters:

Hao Shao, *Senior Investment Research, Ayaltis AG*

Oliver Rui, *Finance and Accounting, China Europe International Business School*

Debra Ng, *Partner, Albourne Partners*

Major theme: Revisiting Investment Strategies

Session format: Interactive Forum

Time horizon: Strategic (2-4 years)

Investment considerations:

- The growth and development of China's hedge fund industry
- Comparing the styles of domestic and international hedge funds
- Successfully adopting a 'fund of funds' approach

Implementation issues:

- Constructing the right platform for achieving a hedge fund exposure
- Approaches to enhancing portfolio diversification

Table discussion: How will China's hedge fund industry grow and evolve in the future? What opportunities will these changes create? What are the key considerations to take into account when setting an allocation to hedge funds? Which hedge fund strategy do you find most attractive in the current investment environment? What changes are needed for hedge funds to become a more prominent component of investment portfolios?

3:10 pm

Refreshment Break

Writer's Hall, Level 2

3:25 pm

Chapter 5: Structural Trends Effecting the Chinese Financial System

China has made great strides in expanding pension and insurance coverage for its population over the last twenty years. Before 1997, state-owned enterprises (SOEs) provided their workers with so-called legacy pensions without regular contributions. Since then, China has established a contributory pension system, which covers a large portion of urban workers. More recently, China has established a pension scheme for rural workers which is also growing significantly.

Meanwhile, life and personal insurance has developed from a virtually non-existent industry to a large, open one. China's fast growing economy coupled with the largest population in the world, rising personal income, and economic system reform not only explains its rapid growth, but also foretells the increasing importance of China's insurance market in the future.

Presenters:

Chantal Grinderslev, *Senior Advisor & Director of Operations, Z-Ben Advisors*
Huan Shao, *General Manager China Office, Climate Bonds Initiative*

Major theme: Evolution of the Regulatory Environment

Session format: Interactive Forum

Time horizon: Multi (0-5+ years)

Investment considerations:

- New developments effecting "Green" bonds and ESG investing
- Growth opportunities and challenges that Chinese insurers face
- The impact of a growing Chinese insurance sector on the local economy

Table discussion: How does your organization cope with the many restrictions which have been implemented so far this year? What are the opportunities and benefits the current imposed regulations are bringing to you and your organization? What is your organization's attitude towards Green Bonds? Are you considering them as an investment opportunity? Are there any barriers you need to overcome before investing?

4:20 pm

Chapter 6: Understanding Risk and Implementing Risk Systems

Funds recognise the need to adopt a more dynamic investment approach in building portfolios that effectively deliver return objectives. Whilst adoption of dynamic and responsive risk management frameworks has been prominent across the institutional investor market, implementation has remained a challenge.

Moderator:

Allen Cheng, *Asia Bureau Chief, Institutional Investor Inc.*

Presenters:

Johannes Minho Roth, *Partner & Co-Founder, Sanostro*
Tsuneo Taguchi, *Managing Director, JTB Pension Fund Japan (Japan)*

Practitioner Insights:

Gary Gabriel, *General Manager, Portfolio Strategy and Risk, HESTA (Australia)*

Major theme: Revisiting Investment Strategies

Session format: Interactive Forum/Open Symposium

Time horizon: Strategic (2-4 years)

Investment considerations:

- Defining, quantifying and identifying true sources of risk in a meaningful way
- Understanding the risk selection and risk allocation process for your portfolio

Implementation issues:

- Optimising an investment team's decision making process
- Currency management for investment portfolios in the current market
- Pinpointing a hedge ratio to maximise returns, reduce volatility and minimise costs

No table discussions. Questions directly from the floor.

5:25pm

Day One Forum Close

5:25-7:00 pm

Cocktail Reception

M on the Bund

Thursday 22 June, 2017

All sessions will be held in Salon de Ville, Level 1 unless specified.

8:00 am

Continental Breakfast

Long Bar, Level 1

9:00 am

Opening Remarks

Symposium Chairs:

Marsha Larned, *Head of Asia, Institutional Investor; Director, Asia Institute*

Wallace Yu, *Head of Multi-Asset Group, China Investment Corporation*

9:05 am

Chapter 7: The Challenges Investors Face While Seeking Returns

The challenging economic environment of the last decade has had a lasting impact on the fund management industry and on the long-term asset allocation strategies of institutional investors. On the one hand, it has promoted more cautious investment strategies and a greater focus on portfolio risk management. On the other hand, the prolonged low-yield environment has heightened the need for return-enhancing strategies, pushing some investors to increase investments in alternative assets.

Presenters:

Rudy Brando Hutabarat, *Director of Reserve Management Department, Bank Indonesia (Indonesia)*

Janice Sengupta, *Chief Investment Officer, Aon Hewitt (Australia)*

Janet Li, *Director, Investments, Greater China, Willis Towers Watson*

Major theme: Revisiting Investment Strategies

Session format: Interactive Forum

Time horizon: Strategic (2-4 years)

Investment considerations:

- Asset classes and strategies to benefit from market volatility
- The implications for negative interest rates on reserve managers
- Assessing trends in central bank monetary policy

Table discussion: How does your organization set its investment objectives? Are investment objectives reviewed and subject to change if the investment environment changes? What are the major investment risks effecting your investment portfolio? How are you protecting your portfolio against these risks? What new investment strategies and asset classes is your investment team currently considering? How do you identify, research and select managers? Is there a need for greater alignment between investors and managers in terms of investment time horizon?

10:20 pm

Refreshment Break

Long Bar, Level 1

10:35 am

Chapter 8: 'One Belt, One Road' and Many Opportunities!

China's 'One Belt, One Road' (OBOR) vision aims to redirect the country's domestic overcapacity and capital for regional infrastructure development to strengthen trade and relations with ASEAN, Central Asian and European countries. On completion, the project will encompass ~60 countries and anticipated cumulative investments of USD4 trillion – USD8 trillion.

Financing responsibilities predominantly rest with China's three key policy banks, as well as the Asia Infrastructure Investment Bank (AIIB), New Development Bank and the Silk Road Infrastructure Fund. Despite receiving significant public funding, numerous opportunities for public-private partnerships are available and institutional investors are showing an appetite to participate. Besides infrastructural investments in ports, high-speed rail, power generation and other utilities, there are ancillary private-sector investment opportunities in real estate, telecoms, e-commerce, finance, tourism, education, creative industries and green technologies.

Moderator:

Allen Cheng, *Asia Bureau Chief, Institutional Investor Inc.*

Presenters:

Larry Zhang, *Head of Public Equity, China Investment Corporation*

Will McCosker, *International Partner, King & Wood Mallesons*

Major theme: Revisiting Investment Strategies

Session format: Interactive Forum/Open Symposium

Time horizon: Strategic (2-4 years)

Investment considerations:

- Regional supply pipeline for core infrastructure and real estate
- The role of the AIIB in regional infrastructure development
- Opportunities and challenges for public private partnerships

Implementation issues:

- Evaluating different infrastructure investment structures and strategies
- Practical implications around accessing and implementing infrastructure deals
- Direct investment vs. co-investment platforms

No table discussions. Questions directly from the floor.

11:50 am

Chapter 9: Investor's Practitioner Panel

Although institutional investors essentially all operate within the same industry, the challenges they each face within their roles are quite unique and specific. Much value can be gained from practitioners reflecting and sharing the key issues they face in their roles and within their organisations, and the practical takeaways they have acquired from attending the Symposium. This will be an Open Symposium session where Chinese and international practitioners will share the top-of-mind issues they are grappling with, which will be followed by questions/comments from the floor directed to the panel.

Moderator:

Allen Cheng, *Asia Bureau Chief, Institutional Investor Inc.*

Panelists:

Wallace Yu, *Head of Multi-Asset Group, China Investment Corporation*

Justin Lo, *Investment Manager, Sunsuper (Australia)*

Lief Guo, *Chief Investment Officer, ICBC-AXA Life Insurance Co., Ltd.*

Major theme: Revisiting Investment Strategies

Session format: Open Symposium

Time horizon: Multi (0-5+ years)

Investment considerations:

- How international practitioners are adapting portfolios to meeting return objectives
- Navigating the local regulatory environment when implementing new investment strategies
- Areas of opportunity across the region and the sectors with potential downsides

No table discussions. Questions directly from the floor.

12:30 pm

Closing Networking Luncheon

Pelham Restaurant, Level 1

2:00 pm

Forum Concludes