

## 2nd Risk and Performance Summit

Agenda - 8-9 September 2020  
Digital Forum - Day One (Sept 8.)  
10.00

### **What's next? Stress-testing risk in 2020**

For all the focus on 'VUCA' stress-testing, the first half of 2020 has thrown up a range of challenges not frequently captured in buy-side scenario analyses. This panel will discuss key lessons from the recent crisis with respect to scenario analyses, stress-testing and modeling; along with key exogenous and endogenous risks that are facing investment managers for the foreseeable future.

- Has there been an undue focus on over-quantification of 'easier to model' risks, to the detriment of harder to measure blind spots that has negatively impacted performance?
- From theory to practice: How can bespoke scenario analyses and stress tests contribute to better investment decision-making and risk management?
- What are lessons from Covid-19 with respect to scenario analyses and stress-testing, and what should investment managers be testing going forward.
- What are the risks associated with "TINA" (There Is No Alternative)?

*Chair*

**Ben Graetzer**

Investment Risk Manager

**Victorian Funds Management Corporation**

*Panel*

**Daniel Ackland**

Investment Analytics Manager

**IOOF**

**Thomas Gillespie**

Senior Manager, Portfolio Risk

**NSW Treasury Corporation**

11.00

### **Liquidity in focus**

Liquidity risk management has once again come to the fore, as investment managers have found themselves balancing the competing demands for liquidity and return in uncertain market environments and policy responses. This session will discuss lessons from the Corona crisis to date with respect to best practice liquidity risk management.

- How can organisations balance the need to maintain sufficient liquid holdings with the ultimate aim of generating returns?
- To what extent is it reasonable to expect firms to be prepared for eventualities such as early withdrawals considering the performance cost of having high levels of liquid assets on available at all times?

- What's the impact of liquidity requirements on the quality of the remaining portfolio and what tolerance do you allow for?
- Is there a case for ignoring SAAs in a period of extreme stress?

*Chair*

**Wietske Blees**

Editor

**Fund Business**

*Panel*

**Matthew Dive**

Director, Portfolio Construction and Risk

**AustralianSuper**

**Mark Ferguson**

Head of Investment Risk

**Australian Prudential Regulation Authority**

**Matthew Griffith**

Head of Portfolio Construction & Risk

**JANA Investment Advisers**

**Alex Withers**

Manager Liquid Markets Risk

**QIC**

14.00

### **Beyond reporting: the performance feedback loop in practice**

This session will discuss how investment firms can maximise the value of their performance functions to improve ex ante insights and investment decision-making going forward. What are practical ways in which teams can contribute to improved performance, what are common hurdles and what technologies exist to facilitate the feedback loop.

*Chair*

**Chris Robertson**

Associate Director

**Shoreline Consulting**

*Panel*

**Danni Luttick**

Associate Director, Performance and Risk Analytics

**IFM Investors**

**Dean McIntyre (UK)**

Senior Product Strategist, Core Analytics

**FactSet**

15.00

### **Rebalancing: the performance perspective**

The spike in market volatility caused by COVID-19 has forced many investment managers to rebalance their portfolios in extremely challenging market conditions, but this can have significant implications for the performance of these portfolios. This session will discuss the role of performance attribution in helping to optimise rebalancing decisions.

How can performance teams adequately measure the impact of individual rebalancing decisions on returns, how can investors align ex-post performance attribution with ex-ante risk analysis, and what lessons can be learnt from the recent crisis.

*Chair*

**Nick Morton**

Chief Investment Officer

**Resonant Asset Management**

*Panel*

**Mike Aked**

Head of Research - Australia

**Research Affiliates**

**Emma James**

Manager, Investment Risk & Analytics

**Funds SA**

**Elske van de Burgt (The Netherlands)**

Managing Director, Investment Performance

**Ortec Finance**

## Digital Forum - Day Two (Sept 9.)

10.00

### **Currency attribution in focus**

The recent spike in volatility across foreign exchange markets has reinforced the importance of incorporating the impact of currency fluctuations in attribution models. This session will discuss multi-currency performance attribution in volatile markets, how to measure the performance of changes to FX overlays and derivatives exposures as a result of recent market developments. It will also consider how performance insights can be used to improve FX exposure management in future portfolios with elevated market volatilities.

*Chair*

**Wietske Blees**

Editor

**Fund Business**

*Panel*

**Trent Brandie**

Performance and Attribution Manager

**AustralianSuper**

**Hillary Chirenje**

Manager, Performance and Analytics

**NSW Treasury Corporation**

11.00

### **Is your Board on board? Communicating performance to management**

Following the increased emphasis on performance, costs and fees across the industry, this panel will discuss the efficient resourcing of the performance and reporting functions to optimise management decision-making.

- What level of detail is required when reflecting performance to boards?
- What is the value of portfolio level analysis vis-à-vis more detailed information on individual positions.
- Are investment organisations putting enough resources into performance management and the efficient reporting to key stakeholders? How can risk and analytics functions help each other promote their value within organisations?
- What type of performance analysis and reporting best supports multi-manager portfolios?

*Chair*

**Doug Talbot**  
Managing Director  
**1886 Consulting**

*Panel*

**Stefano Cavaglia**  
Senior Consultant  
**Atchison Consultants**

**Ian Hagtharp**  
Senior Investment Analytics Specialist  
**Rest**

14:00

### **Unlisted assets: Golden goose or Achilles' heel?**

Unlisted asset allocations have provided lucrative returns in recent years, but is the illiquidity premium coming home to roost? This session will discuss the fair valuation of alternative assets in volatile markets, lessons from the Corona crisis and implications for portfolios going forward.

*Chair*

**Wietske Blees**  
Editor  
**Fund Business**

*Panel*

**Bev Durston**  
Managing Director  
**Edgehaven**

**John Peterson**  
Portfolio Manager  
**Local Government Super**

**David Rodgers**  
Partner, Financial Services  
**Deloitte**

15.00

### **Beware of model risk: rethinking risk-modelling in a crisis**

The recent crisis has put risk models to the test, leading some to question their reliability in times of extreme market volatility. This session will discuss the role, the advantages and the limitations of different risk models, including the limitations of common risk metrics such as volatility, VaR and correlation in the context of Corona and as common inputs in risk systems more broadly.

- What are the limitations of models and where could, and have, they gone wrong?
- How do different models add value in extreme market conditions?
- Is there a need for a more thorough rethink of what constitutes risk in your portfolios?
- How should different institutions approach that question?

*Chair*

**Viktor Svatek**

Director of Investment Risk

**Future Fund**

*Panel*

**Greg Hall**

Executive Director

**AQR Capital Management**

**Ian Hissey (Japan)**

Vice President, Risk & Quant Solutions

**FactSet**

**Assoc. Prof. Geoff Warren**

Fund Convenor, ANU Student Managed Fund

**Australian National University**

**Darrel Yawitch (UK)**

Chief Risk Officer

**Man Group**