

INTERNATIONAL INVESTING

LOCATION:
WASHINGTON, D.C., USA

DEGREE OF FOCUS ON KEY THEMES

Calibrating the
Organisational Compass



Revisiting
Investment Strategies



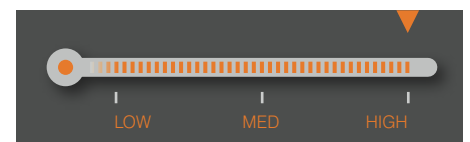
Assessing
Macroeconomic Drivers



Evolution of the
Regulatory Environment



INVESTMENT FOCUS OF FORUM CONTENT



Sunday 25 March – Friday 30 March 2012

Commences Sunday afternoon and concludes Friday late afternoon



WASHINGTON DC

In a critical election year, International Investing will return to Washington, D.C. to examine first-hand the politics and policies which have the potential to pave the way to global economic recovery or exacerbate an already deepening debt crisis. The shift in economic power from West to East is transforming the global investment landscape, and numerous challenges face Institutional Investors.

The forum will cover key economic, geopolitical and investment developments across markets, as we hear from leading political commentators, policy makers, investment practitioners, academics and global thought leaders. These experts from around the world will assist us in contextualising the world's patchwork economy, whilst progressing thought on economic, investment and behavioural ideas and theories.

WHO SHOULD ATTEND?

Chairs, trustees, chief executive officers, chief investment officers and investment staff of Institutional Investor entities with assets over A\$1 billion

ATTENDANCE:

Approximately 40 superannuation/pension fund representatives and 25 sponsor delegates



In 2012 the International Investing forum will address key economic, geopolitical and investment related topics, utilising CIE's extensive global network to attract global experts.

These experts will help contextualise the world's patchwork economy, whilst progressing thought on economic, investment and behavioural theories affecting the superannuation and pension funds industry globally. Presenters will include leading political commentators, policy makers, investment practitioners, academics and global thought leaders who will address the key issues identified and built upon during the 2011 program.

Some of the main topics of discussion will revolve around the potential outcomes of the US Presidential election, the fragility of the EU and the G20, changing role of the US\$ as the reserve currency and possible implications of currency wars, the decomposition and recreation of global investment models, effective offshore implementation and the continuing evolution of CIE's

international risk frameworks.

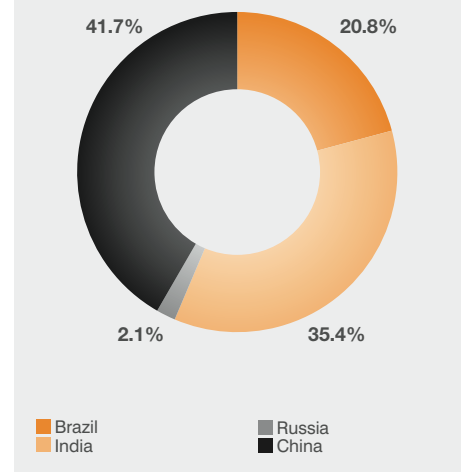
During 2011, (Fig 1) investor focus on emerging markets, in particular China, continued to increase primarily due to steady growth in the first half of the year, amidst the sluggish developed markets. Expectations on China to continue to lead the global economy out of recession are high. CIE will explore the ability of China and other emerging markets to maintain growth and the potential consequences if they cannot.

In addition to China's extraordinary demand, a weak US\$ is another factor which has buoyed commodity and other asset prices throughout most of 2011. For now, it appears that the Fed remains intent on stimulating demand by any means necessary, including near zero interest rates, even if it may result in serious ramifications for the strength of the US\$ and, possibly, its role as the reserve currency. CIE will explore some of the longer term implications of this, both for the US and other countries, in Washington in 2012.

Europe, including its debt laden periphery countries, was a central issue at the International Investing forum in Berlin 2011. When and how bailouts might occur, sources of funding, the future of the euro and the ongoing role of the ECB in controlling inflation were all discussed. Whilst the relatively bleak outlook did provide potential scope for opportunities, CIE felt the general mood, short of meaningful and coordinated reform, reflected that Europe would continue to "muddle through" over the near term and inevitably suffer a more prolonged period of low growth over the longer term.

Since the International Investing 2011 forum, the situation in Europe has deteriorated significantly, to the point where countries' membership to the EU and indeed the sustainability of the euro are being questioned. A possible breakdown of the Eurozone, or parts thereof, has far reaching implications for international portfolios. These will be analysed by global experts at CIE's Washington forum in 2012.

(Fig 1) Which of the BRIC regions will demonstrate the greatest levels of growth over the coming decade?



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“Very stimulating sessions, challenging thinking. An incredible experience - demanding, stimulating, tiring and fun.”

Mark Delaney,
Chief Investment Officer
and Deputy Chief
Executive Officer
AustralianSuper

“The organisation, quality and content are the best of any forum I’ve ever attended.”

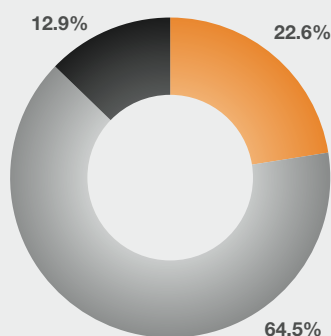
Greg Cooper,
Chief Executive Officer
Schroder
Investment Management
Australia Limited

“Outstandingly high quality forum with demanding content and engaged participation.”

Sue Dahn,
Director and Chair
Investment Committee
AGEST Super

CIE’s 2012 International Investing forum in Washington, D.C. will offer unparalleled insights into some of the key challenges facing global markets and portfolios, in addition to an opportunity to discuss, debate and share solutions and strategies among a group of global peers.

(Fig 2) Post GFC, do you believe risk models have adequately evolved to capture risk more accurately?



The majority of attendees at International Investing 2011 felt that risk models had not yet evolved sufficiently, given the scale and nature of assets and members’ benefits at stake (Fig 2). Indeed, the very definition of risk proved to be contentious, making the commonly used trading terms “risk on” and “risk off” somewhat ambiguous.

This issue is becoming even more prominent as funds are increasingly being required to focus on member outcomes, rather than year-on-year returns.

Forms of risk mitigation strategies remain prevalent throughout currency, asset allocation and strategic decision making, but are perhaps still too firmly grounded in theory rather than reality. The development of new, more suitable benchmarks and thinking in this space continues to evolve, both in regulation and in practice. Some of the key aspects of this challenging area will be addressed in detail at CIE’s 2012 International Investing forum, including increasing popularity of benchmark unaware investing.

In one of the most challenging and uncertain times investment markets have seen, having a direct point of contact to some of the best minds in the world is of undoubted benefit for guardians of members’ assets. CIE’s 2012 International Investing forum in Washington, D.C. will offer unparalleled insights into some of the key challenges facing global markets and portfolios, in addition to an opportunity to discuss, debate and share solutions and strategies among a group of global peers.

Advisory committee

The topics addressed at the International Investing forum comprise the collective views of all the advisory committee members who advise CIE’s investment specific forum programs.