

Global Structured Products

New methods to deliver profit across multiple
markets while capping the downside risk

PRE-CONFERENCE WORKSHOPS – 26TH OCTOBER 2005
TWO-DAY CONFERENCE – 27TH-28TH OCTOBER 2005
NETWORKING RECEPTION – 27TH OCTOBER 2005
MOEVENPICK HOTEL & CASINO, GENEVA

Why you can't afford to miss Global Structured Products:

'Structured products will ... be the most popular fund type by 2010.'
(*FT Business, 16th May '05*)

- Revolutionary new insights into buy-side strategies - hear how the buy-side is selecting structured products
- Which products will be most in demand over the next 12 months and why?
- Sourcing alpha from structured products, and achieving full transparency - learn who's doing what and why
- Establishing a liquid market for structured products - how far off is it?
- Understanding the risk/return profile of new structured products from leading providers
- \$6.1bn invested and counting - this event will provide you with the tools and contacts necessary to profit from this rapidly

Media Partners

The Journal of
FIXED INCOME

The Journal of
Structured Finance

derivatives week

Don't miss proven
methodologies from 15
leading international
speakers:

Abbey National
Royal Bank of Canada,
Private Banking
Oberson & Partners
Lansforsakringar
CESR
European Federation of
Financial Advisors
Scorpio Partnership
Ontario Teachers
Pension Plan
Meespierson Private
Bank
American Express
Private Bank
Dexia Privatbank
Nordea
DnB NOR
SG Hambros Bank &
Trust
Barclays Capital

“Structured products will ... be the most popular fund type by 2010.”

(FT Business, 16th May '05)

Global Structured Products will bring together the following leading market participants:

Private, retail and institutional investors – Discover what types of products investors will be most receptive to, and how structured products are integrated into an existing portfolio.

Hear from: Ontario Teachers Pension Plan, Lansforsakringar, Meerspierson Private Bank

Leading structured product providers – Understand the fundamentals of how structured products work, how they are compensated for risk, and whether they can have real curve appeal.

Hear from: Barclays Capital & SG Hambros Private Bank & Trust

Key industry bodies – Know how structured instruments will be interpreted by local jurisdictions, and how new product launches will be evaluated.

Hear from: CESR & European Federation of Financial Advisers

Structured products offer an opportunity to deliver profit potential across multiple markets, with a capped downside. Finance IQ's conference will give you the knowledge and contacts to take advantage of this burgeoning market.

Who will you meet?

- Private Bankers and Wealth Managers
- Investment Banking Structured Products Groups
- Client Relationship Managers from Retail Banks
- Asset Managers
- Pension/Endowment Fund Managers
- IFAs
- Lawyers
- Insurance Company CIOs
- Asset Consultants
- Policy & Regulatory Bodies

Testimonials from delegates to last year's conference:

“Excellent detail, good range of subject”

(Rupert Phelps, Euromoney)

“Good quality of speakers, well organised, excellent networking”

(JJ Fernandez, Merrill Lynch)

“Very valuable in terms of content and products”

(Lothar Mentel, Barclays Private Clients)

Do you want to be profiled as a sell-side leader at this event?

At no other structured products event will you be exposed to such a diverse range of private banks, retail banks and institutional investors, from all corners of the globe.

Finance IQ's conferences are frequented by senior decision-makers from the global finance community. We bring together the key market participants in one location. This event is an excellent platform to initiate new business relationships and consolidate existing ones.

Benefits of sponsorship include:

- Complimentary entry passes
- Bespoke networking arrangements
- Strictly limited, high profile conference presentation sessions
- Prominent exhibition space in the main networking area

Finance IQ's aim is to ensure that you not only meet but exceed your organisation's objectives.

Please call us on +44 (0) 20 7368 9488 or email abhaey.singh@iqpc.co.uk to discuss your organisation's potential involvement in this event.

Researched & Produced by



+44 (0)20 7368 9300



+44 (0)20 7368 9301



enquire@iqpc.co.uk
www.iqpc.co.uk/2507a

finance IQ
a division of IQPC

WORKSHOP A:

New innovations in structured products

9:00-12:00

Learn how to use additional metrics and considerations in your evaluation process, when bringing structured products into your portfolio, and discover the latest product structures:

- Incorporating structured products into a risk assessment framework
- Hybrid structures
- Structures based on new underlyings, including commodity-linked structures
- Synthetic/credit derivative structures

About your workshop leader:

David Stuff, Director, Structured Product Sales, UK, Barclays Capital

WORKSHOP B:

Understanding and explaining the risks and rewards of structured products

13:00-16:00

This is an essential briefing about the workings and applications of structured products. Investors, consultants and distributors will leave the workshop fully equipped to understand the risk/reward profile of these instruments.

In particular, this workshop will look at:

- The use of averaging and complex payout in structures, and the impact on risk / reward for investors
- Risk / reward consideration in high income structures (e.g. reverse convertibles)
- Underlying asset consideration
- Client portfolio management and investment recommendation

You will leave this workshop with a comprehensive understanding of how risk / reward in structured products should be integrated into investment recommendations and client portfolio management.

About your workshop leader:

James Chu CFA, Director, Structured Products, American Express Private Bank

Media Partners

The Journal of
Structured Finance

The Journal of
Structure Finance
(JSF) offers you
i n s i g h t f u l ,

comprehensive research and commentary on all aspects of structured finance. Written by distinguished industry experts, JSF provides detailed analysis on structuring and investing in products such as ABSs, CDOs, CLOs, and MBSs. www.ijf.com.

The Journal of
FIXED INCOME

JFIs technical, sophisticated research on fixed-income instruments offers you penetrating analysis on structuring, asset allocation, performance measurement, risk management and more. www.ijfi.com

The Journal of Fixed
Income (JFI) is the
expert's comprehensive
guide to bond theory

derivatives week

Derivatives Week is the only publication dedicated to breaking news on over-the-counter derivatives. To find out what your competitors, clients and the regulators are doing and to take advantage of our online fully searchable research archive and breaking news email alerts visit

www.derivativesweek.com/freetrial for a free trial.

Researched & Produced by



+44 (0)20 7368 9300



+44 (0)20 7368 9301



enquire@iqpc.co.uk
www.iqpc.co.uk/2507a

finance IQ
a division of IQPC

8:30 Coffee & Registration

9:00 Chairman's Welcome
James Bevan, CIO & Head of Asset Management, Abbey National

9:15 **Essential demand outlook for structured products**

This presentation will explore which products investors will demand over the next 5 years, and what will be the best routes to market.

- What will be the level of demand from high net worth individuals and family offices?
- Improving communication and understanding between structured product suppliers and product distributors

Sebastian Dovey, Managing Partner, Scorpio Partnership

10:00 **UCITS III and structured products**

Diverging interpretations have emerged in Member States regarding the eligible assets of harmonised investment funds under the UCITS III, especially on structured financial instruments, closed end funds, embedded derivatives and credit derivatives. The European Commission has asked CESR's advice to clarify UCITS' definitions in this regard. CESR is approaching the final stage of its work.

- CESR's overall approach to eligible assets
- Approach on structured products
- Status of the work and forward timetable

Jarkko Syrylä, Rapporteur of the CESR Expert Group on Investment Management

10:45 Coffee & Networking Break

11:15 **The impact of structured products on investors' portfolios, and integrating structured products into the evaluation process**

This presentation will examine how these instruments can be applied, how they fit into investors' portfolios, and how to derive an expectation of their future performance.

- What asset management solutions can fit inside a structured product?
- Explaining the process to investors - from initial investment to bottom-line results
- Uses of structuring techniques within defined contribution schemes, and for capital management within insurance companies

James Bevan, CIO & Head of Asset Management, Abbey National

12:00 **Sales, suitability and the private client**

The session will explore the issues around selling structured products to private clients, including most popular areas of interest and regulatory, legal and suitability perspectives of the sale. It will discuss the issues when they are sold as part of a discretionary portfolio, as part of an advisory relationship or sold without advice.

- What do private clients want?
- What are the practical difficulties in promoting structured products to private clients? - issues around principal protected and non principal protected notes and deposits
- How to assess suitability for private clients

Phil Cutts, Global Private Banking, Royal Bank of Canada

12:45 Networking Lunch

14:00 **Legal and regulatory scrutiny – improving the system for intermediaries**

FECIF is heavily involved in lobbying regulators, regarding the treatment of the distribution of new products. Recently, domestic regulators have been scrutinising the way financial institutions handle structured finance transactions.

- How can banks launch European-wide structured products, while respecting all local laws?
- How will distribution networks for structured products evolve, and how will this affect the market?

Vincent J. Dreudder, General Secretary, European Federation of Financial Advisers (FECIF)

14:45 **Strategies for selling structured products to mass affluent and private banking customers**

- Realistic expectations - is a target of 10% annual return more attractive than a target of 300%?
- Re-selling mature products to existing customers
- Hedge fund structured products - educating investors on the risks and rewards of a derivative exposure to alternative assets
- Leveraged index-driven strategies; index outperformance strategies; volatility arbitrage plays
- Clever trading ideas on top of directional trades
- It's all about distribution - incorporating structured product sales strategies into the general advisory process, and educating advisors

Tore Mørkhagen, Vice President, Private Banking & Wealth Management, DnB NOR

15:30 Coffee & Networking Break

16:00 **Pricing products under current market conditions**

Low volatility and low interest rates make the pricing of structured products challenging.

- Profitability in a structure, a balancing act
- Short term profits, long term relations?
- Trends and opportunities translated into products
- Transparency of costs

Koen Zoutenbier, Director of Structured Products, Meespierson Private Bank

16:45 **Transparency, operational and liquidity concerns**

This talk will examine the lack of visibility and transparency within the structured products market, and how this affects investment in the market.

- How are structured products priced and valued, and how are fees set?
- How close are we to establishing a liquid market for structured products, such as CDSs and CDOs?

Per Appelgren, Senior Quantitative Strategist, Head of Beta Team, Lansforsakringar

17:30 Chairman's Summary

17:30 ~ 19:00

All delegates are invited to join us for a Networking Reception



8:30 Coffee & re-registration

9:00 Chairman's Welcome

The morning's presentations will give a comprehensive supply outlook for structured products over the next 12 months. Speakers will explain the fundamental risk/reward payoff of the more exotic structures:

- Can products with real 'curve appeal' be designed within the current market environment?
- Standardisation – when will investors be able to easily compare products?
- Latest innovations in product structures

James Bevan, CIO & Head of Asset Management, Abbey National

9:15 Tailoring capital guaranteed structures for private clients

This presentation will discuss how structured products fit within an asset allocation for private clients.

- Providing bespoke capital guaranteed structures
- Hybrid structures

Martin Brookes, Deputy Chief Investment Officer, SG Hambros Bank & Trust

10:00 Commodity-linked structures

The investor community has recognised the potential gains to be made from a rising commodities market. This presentation will explore a range of equity payoff structures in the commodity world.

- Dealing with backwardation in the pricing model
- Understanding the sensitivity of the payout

David Stuff, Director, Structured Product Sales, UK, Barclays Capital

10:45 Coffee & Networking Break

11:15 The paradigm of 'structured products' – an efficient new frontier

This talk will examine how smart investors can tailor new risk/return profiles, enhance threshold value and reduce systematic volatility.

- 60:60 principle – 60% outperformance with only 60% volatility of the underlying equity index
- All-season structured products- the 4th dimension in new asset classes
- Rainbow structures – letting the market decide your asset allocation balance
- Increasing the 'hit ratio' with structured products
- Determining hidden fat-tails to achieve extraordinary payouts

François Bloch, Head of Structured Products, Dexia Privatbank

12:00 Roundtable session

For this highly interactive session, you will split into small groups to discuss a key question, opportunity or challenge. This session gives you an opportunity to thrash out what you feel are the most pertinent issues, and to draw from the experience and knowledge of your fellow delegates. Conclusions will be delivered, in an informal manner, to the rest of the floor.

12:45 Networking Lunch

14:00 Sourcing alpha through structured products

This talk will examine the role structured products can play in the alpha generation processes of an institutional fixed income portfolio. Structures currently employed by Ontario Teachers' Pension Plan include Asset Backed Securities and Commercial Paper Conduits, Collateralized Loan and Bond Obligations, Credit Default Swaps (CDS) and CDS indicis tranches.

Sean Register, Senior Vice-President, Fixed Income, Ontario Teachers' Pension Plan

14:45 Explaining FX-linked products to clients

The current low interest environment makes private clients look for alternatives to investment grade bonds and cash. With the benefit from interest rate differences in different countries it is possible to make structured FX products appealing. This talk will focus on:

- Story telling – a necessary tool in selling to private clients
- Different types of FX products for different types of clients
- How to align these products to the general portfolio recommendation

Peter Rixen, Head of Competence Centre Fixed Income, Savings & Wealth Management, Nordea

15:30 Coffee & Networking Break

16:00 Risk consideration for structured product investors

- What risk factors need to be considered in structured products?
- How to measure these risks
- Integrating risk consideration with investment recommendations and asset allocations involving structured products
- Examples in risk assessment on several popular structures: are investors being properly rewarded?

James Chu CFA, Director, Structured Products, American Express Private Bank

16:45 Tax treatment of structured financial products

This presentation will give delegates a sound understanding of the tax treatment of financial structured products, particularly the conditions to be fulfilled in order to be tax exempt on a capital gain realised upon the sale of the instrument.

- Direct taxes and withholding taxes on financial structured products
- EU tax at source at the level of the paying agent, in application of the EU savings directive
- Types of approaches: bifurcation or integration
- Classical convertibles
- Capital protected notes
- Reverse convertibles
- Trackers

Nicholas Merlino, Tax Attorney, Oberson & Partners

17:30 Chairman's Summary and Close of Conference



