Agenda

Tuesday, June 5, 2012

8:00 a.m.  Registration and Coffee

8:40 a.m. – 8:50 a.m.  Welcome & Introduction

Ratna Sahay, Deputy Director, Monetary and Capital Markets Department, IMF

8:50 a.m. – 9:10 a.m.  Inaugural Address—Financial Outlook and Asset Allocation

José Viñals, Financial Counsellor and Director, Monetary and Capital Markets Department, IMF

The Financial Counsellor will provide an overview of global financial stability aspects relevant for asset allocation. What are the challenges for the financial system and for asset allocation, more broadly?

9:10 a.m. – 9:30 a.m.  Special Address—The State of the World Economy

Jörg Decressin, Deputy Director, Research Department, IMF

The Deputy Director will provide an overview of the current state of the global macroeconomic environment as relevant for global asset allocation. What is the outlook for growth, fiscal, and monetary policies? What is the outlook for global imbalances and its implications for exchange rates? How is sovereign risk evolving?

9:30 a.m. – 10:00 a.m.  Discussion

10:00 a.m. – 10:30 a.m.  Coffee Break
### 10:30 a.m. – 12:15 p.m.  
**Session I—The Safety of Financial Assets in the New Environment: A Discussion of Key Asset Classes**

Recognized private sector speakers will address the safety and outlook of key asset classes. In particular, this session will seek to address the asset allocation implications, from the perspective of reserve managers, of the following developments: (i) financial sector reforms; (ii) the covered bond market in Europe; (iii) mortgage-backed securities in the U.S.; and (iv) emerging market currencies. The presentations will be followed by a general discussion on the relevance of these issues for reserve managers.

**Chair:** Laura Kodres, Assistant Director, Monetary and Capital Markets Department, IMF

Terrence Keeley, Managing Director and Global Head of Official Institutions, BlackRock

Rodrigo Quintanilla, Managing Director, Financial Institutions Ratings, Standard and Poor’s

Pablo Goldberg, Global Head Emerging Markets, HSBC Securities USA

Michael Durr, Managing Director, Global Head of Central Bank Sales, Deutsche Bank AG

### 12:15 p.m. – 12:45 p.m.  
**Discussion**

### 12:45 p.m. – 2:00 p.m.  
**Luncheon, HQ1-2-Private Dining Rooms 3&4**

Address: Sovereign Risk and Financial Repression—The Risk of Eroding Real Returns on the Safest Assets

Roberts L. Grava, Managing Director, Head of Official Institutions, JP Morgan Asset Management Strategy Group

### The sessions below are restricted to official sector participants only

### 2:00 p.m. – 3:00 p.m.  
**Session II—Managing Currency Composition in a Changing Environment**

Against a backdrop of rapidly changing trade patterns, this session will consider the practical obstacles of diversifying beyond the SDR reserve currencies. What criteria do reserve managers use in diversifying their currency composition? Have these criteria been changed after the crisis? What are some of the main obstacles in investing in non-SDR currencies? The presentations will be followed by a discussion on the basic approaches used for setting currency composition, trends in trade and capital flows.

**Chair:** Louis de Montpellier, Deputy Head of Banking Department, Bank for International Settlements

Morten Kjærgaard, Head of Investments, Market Operations, National Bank of Denmark

Isabela Ribeiro Damaso Maia, Head of Corporate Risks and Benchmarks, Bank of Brazil

Daisuke Sugimura, Director, International Department, Bank of Japan

### 3:00 p.m. – 3:30 p.m.  
**Discussion**
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<th>Time</th>
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<td>3:30 p.m.</td>
<td>Coffee Break</td>
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<td>4:00 p.m. – 5:00 p.m.</td>
<td>Session III—Growing Size of Reserves and Shrinking Realm of Safe Assets</td>
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<td>The focus of this session will be on reserve asset allocation in a world of a shrinking supply of safe assets. The discussion will take place against the backdrop of the previous sessions, which dealt with the state of the world economy, rising global financial risks and evolving characteristics of different asset classes. What practices could reserve managers embrace to deal with a low-yield environment and a shrinking realm of safe assets (e.g., investing in longer maturity safe assets; and/or taking greater credit risk while accepting an increase in balance sheet volatility)? Should the creation of SWFs be (even) more actively considered?</td>
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|              | **Chair:** Jennifer Johnson-Calari, Program Director-Global Head of Reserve Advisory Management, Sovereign INV Partnership, The World Bank Treasury
|              | Sung Kyung Kang, Director, Reserve Management Strategy Division, Bank of Korea
|              | Tal Biber, Chief Investment Officer, Bank of Israel
|              | Torsti Silvonen, Head of Investment Division, European Central Bank |
| 5:00 p.m. – 5:30 p.m. | Discussion |
| 5:45 p.m. – 7:15 p.m. | Reception, Events Hall, HQ1-1-704 |
| 8:30 a.m.    | Coffee                                                              |
| 9:00 a.m. – 9:30 a.m. | Session IV—Managing International Reserves: Some Survey Results |
|              | IMF staff will present the results of a survey on the implications of the crisis for reserve management practices, followed by a brief discussion of the results. |
|              | **Chair:** Jan Brockmeijer, Deputy Director, Monetary and Capital Markets Department, IMF
|              | Christian Mulder, Senior Economist, Monetary and Capital Markets Department, IMF |
| 9:30 a.m. – 9:45 a.m. | Discussion |

**Wednesday, June 6, 2012**
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| 9:45 a.m. – 11:00 a.m. | **Session V—Working Group on the Reserve Management Guidelines Update:** Proposals on the Guidelines  
The working group (WG) set up to review the IMF’s Guidelines for Managing Foreign Exchange Reserves (RMG) will present proposals on amending the Guidelines. The session will focus on areas where experience has been gathered since the Guidelines were introduced in 2001, including risk management, the role of reserve management in global financial stability considerations, the use of derivatives, and governance.  
**Chair:** Franco Passacantando, Managing Director for Relations with International Institutions, Bank of Italy, and Chair of the WG on RMG Update  
**WG members on the RMG Update** |
| 11:00 a.m.      | **Coffee Break**                                                                  |
| 11:15 a.m. – 12:30 p.m. | **Session V—Working Group on the Reserve Management Guidelines Update:** Proposals on the Guidelines (continued)**  
The session will continue the discussion on the working group’s proposals and conclusions from the roundtable.  
**Chair:** Franco Passacantando, Managing Director for Relations with International Institutions, Bank of Italy, and Chair of the WG on RMG Update  
**WG members on the RMG Update** |
| 12:30 p.m. – 1:00 p.m. | **Concluding Remarks and Closing**  
**Christopher Towe**, Deputy Director, Monetary and Capital Markets Department, IMF |
| 1:00 p.m.       | **Light Lunch of the RMG Update Working Group, HQ1-03-500AB**                      |
| 2:00 p.m. – 5:00 p.m. | **Session restricted to the WG members reviewing the Reserve Management Guidelines**  
Conference Room HQ1-02-530 |