

# Meeting of Minds: Gatekeepers

Thursday 14 March 2024, The Berkeley Hotel, London, SW1X 7RL

## Schedule of the Day

<b>The Belgravia</b>	0815-0900	<b>Breakfast</b>	<b>Informal networking</b> over breakfast
<b>The Ballroom</b>	0900-0920	<b>Keynote</b>	<b>Welcome</b> - incorporating the highlights of the Scene Setter research.
<b>The Ballroom</b>	0920-1000	<b>Keynote</b>	<b>British Politics. What will 2024 hold, other than a General Election of course?!</b> With <b>Professor Anand Menon</b> , Director, UK in a Changing Europe
<b>Boardrooms</b>	1005-1115	<b>Roundtable Session</b>	<i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i>
<b>The Belgravia</b>	1120-1150	<b>Morning Coffee</b>	Informal networking with your peers
<b>Boardrooms</b>	1155-1305	<b>Roundtable Session</b>	<i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i>
<b>The Ballroom</b>	1310-1400	<b>Lunch</b>	<b>A seated formal two-course lunch</b>
<b>Boardrooms</b>	1405-1515	<b>Roundtable Session</b>	<i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i>
<b>The Ballroom</b>	1520-1550	<b>Keynote</b>	<b>Heads Up. If AI is changing the role of the CIO and fund selectors now, what can we expect to see in the future?</b> A panel discussion led by CIO and fund selector heads
<b>The Belgravia</b>	1550-1700	<b>Farewell High Tea and Networking</b>	With a glass of fizz on the side

## **A MEETING OF MINDS: GATEKEEPERS**

### **ROUNDTABLE THEMES**

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## ROUNDTABLE THEMES TABLED FOR DISCUSSION

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### ECONOMICS & GEOPOLITICS

#### 1. Second Coming - Should we be preparing for a return of Trump?

If Donald Trump wins the upcoming US election the impact on the geopolitical landscape - particularly when it comes to global trade and China, will be seismic.

While there is still a long way to go until the election in November, the 'what if' regarding how his second administration might land, and his approach to issues like climate change, international cooperation and global agreements is still cause for concern - particularly when it comes to foreign policy given the increasing instability in the east.

This session will look at:

- The impact of a second coming for Trump compared with the re-election of Biden on financial markets
- Strategies for resilience amidst the instability

*Expert: Eric Shimp, Vice President, International Government Relations, Principal Global Investors*

#### 2. Turning Red – Anticipating a new political landscape in the UK

Anticipation is looming over a Labour victory in the upcoming 2024 UK election, heralding big changes to the investment landscape and the broader UK policy framework.

While the precise implications of Labour's policy proposals, fiscal priorities and regulatory alterations remain uncertain, clients will be seeking insights into the likely impact on their investment portfolios. This session will address:

- Strategies for aligning client investment goals with changes in policies, regulations and fiscal priorities under a Labour government
- The importance of monitoring political developments and staying agile to reassess investment strategies amidst an evolving political landscape

*Expert: Graham Hook, Head of UK Government Relations and Public Policy, Invesco*

#### 3. Sharp Focus - Thematic thinking for the next decade

Change is everywhere. And it's rapid. Decision-makers and long-term investors are having to understand and ride multiple waves rippling through the global economy - from AI and the data revolution to energy policy, deglobalization and onshoring.

This session will discuss the major themes expected to dominate over the next decade – including technology, geopolitics, sustainability and the potential for recurring inflation in order to explain:

- Why decision-makers need to rethink their approach to long-term investment to take account of the profound impacts these forces will have upon the world economy
- How these broad themes are highlighting opportunities across multiple sectors and manifesting in many ways: industrial technology adoption; a capex supercycle driven by reshoring and national security concerns; changes in consumer behaviour and consumer companies benefiting from large datasets; the energy transition, electric vehicle adoption;

and the second- and third-order effects of artificial intelligence use

*Expert: Steve Wreford, Portfolio Manager, Lazard Asset Management*

## **TECHNOLOGY & INNOVATION**

### **4. Transformative Potential - How to harness AI in asset management**

While Gatekeepers' power for judgement and experience cannot be replicated by AI algorithms, its potential to transform your role shouldn't be ignored.

From boosting productivity by quickly analysing large volumes of research and allowing for faster and more informed investment decisions, to helping with the demands and the increased pressure coming from the FCA, this session will look at:

- How to leverage AI for asset management practices

*Expert: Andy Uttley, Co-Head Business Data, Analytics & Tools at Capital Group*

### **5. Hyped Up - Avoiding the risk of AI-washing**

AI-related capex is on the rise, potentially crowding out investments in other technology-based infrastructures. This poses questions about the sustainability of this demand, and how it might affect non-AI capex recovery, particularly for hyper-scalers.

With the value of AI now being determined by the evolution and adoption of enterprise and consumer use-cases, there is now the need to avoid AI-washing by separating the AI fact from fiction.

This session will therefore discuss:

- How to be sure when to believe the hype and when not to

### **6. Attractive Behaviours - The changing needs and expectations of investors**

Technological advancements have increased accessibility, data-driven insights, personalised options and innovative investment avenues, which means we now need to cater to a more diverse range of investor preferences and behaviours.

Asset managers are seeing more sophisticated and discerning investors than ever before, who are using online investment communities and social trading platforms which foster ideas and influence decisions on asset acquisition.

This session will explore the new investor categories and their preferences by asking:

- How this evolution is shaping the landscape of asset acquisition, attracting new investor segments and changing how traditional assets are acquired and managed

### **7. Strong Defence - Reinforcing trust with a transparent and secure approach**

As the use of digital transformation has increased, so has the amount of data which cybercriminals want to get their hands on.

Migrating to the cloud enables firms to collect vast amounts of data, and while this is essential for data storage, there can be reliability concerns when it comes to using third parties.

The financial services industry has a lot of legacy technology and fragmented IT systems that can create a much broader 'attack surface', and delivering vital information to clients across multiple channels does not help either.

The impact of data breaches and cybersecurity cannot be taken for granted, so this session will ask:

- What proactive steps can be taken to reinforce both your security infrastructure, as well as your client's trust?

## **SECTOR CHALLENGES**

### **8. Style Sense - Consistency, forecasting and market dynamics**

Style cycles come in and out of fashion depending on market environments, while consistency stems from forecasting ability and implementation efficiency.

This session will address the challenges when it comes to maintaining consistency within evolving market environments, by:

- The use of data tools to maintain style consistency, forecasting, opportunity sets through different market environments
- Analysing past decisions to improve future decision making and make better risk adjusted decisions

*Expert: Andy Evans, Fund Manager, Value and Jonathan Yow, Lead Data Scientist, Schroders*

### **9. Costly Decisions - Adoption barriers facing the sector**

From demonstrating AI's positive potential, to managing the fear of change, there are complex challenges when it comes to the interplay of technological advancements, market dynamics, adoption and the evolutionary impact of AI across the financial services sector.

That is before you consider the concerns around the sustainability of AI's cost - especially with the significant increase in spending on servers and IT budgets.

This session will discuss the adoption barriers the sector faces, including:

- ROI assessment, skill gaps, data protection and regulatory considerations

### **10. Remote Setting - The evolving landscape for workplace dynamics**

In a hybrid work environment, staff motivation and workplace culture can be harder to find, and as such, innovative approaches are needed to reinvigorate workplace culture.

While it is important to build closeness and teamwork with colleagues who meet less frequently, we are still at the relatively early stages of these new normal working patterns, with further changes yet to come, as the pace of digitisation continues.

This session will therefore explore:

- The varying models of remote and hybrid working adopted by firms, examining the success, challenges, and nuances of these approaches
- Employer responsibilities concerning the setup of home workspaces to mitigate risks associated with remote work
- Strategies to foster team unity, camaraderie, and collaboration, including initiatives for closer connections

## REGULATION

### 11. Juggling Act - Complying with multiple regulatory regimes

The shifting regulatory landscape requires continuous adaptation and innovation within the sector, and one of the biggest challenges is sustaining competitiveness in such a heavily regulated environment.

Being able to keep up and align with these demands is a serious business, and that's just in the UK. Given the global nature of asset management requires compliance with multiple regulatory regimes, this session will address the challenge of:

- Adhering to diverse regulations across different jurisdictions and the complex risk management strategies this necessitates

### 12. Duty of Care - The need for evidencing reliable risk profiles

The Consumer Duty has heightened the scrutiny and evidencing of reliable risk profiles, and now requires rigorous analysis, documentation and monitoring of risk metrics associated with selected investments.

This session will discuss whether:

- The increase in risk profiling funds is causing people to be more cautious, leading to client portfolios under delivering
- Failure to evidence reliable risk profiles could impact reputation, and as a result will we see a shift in focus from track record to reputation?

## INVESTMENT THEMES

### 13. High Yield Outlook - Unlocking opportunities and avoiding pitfalls

After high yield bonds posted double-digit returns in 2023, can the strong performance continue in the year ahead? Elevated yields continue to look attractive, but credit spreads could widen as volatility resurfaces. Despite moderating recession fears and prospects for supportive monetary policy, macro headwinds persist and companies continue to grapple with slowing economic conditions.

In this presentation, we will discuss:

- The forces shaping the high yield market in 2024, including the factors that will drive returns and impact company fundamentals
- Why high yield bonds continue to present interesting opportunities for long-term investors, and how to avoid risks using a cautious approach
- How can investors avoid downside risk and capitalise on upside potential, and why this environment creates a ripe opportunity for active, high-conviction managers

*Expert: Thomas Hanson, Head of Europe High Yield, Aegon Asset Management*