

INSURER INVESTMENT FORUM XIX

March 27-28, 2019

Fairmont Grand Del Mar Resort & Spa

[Click Here to Register](#)

Wednesday, March 27:

8:00 am **Breakfast Buffet**

9:00 am **SAA Investment Workshop**

Join your peers in discussions of case studies based upon real experience of SAA working closely with clients. Review different investment approaches from both the Board and senior management perspectives. Previous case studies addressed: Asset Allocation, “Best Practices” Investment Policies, Investment Manager Search and Benchmarking.

Noon **Lunch**

1:30 pm **Investment Seminar for Government Risk Pools**

Unlike commercial insurers, government risk pools “cooperate not compete” and they attend some excellent conferences on key issues. However, only at this special Investment Seminar are the most important investment issues facing pools discussed and dissected in detail. Using a case study format, everyone can ask questions and contribute their experience to the mutual knowledge of all pools at this seminar. Find out how your pool can improve its investment process.

4:30 pm **Adjourn**

6:00 pm **Reception and Dinner**

Thursday, March 28:

8:00 am **Breakfast Buffet**

9:00 am **Welcome and Opening Remarks:
What Happened 25 Years Ago? What Will Likely Happen in 25 Years?**
Alton Cogert, President & CEO, Strategic Asset Alliance

9:45 am **Yes, Virginia, There is a Business Cycle.**

Daniel Smereck, Managing Director, Strategic Asset Alliance
Alton Cogert, President & CEO, Strategic Asset Alliance
Nathan Simon, Financial Analyst, Strategic Asset Alliance

Traditional economics has given us the idea of the business cycle, plotting an economy’s constant move through expansion, peak, recession, trough, and recovery. With the current expansion moving towards the longest in US history, one might begin to wonder if the business cycle has been repealed. SAA will look at this idea by considering more than just GDP, in reconsidering just where in the business cycle we are today. And, what it might mean for investments in the medium and long term.

10:45 am **Break**

11:00 am

'Peer'ing into the Future – How Do You Compare? How Should You Invest?

Dan Smereck, Managing Director

Today, insurers are bombarded by investment managers and other sources with peer group related information. Comparisons are interesting, providing a hint at the strategies of your peers, but they can also be misleading. In addition, many such peer group analyses are so lengthy they lose the ability to provide useful information that may improve the insurer receiving the report. With that in mind, SAA will discuss key metrics insurers and pools should focus on, including an estimate of portfolio risk/reward, with a streamlined, flexible peer analysis. Where does your insurer or government risk pool fit on the risk/reward spectrum versus its peers?

Noon

Lunch

1:30 pm

Late Stage Looks: Opportunities and Land Mines in an Aging Economic Expansion

Nearly ten years old, the current US economic expansion rivals the record holder of 1991-2001. But, much has changed in the global economy since then. Interest rates remain historically low, equity markets look overvalued with Professor Shiller's CAPE ratio about as high as it was on Black Tuesday, 1929, and nobody can deny socio-political and trade relationship changes. Meanwhile, developed market central banks have embarked on quantitative tightening, shrinking their balance sheets and reversing their expansionary money supply policies.

Given all of this evidence, most agree that the US is in a late stage economic expansion. However, every stage of the economic cycle brings good and bad investment choices. We have asked three highly regarded investment managers for their thoughts on where those choices might be.

Floating Rate Loan Market: Fact and Fiction

Michael A. Kinahan, Portfolio Manager, Eaton Vance Investment Management

Eaton Vance will discuss the current state of the market from a fundamental, as well as technical standpoint, and address some of the headline topics which may not hold up when fully examined. Despite a strong fundamental footing, we have seen a significant pick-up in negative media coverage, focusing on trends such as covenant-lite, "loan only" issues, and CLO concerns. We will offer Eaton Vance's perspective on why it is important for investors to understand the "fiction" or "noise" of some of this media coverage and focus on the value in the floating rate loan market. Finally, Eaton Vance will provide an outlook for the asset class during this late stage economic cycle.

2:15pm

Investment Positioning for an Aging Bull

Christian A. Auger, Senior Client Strategist, New England Asset Management

With Central banks very slowly removing accommodation, and the initial stimulative effects from U.S. tax reform now behind us, the investment landscape is changing. Naturally, investment strategy will need to shift, keeping in mind that this economic expansion is already the longest on record.

This session will highlight the positives and negatives for insurers with a focus on an evolving interest rate and credit environment, new tax rules, and updated capital

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requirements. Our discussion will include NEAM's opinion on how these and other topics of the day will impact investors generally, and insurance companies specifically.

3:00 pm

Break

3:15 pm

Maintaining Yield in a Late Cycle Environment

Jim Kaniclides, Director & Senior Portfolio Manager, Mellon Investments Corporation

Fixed income investment strategies have relied on corporate and structured credit to enhance yield over the past several years. Credit spreads have historically moved well in advance of recessions and liquidity has been considerably impaired in these widening spread environments. This supports moving early to reduce credit risk rather than waiting until economic data confirm a slowdown. Does this mean portfolios must hide in a bunker filled with US Treasury securities and be content with less yield? We'll discuss some investment strategies that may help preserve yield in this late cycle environment.

4:00 pm

Ask the Experts

Panelists:

Michael Kinahan, Eaton Vance Investment Management

Christian Auger, New England Asset Management

Jim Kaniclides, Mellon Investments Corporation

Moderator: Alton Cogert, Strategic Asset Alliance

In this fast paced, free-for-all session, we place all three investment manager presenters, as well as SAA, on the 'hot seat' about any question that may have arisen at the conference. We suspect, given the variety of opinions, that this will be one of the livelier sessions at the Insurer Investment Forum

4:45 pm

Adjourn

5:00 pm

Farewell Reception