



Presenting debate on contemporary and emerging portfolio construction issues

If your role includes designing, building or managing investment portfolios – or you have a professional responsibility to understand how others do this – then PortfolioConstruction Conference is for you.

We'd welcome you joining us for a jam-packed two day marathon of 31 quality sessions...

another
brilliant!
production

 portfolio
construction

CONFERENCE

15 & 16 August 2007 | AJC Convention Centre, Randwick, Sydney

III

Don't just take our word for it. Here's what last year's delegates say about PortfolioConstruction Conference...

“BEST INDUSTRY CONFERENCE I HAVE BEEN TO. I DIDN'T EXPECT TO LAST THROUGH TWO TEN-HOUR DAYS OF LISTENING TO OTHERS SPEAK BUT IT REMAINED INTERESTING THROUGHOUT...”

“STILL THE MOST INTERESTING, TECHNICAL AND THOUGHT-PROVOKING CONFERENCE I'VE HAD THE PLEASURE TO ATTEND.”

“A WELL RUN AND ORCHESTRATED CONFERENCE WITH SOMETHING FOR EVERYONE.”

“EXCELLENT VALUE FOR MONEY.”

“THE CONFERENCE IS GENUINELY ABOUT PORTFOLIO CONSTRUCTION AND NOT A GUISE FOR PRODUCT PUSHING.”

“QUALITY AND DIVERSITY OF VIEWS WAS OUTSTANDING.”

“THIS IS THE BEST AVAILABLE CONFERENCE FOR THOSE GRAPPLING WITH DAY-TO-DAY PORTFOLIO CONSTRUCTION ISSUES.”

“THIS IS THE ONLY CONFERENCE THAT I REGULARLY ATTEND.”

“IT'S THE LEADING CONFERENCE. IF I HAVE TO CHOOSE ONE CONFERENCE A YEAR, THIS IS IT!”

THE investment conference of the year...

Our 2007 program will again challenge your thinking about how you design, build and manage portfolios!

The PortfolioConstruction Conference is on again in August! Over the past five years, it's earned a reputation as THE investment conference of the year.

If your role includes designing, building and managing investment portfolios, you're a member of an investment committee, or you have a professional responsibility to understand how leading portfolio construction practitioners do this, then PortfolioConstruction Conference is for you and we'd welcome you joining us.

Our 2007 program will challenge your thinking about how you design and build investor portfolios – and by August, the 30 June super deadline will be well out of the way, and you'll be wanting to incorporate the funds influx fully and construct the best possible portfolios.

At just A\$695+GST for portfolio construction Practitioners (Early Bird), PortfolioConstruction Conference gives unequalled value for money. That includes:

- the 18-hour program with 31 quality sessions
- PortfolioConstruction Drinks & Dinner
- Breakfast Briefing
- 1-year's subscription to the PortfolioConstruction Journal and PortfolioConstruction.com.au

We hope you and your colleagues can join us.

All the best,
Graham Rich

P.S. Numbers are strictly limited (and we reached capacity last year) so don't delay.

GRAHAM RICH

Publisher,
brilliant!



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In association
with –



Gateway Financial
Services

12 worlds

Money Management

SuperReview

10 reasons why it's THE investment conference of the year...

A singular focus

PortfolioConstruction Conference has one focus – debating contemporary and emerging portfolio construction issues. It means the program delves deep, providing continuing education in a core competency area and meaningful implementation outcomes.

A firm emphasis on substance (not sizzle)

PortfolioConstruction Conference is no junket! It's a cram-packed, marathon two days with 18 hours in 31 quality sessions.

Neither retail nor wholesale, rather for all portfolio construction practitioners

PortfolioConstruction Conference is for anyone who designs, builds, or manages investment portfolios – dealer group principals and researchers, paraplanners, CFPs, investment advisers, research house analysts and asset consultants, MTM analysts, and super fund trustees and executives. We call them PortfolioConstruction Practitioners.

A totally independent, 13-hour interactive plenary program

Conference is a core pillar of the PortfolioConstruction Forum, and another way to bring great portfolio construction content to our Members – so our plenary program is completely independent of any commercial arrangements and is instead designed by our team of experienced investment analysts, for whom content is king. This means that each year, Conference features leading international and local portfolio construction experts – tried and tested for their content and presentation skills (all content is vetted and approved by our experienced analysts). Plus, our Gizmo technology maximises delegates' interaction with our plenary speakers. And, rather than accept our presenters' views at face value, our Inquisitors lead Q&A time, quizzing speakers to get them to clarify points and defend assumptions implicit in their presentations. Gizmos brought to you by



Plus, another six Due Diligence Forum sessions

Over the two days, you choose another six sessions from a menu of 24. Each is focused on a portfolio construction issue, firmly grounded in an approved research paper. We publish the research papers in a special post-Conference Journal, which is sent to all delegates.

A strong focus on implementation

Conference is not just a talk fest. Our key sessions each contain an Implementation Workshop that clearly establishes how to apply the ideas in portfolios on a day-to-day basis.

Post-Conference, your learning continues via an online multi-media library

We video all of the plenary sessions, synchronise that with their slides and create an online multi-media library that's only available to delegates. Plus, we audio record all of the Due Diligence Forum sessions, synchronise the audio with their slides and publish those and the research papers in an additional online multi-media library.

Earn 20+ CPD points

Our commitment to quality educational content has earned a terrific CPD history for the two-day program (15.25pts in 2006, 16.5pts in 2005 and 14pts in each of the prior years). Plus this year, we're boosting that further. After Conference, you can use the multi-media library to view the DDF sessions you didn't attend (another 18!), take the online quiz, and earn an additional 10+ CPD points.

Extensive speaker and peer networking in our PortfolioConstruction Café

Our unique 3.75:1 Practitioner-to-Partner ratio means you'll have extensive interaction with our international and local investment portfolio experts and your Practitioner peers.

Unequaled value for money – registration includes:

- the 18-hour two-day program of 30 quality sessions;
- PortfolioConstruction Café Drinks & Dinner (15 Aug);
- Breakfast Briefing (16 Aug);
- Online multi-media library of all sessions (including all 24 Due Diligence Forums, not just those you attend);
- 1-year's subscription to the *PortfolioConstruction Journal* and PortfolioConstruction.com.au

Yet PortfolioConstruction Conference is the lowest cost, two-day, independent investment conference in Australia.

REGISTRATION OPTIONS – PRACTITIONERS*

2006 Delegates	\$595.00	SAVE \$200
Non-2006 Delegates		
– Early Bird (pre 30 July)	\$695.00	SAVE \$100
– Standard (post 30 July)	\$795.00	

All rates are ex GST and in A\$. Multiple registrations or non-Practitioner rates? Refer online.

REGISTER ONLINE! www.PortfolioConstruction.com.au

This year's key themes and keynote speakers...

Portfolios

I've been thinking about...
emerging trends in portfolio construction

Each year, we kick off Conference with an international keynote overviewing the emerging trends they're seeing in the portfolio construction arena. It's become a rich tradition of bringing the best portfolio construction thinking from around the world to Australia. This year, our opening keynote hails from the US. He'll trace the evolution of asset allocation, introducing better measures of risk and return, and show how he has borrowed from engineering and economics to model the efficient frontier in three dimensions.



BRYCE JAMES | CEO | Smart Portfolios | US

Bryce is CEO and founder of Smart Portfolios, a firm that specialises in providing portfolio optimisation solutions for institutions and investors. His varied 20-year investment career includes founding Seattle's premier non-profit Investment Forum in 2000 and Shield Investment Advisors, a fixed-income hedge fund of funds. He was senior vice president with Morgan Stanley (2001-2002) and from 1983 to 2000, Bryce compiled a stellar record (top 1% in performance) as a fee-based portfolio manager.

Markets

I've been thinking about... the movement of markets – riding the elephant: tomorrow's India, the risks & opportunities

India remains a mystery to many Westerners, even as it is poised to become the world's third largest economy within a generation. By the end of this session, you'll be a lot more informed about a market that's going to have a significant impact on portfolios for generations to come.



DR ANAND SETHI | MD | Applied Technology Services | India

Anand has a rich knowledge of India's economic history, and its current opportunities and challenges. He is a pioneer of India's much-lauded IT industry, and has worked closely with many international companies in India and other Asian countries. He is a frequent contributor to publications in India, Europe and the US, and recently co-authored the highly acclaimed *Doing Business in India*. He is a permanent member of the BRIC Study Tour – India faculty.

Brought to you by



I've been thinking about... trends in investment markets and the long-term asset allocation implications

No investment conference would be complete without an in-depth discussion of where markets are at, and what lies ahead. The first part of this session will do exactly that. But this year, we're also taking that one step further, to ensure that you understand the practical implications of our experts' views, and the impact on the asset allocation models you build for your clients.

Part 1: I've been thinking about... trends in investment markets

Our panel of prominent investment experts will present and debate their long-term forecasts for Australian equities, global property international equities, and hedge funds.

PAUL TAYLOR | Head of Australian Equities | Fidelity Investments | Australia

STAN KRASKA | Managing Director | LaSalle Investment Management | US

SCOTT BERG | Portfolio Manager, Int'l Equities | T.Rowe Price | US

DOMINIC MCCORMICK | CIO | Select Asset Management /Gottex | Australia

STEPHEN VAN EYK | Managing Director | Van Eyk Research | Australia

Part 2: Let's get thinking about... the long-term asset allocation implications

We'll take our experts' forecasts and delegates' own views and model the long-term asset allocation implications – showing the impact of those views on how you construct portfolios.



TIM FARRELLY | Principal | farrelly's | Australia

farrelly's is the Australian financial services industry's first and only dedicated asset allocation research house. It is focused on helping advisers make superior asset allocation decisions. Prior to 2004, Tim was an Executive Director of Macquarie Bank, and Director of Macquarie Investment Management. At various times during his 14 years at Macquarie he sat on the Asset Allocation and Risk Committees and was responsible for the Long-Term Forecasting program in 2000 which foreshadowed the bear market in US equities. Tim has a MBA (Distinction) from the Harvard Business School and a Bachelor of Engineering (Met) from the University of Melbourne.

Key themes continued...

Portfolios

I've been thinking about... the retirement of retirement (and what it means for portfolio construction)

Tomorrow's "retirees" are going to have very different needs, goals, situations and attitudes – and this is going to require a massive redevelopment of financial planning and portfolio construction tools. By the end of this session, you'll be able to reassess your retirement planning models to account for the changing face of retirement, so they're more in line with what tomorrow's "retirees" want and need.

Part 1: I've been thinking about... new research into the attitudes and behaviours of tomorrow's "retirees"



ELIZABETH SEGERS | MD | Putnam Investments | US

Elizabeth will provide insights into the changing face of retirement globally along with new research capturing Australian advisers' experience with their Baby Boomer clients. Elizabeth is a foremost authority on global retirement trends, attitudes and practices. She was recently named by *Pensions & Investments* as one of the top 25 people to watch in the next 25 years. She serves as the Chair of the Research Committee of the ICI, the US equivalent of IFSA, where she directs and leads current research initiatives for the mutual fund industry.

Part 2: I've been thinking about... longevity risk



DAVID WILLIAMS | Principal | David Williams Consultancy | Australia

David will discuss his research into mortality, and the common misconceptions that are undermining the integrity of portfolios.

David has been involved in financial planning for over 20 years, holding numerous executive roles including executive director of RetireInvest (1986 to 1997), CEO & Director of Bridges Financial Planning (1997-1999) and GM of Diversified Portfolio Managers (from 2001 until its recent sale). He is a past Chair of FPA's Public Policy Committee and current Chair of Standard Australia's committee on Personal Financial Planning. In 2002, he was awarded the FPA's Distinguished Service Award.

Portfolios

I've been thinking about... the retirement of retirement (and what it means for portfolio construction) - cont'd

Part 3: I've been thinking about... the possible solutions to longevity risk

ANDREW ROBERTSON | Managing Director | Ingevity | Australia

Andrew will identify ways we should be framing our thinking about longevity and portfolio construction, and some of the solutions.

Andrew founded Ingevity in 2005, as a specialist product innovator focused on creating solutions to better manage longevity risk. He is a Rhodes Scholar, studied engineering at Sydney University and completed his DPhil at Oxford. He worked as an aerospace engineer in the US before joining McKinsey & Co where he advised the management teams of globally recognised companies.

Part 4: Let's get thinking about... what the retirement of retirement means for portfolio construction

TIM FARRELLY | Principal | farrelly's | Australia

Tim will take the current standard retirement model and update it to take into account the issues identified by our panel of experts – with delegates determining key inputs using the Gizmo technology.

Portfolios

I've been thinking about... a requiem for efficient...

Our early morning Breakfast Briefing on Thursday is another Conference tradition. This year, one of our visiting fellows, Bob Veres, will overview two new and significant contributions to investment theory work that have come out of the US in recent months. The first comes from one of the most important contributors to the efficient market hypothesis, Nobel Laureate Bill Sharpe, who has created an entirely new model of investor behaviour. The second is Jason Zweig's detailed account of what behavioral finance researchers have uncovered about our dysfunctional investment behaviour.



BOB VERES | Editor | Inside Information | US

Bob Veres is the US-based editor of *Inside Information* (a PortfolioConstruction Tool). He is one of the most respected and influential financial services industry commentators in the US.

Key themes continued...

Portfolios

I've been thinking about... trends in analysing investment managers

Part 1: I've been thinking about... the disposition effect

New and better methods of researching investment skill are emerging all the time. This session overviews ground-breaking research into the Disposition Effect, the theory academics use to explain professional investors' propensity to hold on to underperformers and sell their winners.



ALLESANDRO LUNGI | Director | Inalytics | UK

Allesandro is the London-based Director of Consulting at Inalytics, a firm that is pioneering new measures of identifying investment manager skill. He has worked in the fund managements industry for 15 years, with roles in quantitative analysis, active European equities and product specialisation. His responsibilities at Inalytics include product development, interpretation of client data and value-added consulting services. He is an Associate Member of the UK Society of Investment Professionals (SIP).

Part 2: Let's getting thinking about... our own buy/sell/hold behaviour

Tim Farrelly will lead delegates in a roundtable discussion to explore the times Practitioner delegates have hung on too long with a fund they would have been better getting out of, or left a fund too early only to find it rally. Then we'll take those scenarios and explore a process for deciding when it makes sense to sell a fund, and when it's better to hold.

Portfolios

I've been thinking about... my key takeouts

Our visiting fellow Bob Veres and implementation specialist Tim Farrelly will summarise the most important things they've taken from the two-day Conference program, and the follow up they'd be doing if they were a Practitioner delegate.

Our closing session is a "must attend"...

Parameters

I've been thinking about... the turbo of technology

It's another Conference tradition – every year, we end our two-day program by pulling back to look at what the future holds. This year, we've gathered an expert panel to examine the future of communication technologies, specifically the integration of advanced technologies into your client's daily life. We will take a fresh look at new capabilities for transmitting information, as well as new influences in communications, and examine how these will impact on your adoption of new communication trends with your clients – and how your clients may very well want to communicate with you in the days and years to come.

Part 1: Factoring constant change into the future



PETER BLASINA | *The Gadget Guy*

Peter is best known as The Gadget Guy on Channel 7 Sunrise. He is widely acknowledged as one of Australia's foremost commentators on technology developments. He is a recognised expert on the emerging field of technological convergence.

Part 2: Integrated media – where content is King



ROBBEE SPADAFORA | *Client Services Director* | *Seven*

Robbee works within Seven's digital media group, providing integrated media solutions across Seven's TV, magazines, and online investments. She is in charge of Seven's interactive and digital initiatives (on-air and via mobiles). She lectures to MBA students in HK, Singapore & Australia on wireless marketing.

Part 3: Social networking – all about me and my phone



MARTIN HOFFMAN | *MD & CEO* | *Loop*

Martin heads Loop, an international provider of mobile social networking services focused on 3G networks. He was previously CEO of NineMSN and has served two terms as elected director of the Internet Industry Association of Australia. He holds an MBA (honours) degree from IMD (Switzerland), a Master of Applied Finance (Macquarie University) and Bachelor of Economics (Sydney University).

Due Diligence Forum Program

Our unique Due Diligence Forum program brings you a wide choice of breakout sessions...

The Lot

Colonial First State Extracting more juice from yesterday's heroes – a glimpse into the future of portfolio management

Perpetual The rise and rise of capital protected products

ING Australia Tactical asset allocation – did you throw the baby out with the bath water?

Of Interest

Allco Finance Group Planes, trains and ships – unveiling the investment community's best kept secret

PIMCO Pricing risk in global bond markets – am I ever going to see your face again?

Putnam Investments When top down models went out of date – fixed income as an alpha source

Challenger The changing face of global fixed interest – the move from sovereign to credit

Getting Real

AMP Capital Investors Infrastructure investing – crossing the divide from asset to investment characteristics

Pentacle Property Funds Mgmt Constructing an unlisted property portfolio

Lazard Asset Management Global infrastructure – what returns can you expect and how can you access them?

Principal Global Investors Property securities – dead end or global beginning?

Taking Stock – Australia

MMC Asset Management Absolute conviction – at what price?

Russell Investment Management When great minds think alike

EQT/SG Hiscock Investing in companies with a competitive edge

Taking Stock – International Equity (Diversified)

Aberdeen Asset Management Global investing – a world of opportunity

Global Value Investors Client-focused returns from global industrials

Magellan Asset Management Concentrated global equity portfolios – why less is more

Schroders Benchmark beware!

Taking Stock – International Equity (Specialty)

Deutsche Asset Management What are the global mega trends? What do they mean for your equity portfolios?

Fidelity International India – the rent-a-brain supermart

Alternatively

Credit Suisse Asset Management Private equity – a world of opportunities

HSBC Private Bank Convergence in the funds industry – from mutual funds to private equity

Select Asset Management Constructing an alternatives portfolio

PortfolioConstruction Conference

Program overview

Wednesday 15 August, 2007		Thursday 16 August, 2007	
7.30am	Registration	7.15am	Bob's Breakfast Briefing (incl breakfast – bacon & egg English muffin, fruit, danish, croissant, tea/coffee/juice)
8.30am	Opening Keynote Incl Q&A	8.30am	Opening Keynote incl Q&A, and Implementation Overview
10.45am	Morning tea	10.25am	Morning tea
11.25am	Due Diligence Forum 1	11.05am	Due Diligence Forum 3
12.20pm	Due Diligence Forum 2	12.00pm	Due Diligence Forum 4
1.10pm	Lunch	12.50pm	Lunch
2.10pm	Best of DDF	1.45pm	Best of DDF
3.05pm	Keynote Incl Q&A and Implementation Workshop	2.40pm	Keynote Incl Q&A and Implementation Workshop
5.30pm	Keynote (Incl Q&A)	4.15pm	My Key Takeouts
		6.00pm	Conference ends
6.30pm	Drinks & Dinner	PLUS... Friday 17 August Post Conference Workshop (see page 14 for details)	
10.00pm	Day 1 Ends		

Post Conference Workshop – A Taste of India

Only
\$195.00
+ GST

Friday 17 August | 8.30am - 12.30pm
Hyde Park Forum, 271 Elizabeth St, Sydney

India is poised to become the world's third largest economy within a generation, becoming a market that is going to have a significant impact on portfolios for generations to come. Yet none of its economic expectations can be taken for granted. There are huge challenges ahead as well as huge opportunities, which India must overcome to reach its full potential. If your role incorporates having an opinion on global investment markets, a perspective on emerging markets and a view on India's impact, then this is a session you cannot afford to miss.



An insider's perspective on India

Dr Anand Sethi will give his unique perspectives on where India's economy has come from, tracing its development (and desecration) over

time, and it's current strengths and challenges. He'll explain its contrasts and contradictions, its global ambitions, and the emerging transformation of rural India. Anand is a pioneer of India's much-lauded IT industry, and has worked closely with many international companies in India and other Asian countries. He is a frequent contributor to publications in India, Europe and the US, and recently co-authored the highly acclaimed *Doing Business in India*. He is a permanent member of the BRIC Study Tour – India faculty.

India's place in the world economy

Our special guest economist will examine India's economic miracle (8%pa GDP growth for 25 years), the key drivers, what it buys and sells and the future of what will be the world's third largest economy.

Integrating an India exposure into portfolios

Finally, we'll work through the key issues related to how to integrate an Indian exposure into portfolios.

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REGISTER ONLINE NOW!

www.PortfolioConstruction.com.au

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It is designed to help you manage these challenges – a resource centre you can use to not only enhance your portfolio construction understanding and expertise, but also to access practical Tools to build better quality investor portfolios. It has three integrated pillars, each of which is ultimately categorised, published and archived on PortfolioConstruction.com.au.

 portfolio
construction

JOURNAL

The *PortfolioConstruction Journal* presents research on contemporary and emerging portfolio construction issues.

The Journal presents thought-leading analytical papers and opinions from a range of expert contributors. It stands alone between the “newsy” positioning of the various trade publications and the “Greek alphabet” extreme of academic titles. Neither “retail” nor “wholesale”, the Journal is delivered three times per year on a complimentary basis to selected Members who are portfolio construction decision-makers, and is available by subscription to non-practitioners.

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CONFERENCE

Our annual PortfolioConstruction Conference facilitates debate on contemporary and emerging portfolio construction issues.

PortfolioConstruction Conference has earned a reputation as THE investment conference of the year. It's a jam-packed, two-day program of quality keynote and plenary sessions interspersed with roundtable, peer group discussions on contemporary, leading and emerging portfolio construction issues. It will challenge your thinking about how to design and build investor portfolios.

MARK YOUR DIARY FOR NEXT YEAR! 27 – 28 AUGUST, 2008

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TOOLS

Our exclusive suite of PortfolioConstruction Tools enables implementation of better quality investor portfolios.

Building portfolios to suit investors' needs, goals, and attitudes has never been so difficult – and most practitioners are not satisfied with their current results. We select our Tools for their innovative and thought-leading approaches to different challenges in the portfolio construction process. They're not all you'll need to build quality investor portfolios – but they're certainly an invaluable complement to your portfolio construction tool set.

JOIN NOW – IT'S FREE! | www.PortfolioConstruction.com.au

PortfolioConstruction Forum is published by independent boutique investment publishing house, brilliant! (www.brilliant.com.au). brilliant!'s specialist in-house editorial and analyst team is highly experienced in the investment publishing arena, and the Australian financial services industry. PortfolioConstruction Forum also involves some of the industry's best portfolio construction minds, selected from our many years' experience in the investment advice and funds research industries.

another brilliant! publication