

# TRADER FORUM

## 2010 EQUITY SUMMIT JANUARY 28 • THE GRAND HYATT • NEW YORK

### THURSDAY, JANUARY 28 2010 Equity Summit

- 8:00 to 8:30 a.m.      **REGISTRATION & BREAKFAST** *Empire Ballrooms D & E (Ballroom level)*
- 8:30 to 8:45 a.m.      **OPENING REMARKS** *Empire Ballroom A*  
**Lewis Knox**, *Executive Director, TraderForum*
- 8:45 to 9:45 a.m.      **MANAGING YOUR BROKER RELATIONSHIPS** *Empire Ballroom A*  
Commission budgets are tight – AUM is down and increased use of low-commission, low-touch trading is pulling down the blended rate that investment management firms pay their brokers. That makes it hard to compensate brokers for research and other services. How do buy-side traders balance low-touch trading with high-touch in order to get the right blended rate? Are brokers being more careful with research, company access, capital commitment and other services? And is the buy-side moving back towards more high-touch or even block trading?
- Panelists*
- **Kevin Brady**, *Managing Director, Head of US Portfolio & Electronic Sales, Nomura Securities*
  - **Bill Bell**, *Managing Director, Head of Equities US Electronic Sales and Sales Trading, Barclays Capital*
  - **Kevin Kelly**, *Vice President, Equity Trading, RS Investments, Inc.*
  - **Ken Napolitano**, *Head of Americas Sales, Bloomberg*
- 9:45 to 10:45 a.m.      **DARK POOLS UPDATE** *Empire Ballroom A*  
The world of dark pools continues to evolve. The SEC is proposing new regulations, the New York Stock Exchange, NASDAQ, and the London Stock Exchange are modifying their pools, and the array of sell-side pools keeps changing. There are some who say this is what the market of the future will look like, while others see a dark-pool bubble that will eventually and inevitably burst, to be followed by a wave of consolidation. This session will offer a report on what's happening in the world of dark pools, and what it all means.
- Moderator: Robert M. Hegarty, Managing Director, Market Structure, Depository Trust & Clearing Corporation*
- Panelists*
- **Craig Hurl**, *Head of Equity Trading, Ontario Teachers' Pension Plan Board (OTPPB)*
  - **Daniel Mathisson**, *Managing Director, Credit Suisse AES*
  - **Owain Self**, *Managing Director, Head of Algorithmic Trading, Americas and EMEA, UBS Investment Bank*
  - **Mark Wright**, *Senior Vice President, ITG*
- 10:45 to 11:15 a.m.      **COFFEE BREAK & EXHIBITS** *Empire Ballrooms D & E*
- 11:15 to 12:15 p.m.      **WASHINGTON OUTLOOK** *Empire Ballroom A*  
The market meltdown brought an outcry for regulation and reform in financial markets. A number of proposals have been put forward to alter the nation's financial regulatory structure by expanding the role of the Federal Reserve, merging the SEC and CFTC, and streamlining other components of the framework.

There are also proposals to tighten regulations on hedge funds, restrict short selling, and tax short-term trading. What proposals have actually been introduced in Congress and what are the prospects for enactment? How are the regulatory agencies responding to the clamor for change? Will the enthusiasm for reform be maintained, or will it quickly fade as markets recover?

Panelists

- **Kirk Allen**, *Managing Director, Trading*, NWQ Investment Management Company, LLC
- **Benjamin Allensworth**, *Assistant General Counsel*, Managed Funds Association
- **Ari Burstein**, *Senior Counsel*, Investment Company Institute
- **Stephen Cavoli**, *Executive Director, Head of US Electronic Trading Distribution*, Morgan Stanley
- **Anthony LaRosa**, *Managing Director and Head of Equity Capital Markets Compliance*, RBC Capital Markets

12:15 to 1:00 p.m.

**LUNCH & EXHIBITS** *Empire Ballrooms D & E*

1:00 to 1:45 p.m.

**INTERACTIVE DISCUSSION GROUPS – SESSION I**

*Each breakout discussion group will run twice; members may participate in two out of three groups.*

**INTERACTIVE DISCUSSION GROUPS OPTIONS:**

**I. TIGHTENING YOUR BELT: DECIDING WHAT MARKET DATA AND SYSTEMS CAN YOU LIVE WITHOUT** *Room #1401 (14<sup>th</sup> Floor)*

Faced with the financial crisis and recession last fall, most investment management firms slashed market data and technology expenses in 2009. How did traders decide which feeds and tools they could live without? And will those systems ever come back, now that the markets are rebounding?

**II. SOUND FX: BEST PRACTICES FOR TRADING FOREIGN EXCHANGE ON THE EQUITIES DESK** *Room #1409 (14<sup>th</sup> Floor)*

Many equities desks are taking on the task of trading foreign exchange to settle international equities trades, instead of leaving that task to the back office or the custodian bank. What are the steps traders need to take to educate themselves about the FX market? What systems should they use, and what alternate trading venues are available?

*Moderator: Bonnie Acar, Execution Services Manager, Trading Division, Brandes Investment Partners, L.P.*

**III. MANAGING VENDORS: HOW TO GET YOUR OMS VENDOR TO TREAT YOU LIKE HIS BIGGEST CUSTOMER, EVEN WHEN YOU AREN'T** *Room # 1418 (14<sup>th</sup> Floor)*

Order management systems are large, complex products, and vendors need to carefully prioritize changes they introduce to each new version. If you are a relatively small firm, how do you make sure our OMS vendor puts your most important changes at the top of its to-do list? Discussants will share tips and tricks for punching above their weight in vendor management.

*Moderator: Vincent Cacciatore, Senior Business Analyst, Delaware Investments*

1:45 to 2:30 p.m.

**INTERACTIVE DISCUSSION GROUPS – SESSION II**

**I. TIGHTENING YOUR BELT: DECIDING WHAT MARKET DATA AND SYSTEMS CAN YOU LIVE WITHOUT** *Room #1401 (14<sup>th</sup> Floor)*

*Moderator: Stephen S. Hedger, Managing Director/Trading & Investment Operations, Fifth Third Asset Management*

**II. SOUND FX: BEST PRACTICES FOR TRADING FOREIGN EXCHANGE ON THE EQUITIES DESK** *Room #1409 (14<sup>th</sup> Floor)*

*Moderator: Keith D. Duffy, Managing Director, PineBridge Investments*

### III. MANAGING VENDORS: HOW TO GET YOUR OMS VENDOR TO TREAT YOU LIKE HIS BIGGEST CUSTOMER, EVEN WHEN YOU AREN'T *Room # 1418 (14<sup>th</sup> Floor)*

*Moderator: Vikas Parikh, IT Director - Trading Operations & Vendor Management Office, GE Asset Management*

2:30 to 3:00 p.m.

**COFFEE BREAK & EXHIBITS** *Empire Ballrooms D & E*

3:00 to 4:00 p.m.

**ALGORITHMS: GAMES PEOPLE PLAY, AND HOW TO DEFEAT THEM** *Empire Ballroom A*

Algorithms offer many benefits: they work tirelessly, they may deliver lower transaction costs and they should be able to keep a secret. But as soon as brokers began to deploy algorithms and the buy-side began to use them, traders tried to recognize algos in the market and take advantage of them. This panel of high-tech, low-touch brokers will discuss how traders try to game algorithms and how brokers can build defenses against gaming into their algos.

Panelists

- **Thomas Chippas**, *Managing Director, Head of Autobahn Equity North America, Deutsche Bank Securities Inc.*
- **Robert Shapiro**, *Executive Director of Trading Analytics and Execution Analysis, Morgan Stanley Investment Management*
- **George Sofianos**, *Vice President, Equity Execution Strategies, Goldman Sachs*
- **Henri Waelbroeck**, *Vice-President, Director of Research, Pipeline Trading Systems LLC*
- **Joseph Wald**, *Managing Director, Knight*

4:00 to 5:00 p.m.

**THE BIG PICTURE: THE STATE OF THE SECURITIES AND INVESTMENTS BUSINESS**

*Empire Ballroom A*

The financial markets have recovered remarkably quickly from the worst of the financial crisis, but regulatory, economic and technological developments promise more change for the capital markets and the investment management business. Dushyant Shahrawat, who focuses on trading issues and the institutional securities business at research firm TowerGroup, will look at how market structure, trading and IT will interact to shape the investment business in the near term. This session will cover the following issues:

- State of the Securities & Investments Business Right Now
- Major Issues in Electronic Trading including Volumes, Fragmentation and Regulation
- State of Trading Technology and Future Investments

*Speaker: Dushyant Shahrawat, Senior Research Director, TowerGroup*

5:00 p.m.

**CONFERENCE CONCLUDES**