



# Deluge or Drought in Liquidity Markets?

*How new regulations are transforming collateral management*

America Square Conference Centre, London EC3

The fallout of regulatory reform for most banks and capital market participants has transformed collateral management into a complex, costly exercise involving higher volumes of collateral, increased margin calls and interaction with counterparties. This event will address the issues of greatest concern for firms: collateral availability, strategies to comply with regulations and dispute management. The new regulations will result in wholesale changes to how OTC derivatives are settled, collateralised and reported. Collateral management once considered a support function is gaining in both popularity and importance.

This conference should be attended by Chief Executive Officers, Chief Risk Officers, Vice Presidents, Directors and Heads of: Collateral Management; Collateral Trading; Repo Trading; HFT; Counterparty Risk; Operations; OTC Derivatives; Securities Lending and Borrowing; Middle/Back Office; Equity/Fixed Income; Hedge Funds; Asset Management Houses, as well as Economists and professionals serving the banking industries.

## Speaker Panel

- **Ted Allen**, Head of Collateral Product Management, SunGard
- **Ron Anderson**, Emeritus Professor of Finance, London School of Economics
- **Tony Baldwin**, Co-Head of Fixed Income, Daiwa Capital Markets, Europe
- **Xavier Bouthors**, Senior Treasury Investment Manager, ING Investment Management
- **Nicholas Chaudry**, Head of OTC Client Clearing, Commerzbank
- **Gary Clunie**, Executive Director, UBS Investment Administration
- **Marco Diolosa**, Head of Rates & Derivatives, Pension Insurance Corporation
- **Nathan Evans**, Senior Product Manager, Repo & Securities Financing, Six Securities Services
- **Jamie Gavin**, Director, Prime Clearing Services, Societe Generale Newedge
- **Barry Hadingham**, Head of Derivatives & Counterparty Risk, Aviva Investors
- **Mark Higgins**, Head of EMEA Business Development, BNY Mellon Global
- **Andy Hill**, Director of Market Practice & Regulatory Policy, International Capital Markets Association (ICMA)
- **Stephen Loosley**, Partner, Catalyst
- **Grigorios Markouizos**, Global Head of Fixed Income Finance, Citigroup
- **Lee McCormack**, Executive Director Client Clearing & Business Development, Nomura
- **Kevin McNulty**, Chief Executive, The International Securities Lending Association
- **Caroline Meinertz**, Partner, Financial Regulatory Group, Clifford Chance LLP
- **Ed Oliver**, Senior Vice President, Product Development, eSecLending
- **Neill Pattinson**, Head of Derivatives Clearing Services EMEA, HSBC
- **Patrick Pearson**, Directorate General Internal Market Services, Head of Financial Markets Infrastructure, European Commission
- **Michael Hume**, Head of Capital Markets Division, Bank of England
- **Philip Simons**, Global Head of Sales & Marketing Clients & Markets, Eurex Clearing
- **Richard Wilding**, Deputy Head of Business Development Clients & Markets, Eurex Clearing
- **Neil Wright**, Director, Sapien Global Markets

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# The Programme

**08:30 Registration and morning coffee**

**08:55 Chairman's opening remarks**

**Ted Allen**, Head of Collateral Product Management, SunGard

**09:00 Round Table: What does the future hold for derivatives clearing?**

- How will the new regulations affect the liquidity dynamics of the derivatives market and the cost of more bespoke OTC products?
- How can European authorities learn from the successful roll-out in the US?
- Problems associated with the concentration of risks in central counterparties

**Moderator: Philip Simons**, Global Head of Sales & Marketing Clients & Markets, Eurex Clearing

**Lee McCormack**, Executive Director Client Clearing & Business Development, Nomura

**Nicholas Chaudry**, Head of OTC Client Clearing, Commerzbank  
**Caroline Meinertz**, Partner, Financial Regulatory Group, Clifford Chance LLP

**Neill Pattinson**, Head of Derivatives Clearing Services EMEA, HSBC

**Barry Hadingham**, Head of Derivatives & Counterparty Risk, Aviva Investors

**09:45 Panel Debate: Clearing repo across a CCP - the future of the European repo and stock lending markets**

The repo market faces an unclear landscape as the impact of regulatory reforms and interactions with the central bank community continue to increase uncertainty.

- How do repo parties ensure they have enough collateral?
- Selecting high quality and liquid collateral
- The importance for both parties to revalue collateral daily to ensure margin requirements are met
- Importance of written agreements in case of default
- What happens if a party fails to deliver collateral in a repo transaction?
- How the repo market allows for more efficient collateral management
- Impact of haircuts on most and least liquid assets
- Could Basel III liquidity coverage ratio force banks to sell their low margin government bonds?

**Moderator: Kevin McNulty**, Chief Executive, The International Securities Lending Association

**Nathan Evans**, Senior Product Manager, Repo & Securities Financing, Six Securities Services

**Grigorios Markouizos**, Global Head of Fixed Income Finance, Citigroup

**Tony Baldwin**, Co-Head of Fixed Income, Daiwa Capital Markets, Europe

**10:45 Morning coffee**

**11:15 Keynote Panel: Deluge or drought in the liquidity markets - will there be a global collateral shortage?**

- Is regulation restricting the speed at which collateral circulates?
- Why is that the amount of collateral required for OTC in excess of the collateral available?
- The impact of central banks flooding the markets with liquidity
- Why is excess liquidity in the market not readily accessible?

**Patrick Pearson**, Directorate General Internal Market Services, Head of Financial Markets Infrastructure, European Commission

**Andy Hill**, Director of Market Practice & Regulatory Policy, International Capital Markets Association (ICMA)

**Michael Hume**, Head of Capital Markets Division, Bank of England

**Philip Simons**, Global Head of Sales & Marketing Clients & Markets, Eurex Clearing

**Kevin McNulty**, Chief Executive, The International Securities Lending Association

**12:00 Round Table: Protecting collateral held by a CCP: evaluating the different segregation models available under EMIR**

- Opting for the most efficient model: omnibus versus individual segregation
- When portability is possible pre and post default
- Outlining the additional costs the buy side should expect when using different models
- Are all clearing brokers offering all segregation models equally?

**Stephen Loosely**, Partner, Catalyst

**Jamie Gavin**, Director, Prime Clearing Services, Societe Generale Newedge

**Richard Wilding**, Deputy Head of Business Development Clients & Markets, Eurex Clearing

**12:45 The Academic's View - The economics of collateral - how do collateral management structures differ between banks and derivative market infrastructures?**

Using a theoretical model of derivatives markets to examine the impact of moving to mandatory CCP clearing and initial margin requirements for non-cleared OTC.

**Ron Anderson**, Emeritus Professor of Finance, London School of Economics

**13:00 Lunch**

**14:15 Round Table: Best practice on collateral transformation - what constitutes eligible collateral? The hidden costs for pension and insurance companies when transforming portfolios into eligible collateral**

- What to expect with changing patterns of risk and how understanding this will be a challenge for regulators
- How to achieve optimal collateral management from front to back office
- Eligible assets which are covered and those which are not
- Impact on funds, intermediaries and CCPs
- Repo desk, in-house versus third party use and the cost implications
- How substitution criteria impacts credit counterparty risk and asset liability management
- Compliance reporting challenges for buy and sell side firms

**Marco Diolosa**, Head of Rates & Derivatives, Pension Insurance Corporation

**Mark Higgins**, Head of EMEA Business Development, BNY Mellon Global

**Xavier Bouthors**, Senior Treasury Investment Manager, ING Investment Management

**Ed Oliver**, Senior Vice President, Product Development, eSecLending

**15:00 Panel Debate: How to achieve optimal collateral management whilst complying with new regulations**

- What are the regulatory constraints on the use of collateral?
- Regulatory drivers to improving operational efficiency
- Implications of the new regulations for non-financial companies across Europe
- Importance of good record keeping and data capture to be compliant
- Have regulators found the answers to avert another financial crisis?

**Moderator: Ted Allen**, Head of Collateral Product Management, SunGard

**Gary Clunie**, Executive Director, UBS Investment Administration

**Neil Wright**, Director, Sapien Global Markets  
*Further panel members TBC*

**16:00 Closing Remarks: What next for collateral management? How to navigate through the growing minefield of regulations**

*Speaker TBC*

**16:15 End of conference and afternoon tea**

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