



Investing for the long run

The investment strategy for the Government Pension Fund Global

Oslo Congress Centre, 8 November 2011



FINANSDEPARTEMENTET

Ministry of Finance



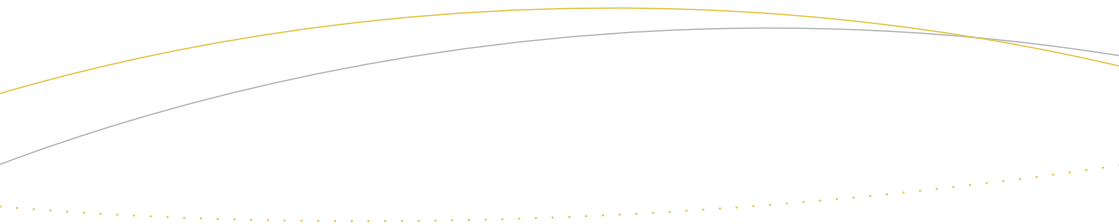
The **Strategy Council for the Government Pension Fund Global** is appointed by the Ministry of Finance. The Council's independent reviews provide useful input while contributing to greater transparency and discussion about important issues related to the Fund.

It is a pleasure for the Ministry of Finance to invite you to the **Investment Strategy Summit 2011** with the Strategy Council and their distinguished invited guests,

Investing for the long run

The Strategy Council in 2011 consists of:
Professor **Elroy Dimson** (chair), London Business School
Managing Director **Antti Ilmanen**, AQR Capital Management
Senior Analyst **Øystein Stephansen**, DnB NOR
Professor and Rector **Eva Liljeblom**, Hanken School of Economics

For responding to this invitation and for all inquiries about the summit, please contact the Ministry by email: lfd@fin.dep.no or phone: (+47) 22 24 41 63



Programme

- 09:00 – 09:15** Coffee and registration
- 09:15 – 09:30** **Welcome note by the Ministry of Finance**
- 09:30 – 09:45** **Introduction**
Prof. Elroy Dimson
Raconteur: Peter Stanyer
- 09:45 – 11:30** **Session 1: Harvesting liquidity premia**
Chair: Dr. David Chambers
Prof. Roger Ibbotson
Prof. Andrew Ang
Mr. Øystein Stephansen
- 11:30 – 12:45** Lunch
- 12:45 – 14:30** **Session 2: Time-varying risk premia**
Chair: Prof. Elroy Dimson
Prof. Rajnish Mehra
Dr. Antti Ilmanen
Dr. Sung Cheng Chih
- 14:30 – 15:00** Coffee break
- 15:00 – 16:45** **Session 3: Emerging market investments**
Chair: Prof. Eva Liljeblom
Prof. Campbell Harvey
Prof. Elroy Dimson
Prof. Arne Jon Isachsen
- 16:45 – 17:00** **Concluding remarks**
Director General Pål Haugerud



Roger G. Ibbotson is Professor in the Practice of Finance at Yale School of Management. He is also chairman and CIO of Zebra Capital Management. He is founder, advisor and former chairman of Ibbotson Associates, now a Morningstar Company, and serves on numerous boards. Professor Ibbotson conducts research on a broad range of financial topics, including investment returns, mutual funds, international markets, portfolio management, and valuation. He is a regular contributor and editorial board member to both trade and academic journals.



Andrew Ang is the Ann F. Kaplan Professor of Business and Chair of the Finance and Economics Division at Columbia Business School. His research centers on understanding the nature of risk and return in asset prices, spanning municipal and government bond markets, equities, asset management and portfolio allocation, and alternative investments. Professor Ang serves as associate editor for several leading journals and has received numerous grants from industry and government organisations. He consults for various financial institutions, including the Norwegian Government Pension Fund Global.



Rajnish Mehra holds the E.N. Basha Arizona Heritage Chair in Finance and Economics at Arizona State University. His research interests focus on capital markets, asset pricing and growth theory. He has published widely in leading academic journals of economics and finance, including the widely-cited article *The Equity Premium: A Puzzle* (1985) with E. Prescott. He is the editor of the *Handbook of the Equity Risk Premium* (2008). Professor Mehra's work has been featured in *The Financial Times*, *The Economist* and in *Business Week*.



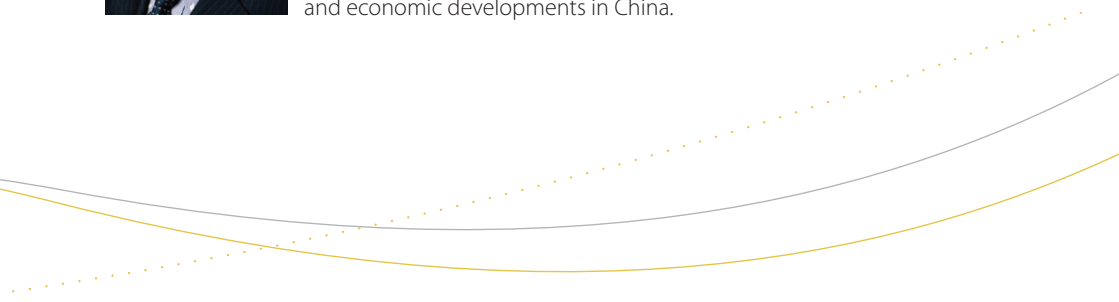
Dr. Sung Cheng Chih worked for the Government of Singapore Investment Corporation (GIC) between 1993 and 2011. Prior to his retirement from GIC, he was Managing Director and Chief Risk Officer. In addition to serving as advisor on investment strategy to the Norwegian Government Pension Fund, Dr Sung is currently investment advisor to Singapore's Ministry of Finance, a consultant to GIC as well as advisor to or board member of several public agencies, financial institutions and universities in Asia. Dr. Sung holds a PhD degree in mathematics from the University of Minnesota.



Campbell R. Harvey is the J. Paul Sticht Professor of International Business at the Fuqua School of Business, Duke University, and the Editor of the *Journal of Finance*. He has published widely in academic journals on the implications of changing risk and the dynamics of risk premiums for tactical asset allocation in international settings. Professor Harvey's fields of expertise include portfolio management, asset allocation, the cost of capital, and global risk management. He works as Investment Strategy Advisor to the Man Group and serves on the Advisory Board of Russell Investments.



Arne Jon Isachsen is professor of Economics at the BI Norwegian Business School. He is also Director of the Centre for Monetary Economics (CME), which conducts the independent review of Norwegian monetary policy, Norges Bank Watch. Professor Isachsen's fields of expertise include monetary economics and banking, and international economics. He is a prolific writer on economic and financial issues in the Norwegian public arena. Over the last decade professor Isachsen has done work on political and economic developments in China.

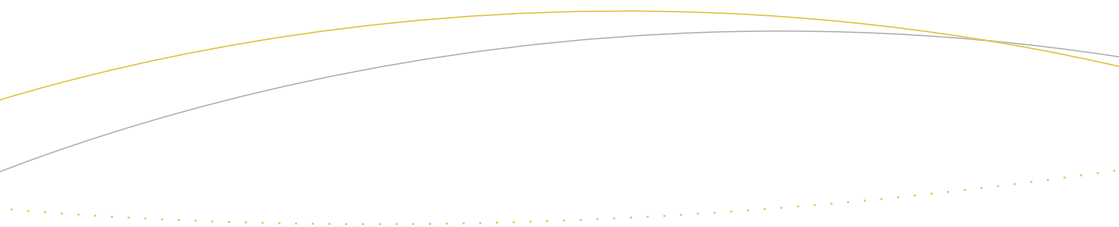




Dr. David Chambers gained 20 years of experience in asset management, mergers and acquisitions and venture capital at Barings, Hotchkis & Wiley and Merrill Lynch before returning to academia in 2001. He is currently a full-time researcher and lecturer at Judge Business School, Cambridge University. His research focuses on empirical corporate finance, especially IPOs; asset management, particularly in relation to endowments and foundations; financial history; and law and finance. Dr Chambers is Associate Director of the Winton Centre for Financial History.



Peter Stanyer is the author of *The Economist's Guide to Investment Strategy*. He serves on the investment committees of three large UK pension funds and of a college endowment, and also advises two private wealth management firms. His previous roles in the UK and the USA include Head of Portfolio Risk, Chief Investment Officer and Managing Director. In his earlier career, Peter worked as an economist at the Bank of England and the IMF. He studied at Cambridge University, where he won the Adam Smith prize for economics.



The Strategy Council



Elroy Dimson is the Leverhulme Emeritus Fellow at London Business School and a Fellow and Visiting Professor at Cambridge Judge Business School. His research, writing and consulting blends the themes of long-term financial market performance and endowment asset management, and includes *Triumph of the Optimists* (2002) and the *Global Investment Returns Yearbooks* with P. Marsh and M. Staunton. He is Director and Past-President of the European Finance Association, and is a member of the advisory boards of the CFA Institute, FTSE Group, and Russell Investments. Professor Dimson chairs the Strategy Council for the Norwegian Government Pension Fund Global.



Øystein Stephansen is Senior Analyst at DnB NOR Markets, where he consults on strategic asset allocation and risk management to financial institutions. He is a former investment director of the insurer Vital Forsikring and a former CFO of the insurer Gjensidige NOR Spareforsikring. Mr. Stephansen holds an MSc degree in economics from the London School of Economics. Mr. Stephansen is a member of the Strategy Council for the Norwegian Government Pension Fund Global.



Eva Liljeblom is Professor of Finance and Rector at the Hanken School of Economics in Helsinki, Finland. Her research spans widely in the field of finance, lately with a particular focus on corporate finance and governance issues. Professor Liljeblom serves as Chairman and Member of the Board in several institutions, including the Finnish State Pension Fund's Investment Consultative Committee, Fennia Mutual Insurance Company, and Municipality Finance. Professor Liljeblom is a member of the Strategy Council for the Norwegian Government Pension Fund Global.



Dr. Antti Ilmanen is Managing Director of AQR Capital Management (Europe), having previously worked for Brevan Howard and Salomon Brothers/Citigroup. He has also published extensively in finance and investment journals, and is the author of *Expected Returns* (2011). Dr. Ilmanen holds a PhD degree in Finance from the University of Chicago. Over the years, he has advised many institutional investors, including the Norwegian Government Pension Fund. Dr. Ilmanen is currently a member of the Strategy Council for the Norwegian Government Pension Fund.



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