

**Newsletter**  
June 2014

Dear All,

Below is our June report on the developments at the HFSB.

**HFSB Institutional Investor Roundtable in Montreal**

The HFSB held its Canadian Institutional Investor Roundtable in Montreal, Quebec on 18<sup>th</sup> June 2014. The event was hosted by Caisse de dépôt et placement du Québec (La Caisse). Mario Therrien, Senior VP, External Portfolio Management - Public Markets at La Caisse noted: "This is the third time the HFSB is co-hosting its institutional investor roundtable here with us in Montreal attracting over 40 managers and investors from Canada and the USA. This format of interaction with the industry is truly constructive and encourages better collaboration between managers and investors. Discussing various topical issues in an informal environment is also helpful for sharing views on them and finding solutions."

The keynote speech was delivered by Mathieu Simard (Director of Investment Funds Department) and Sylvie Lacroix (Inspector-Coordinator for Securities) of Quebec's Autorité des marchés financiers. They provided an overview of the regulatory framework of alternative investment funds in Quebec and the approach to compliance inspections. Mathieu Simard noted that "the application of industry standards that are aligned with the securities regulatory framework and IOSCO principles are encouraged". He also gave some examples where the Hedge Fund Standards align with the Quebec/Canada investment funds regulatory framework and IOSCO principles.

The event also included panellists from Addenda Capital (Roger Beauchemin), CN Pension (Mathieu St -Jean), Castle Hall Alternatives (Chris Gillam), and Innocap Investment Management (Jean Baram). They discussed issues ranging from building better partnerships between managers and investors, pros and cons of different investment structures, the [HFSB Standardised Board Agenda](#), and redemption mechanics.

The HFSB would like to thank all the presenters for their insightful contribution. The HFSB would also like to take this opportunity to thank Caisse de dépôt et placement du Québec for their generous hospitality and ongoing support.

**HFSB Institutional Investor Roundtable in Boston**

This month the HFSB held its first institutional investor roundtable in Boston on 19<sup>th</sup> June. The event was hosted by State Street.

The focus of the roundtable was due diligence, approaches to building a hedge fund portfolio and risk measuring and monitoring. Case study presentations were made by Harvard Management Company (Elise McDonald), Albourne (David Tatkow), Ionic Capital Management (John Richardson) and Towers Watson (Douglas Smith). Topics covered included investor due diligence of fund documents, return driver approach to building hedge fund portfolios, harnessing data for better risk analysis and governance in on- and offshore fund structures. Douglas Smith, Senior Investment Consultant of Towers Watson said: "The discussion highlighted how better understanding of risk and return drivers enables better portfolio construction."

The HFSB would like to take this opportunity to thank all the presenters for their practical presentations and valuable intellectual contribution to the roundtable.

The HFSB also would like to thank State Street for their generous hospitality.

### **Public Speaking**

Thomas Deinet spoke at the following conferences:

- HFM Week US COO Summit, White Plains, New York: Governance – industry developments and rising investor expectations
- Investor Ops Conference, New York: Emerging manager expectations: how to deal with investor demands, insourcing vs. outsourcing and building better partnerships
- AIMA breakfast meeting on capital markets and economic growth, Berlin
- Hedge World Midwest, Chicago: Panel “The uneven playing field”, discussing regulatory concerns in relation to high frequency trading.

### **Upcoming events**

- 23 September, Annual North American Stakeholder Assembly and Institutional Investor Roundtable, New York (for HFSB stakeholders only)

Invitations to the HFSB stakeholders will be sent soon.

HFSB Somerset House, New Wing, Strand, London WC2R 1LA, Email: [info@hfsb.org](mailto:info@hfsb.org); +44 (0) 20 3701 7560  
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