

J.P.Morgan

Asset Management

J.P. Morgan Asset Management

- Manages **currency** for MLC, since 2007
- Manages \$1,254 billion, across the company, as at 30 June 2011
- Currency management team is located in London.
- Employ over 680 investment professionals

J.P. Morgan Asset Management has a heritage of more than two centuries.

Why has MLC chosen J.P. Morgan?

MLC has appointed J.P. Morgan due to their experienced team of investment professionals dedicated to currency management. As a globally based multi asset investment manager, J.P. Morgan have developed excellent proprietary portfolio monitoring and risk systems required for the accurate management of passive currency hedging. J.P. Morgan has both the resources and experience to successfully implement MLC's passive currency hedging requirements.

Philosophy on investing

The aim of this mandate is to remove foreign exchange risk from the fund. J.P. Morgan does this by hedging foreign currency assets back into Australian dollars in the currency markets.

Investment process

The key objectives are to minimise net exposure to foreign currencies, whilst avoiding transaction costs. J.P. Morgan's regular update process ensures they keep up to date with the value and exposures in the fund and hedges them accordingly.

J.P. Morgan believes that a strong commitment to risk management is essential. Over time they have invested heavily in portfolio management systems that allow them to monitor and accurately hedge the fund's currency exposures.

J.P. Morgan's position as one of the largest investors trading in the London currency market allows them access to preferential pricing from counterparty banks, which reduces costs for their clients.



Investment people

J.P. Morgan's London based Currency Management Group is made up of over 20 professionals dedicated exclusively to currency management for clients. Their portfolio managers average over 10 years of experience at J.P. Morgan Asset Management.

Senior investors form J.P. Morgan's Currency Investment Policy Committee:

Jonathon Griggs, managing director, is Chief Investment Officer of the Currency Group and Chair of the Currency Investment Policy Committee (CIPC). An employee since 1999, Jonathon's prior role was as a strategist focusing on macro economics, currency and global fixed income asset allocation in the International Fixed Income Group. Before joining the firm he was Head of Currency Overlay at Citibank Asset Management and Head of FX and Interest Rate research at Barclays de Zoete Wedd. Jonathon obtained a B.Sc. in economics from Birmingham University and an MA in economics from Warwick University.



Robert Stewart, managing director, is Head of Currency Group Business Development and a member of the CIPC. An employee since 1993, he worked in both the Equity and Fixed Income Groups, before joining the Currency Group in 1995. Prior to assuming the position as Head of the Currency Group in 2007, Robert held the following positions as Head of the Currency Client Portfolio Managers, Head of Currency Implementation and a qualitative strategist. Robert obtained a BSc (Hons) from the University of Southampton, an MBA from Royal Holloway, University of London and is Series 3 licensed.

Nicholas J. Gartside, managing director, is the International Chief Investment Officer, within J.P. Morgan Asset Management's Global Fixed Income and Currency Group. In this role, he is responsible for leading and overseeing the activities of our international fixed income teams. In addition, he is the co-manager of our multi-sector fixed income products and serves on the Currency Investment Policy Committee (CIPC). Prior to joining the firm in 2010, Nick was at Schroder Investment Management for eight years, initially as a euro government bond portfolio manager. In 2007, he moved to the global bond team as a global government bond portfolio manager and most recently served as the Head of Global Fixed Income. His previous roles were at Mercury Asset Management/Merrill Lynch Investment Managers. Nick earned a B.A. in History and Politics from Durham University and an M.Phil. in International Relations from Cambridge University. Nick is a CFA charterholder and holds the Investment Management Certificate from the UK Society of Investment Professionals.

Nigel Rayment, executive director, is a senior Client Portfolio Manager in the Currency Group and a member of the CIPC. An employee since 1996 Nigel was most recently a senior strategist within the Currency Group and chaired the Risk Management Committee. Nigel previously worked at SBC Warburg in fixed income. He obtained a BA (Hons) in Managerial Statistics from the University of Exeter and is an Associate Member of the Society of Investment Professionals.

Frank Del Vecchio, executive director, is the head of the Quantitative Research Group. In this role, he is responsible for developing quantitative investment strategies as well as for overseeing the measurement and analysis of risk across portfolios managed globally by J.P. Morgan Asset Management's New York and London-based fixed income and currency teams. Prior to joining the firm in 2004, Frank was a director of Citigroup's Foreign Exchange Risk Advisory Group. Previously, Frank spent seven years with General Motors Asset Management where he was responsible at various times for managing their currency overlay, emerging markets debt, and international fixed income portfolios. Prior to that, Frank spent two years as a weapons systems analyst for the U.S. Navy. Frank obtained a B.A. in physics from The John Hopkins University and an M.B.A. in finance from Cornell University. He is a CFA charterholder.

Amit Tanna, executive director, is a senior portfolio manager and strategist within the Currency & Emerging Markets Debt teams. In this role, Amit is responsible for identifying, implementing and managing global foreign exchange investments across client portfolios, with a focus on emerging markets. He is also a member of the Currency Investment Policy Committee, which



has overall responsibility and oversight of the currency investment process. An employee since 2002, he previously worked as a research analyst, currency trader and portfolio assistant. Amit obtained a Bsc Economics (Hons) from London School of Economics & Political Science and is a CFA charterholder.

Jack Crawford, executive director, is Head of Currency Trading and a member of the CIPC. An employee since 1993, he has twenty one years of market experience having previously worked for County Natwest and CSFB Investment Management. Jack holds the Investment Management Certificate and is Series 3 licensed.

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