WORLD BANK INVESTMENTS IN PRACTICE SESSION
RETIREMENT AND INVESTING: THE BIG PICTURE

John Rogers, CFA
President and CEO
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“The majority of investors (87%) believe that meeting their own unique investment objectives is more important than outperforming relative to their chosen benchmarks.”

A Northern Trust/Greenwich Associates survey of institutional investors who collectively have 2.5 million employees and more than $500 billion in assets under management.
Sophisticated investors are starting to modify policies built on fixed allocations to narrowly-defined asset classes.

Source: Casey Quirk’s “Life After Benchmarks” February 2014
SIX CATEGORIES OF NEW ACTIVE STRATEGIES

• Broad debt investments
• Benchmark-agnostic equity
• Private capital strategies
• Trading strategies
• Dynamic multi-asset class solutions
• Real assets platform
• Asset managers can employ levers to retool

Erase the line between traditional and alternative investments by incorporating more innovative techniques in friendlier packaging

Source: Casey Quirk’s “Life After Benchmarks” February 2014
RETIREMENT SECURITY CHALLENGES

• Behavioral Issues
• Knowledge/Financial Literacy
• Sufficiency of Retirement Savings (liability side)
• Investing Retirement Savings (asset side)
• Plan Structures
• Political/Socioeconomic (entitlements)
• Demographics
• Macroeconomic Factors
SUMMARY THOUGHTS

- Challenges are intermingled and inter-dependent
- Greater focus on challenges rather than solutions
- Socio-economic issues are country-specific
- Retirement security challenges of greatest importance = driven by individual circumstance
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