



AGENDA

Sunday, 15th JUNE 2008

8:00 - 9:00 Registration and morning coffee

9:00 - 9:05 Moderator's opening remarks
Brandy Scott, Dubai Eye 103.8

9:05 - 9:25 Keynote
Dr Armen V. Papazian
Senior Vice President, Dubai International Financial Exchange

**9:25 - 10:25 Pieces of the currency union puzzle:
A discussion of key elements in putting a currency union together**

Erwin Nierop
Senior Official, European Central Bank

Russell Krueger
Senior Economist, International Monetary Fund
Washington D.C.

Building a currency union is a complex task: This address will focus on a number of different requirements for the establishment of monetary unions such as: economic convergence; the legal and institutional framework; preparatory work inclusive of actions in the statistical field; and the changeover to a single currency

10:25 - 10:45 Refreshments and networking

10:45 - 11:25 The GCC Single Currency: Institutional requirements and adoption of common monetary instruments

- Developing a common independent Central Bank: ensuring that monetary policy operations have a consistent effect throughout the GCC
- Drawbacks of decentralized decision making in the context of a monetary union
- Role of National Central Banks: putting in place the necessary regulatory, legal, and institutional framework for monetary union
- Learning from the EU experience; tackling differences in tax, accounting, and legal frameworks, and a lack of fully integrated clearing and settlement systems.

Presentation:
10:45 - 11:05 Learning from the EU experience
Erwin Nierop
Senior Official, European Central Bank

11:05 - 11:25 Panel debate
Dr Armen V. Papazian
Senior Vice President, Dubai International Financial Exchange

Erwin Nierop
Senior Official, European Central Bank

11:25 - 12:05 Policy differences and impact on commodities

- Common policies to deal with USD decline and USD peg?
- Identifying policy co-ordination tools
- Commodities that impact on the single currency
- Gold- will the banks buy or sell in an unstable market?
- How important is the transparency policy and need for statistical requirements?
- Harmonizing the legislative, regulatory, and supervisory frameworks

Presentation: Alternatives to the dollar peg
11:25 - 11:45 Sohail Farooq
Principal, Oliver Wyman Financial Services

11:45 - 12:05 Panelists:
Hans Redeker
Global Head Foreign Exchange Strategy, BNP Paribas

Russell Krueger
Senior Economist, International Monetary Fund
Washington D.C.

Sohail Farooq
Principal, Oliver Wyman Financial Services

12:05 - 13:00 Structural Reform: GCC wide implementation

- What is the value of the GCC becoming the world's second largest monetary union?
- How rapidly should the GCC monetary union expand after its initial creation?
- How liberalized are the region's banking systems? Increasing cross-border banking operations
- Implementing reforms that strengthen product-market competition. Diversification - what is the incentive to remain linked?
- Will the GCC Monetary Union support the research and planning for the Single Global Currency, within a Global Monetary Union?

Presentations:
12:05 - 12:20 GCC and the inevitable transition to the Single Global Currency (SGC)
Dr Celali YILMAZ
CFE, Istanbul Representative, Capital Markets Board of Turkey

12:20 - 12:40 Currency and National Identity: Communications Strategies to Currency Union
Allard Marx
Managing Director, INCIDE

12:40 - 13:00 Panel Debate

13:00 - 14:25 Lunch, networking & interviews

14:25 - 15:25 Determining the common exchange rate policy: Regional perspective

- Determining the pooling of each GCC member's foreign reserves
- Deciding the rate at which to irrevocably fix the bilateral rates
- Adoption of a common definition: based on international standards of foreign reserves
- Providing an inflation-proof currency, common fixed exchange rate against dollar
- Mortgage, investment banks, worst affected? Pegged exchange rate regime: how successful?

Presentations:
14:25 - 14:45 A bright future for the common currency
Marios Maratheftis
Head of Middle East Research, Standard Chartered Bank

14:45 - 15:05 Does Inflation matter for GCC ratings?
Tristan Cooper
Vice president/senior analyst, Sovereign Risk Unit, Moody's

15:05 - 15:25 Panel debate

15:25 - 16:05 Assessing impact on: Inflation, National budgets, GCC Solidarity, International relations

- Inflation policies within GCC: Controlling inflation
- Key convergence factors: budget deficits, public debt
- Determining the common exchange rate policy, including pooling of foreign reserves, and the irrevocable fixing of bilateral conversion rates
- How important is the unification and development of the region's bond and equity markets?

Presentation:

15:25 - 15:50

GCC Currency Union - Issues and Insights from the Experience in Asia

Moriyuki Aida
Chief Representative, Japan Bank for International Co-operation (JBIC)

15:50 - 16:05 Panel Debate

Moriyuki Aida
Chief Representative, Japan Bank for International Co-operation (JBIC)

Sohail Farooq
Principal, Oliver Wyman Financial Services

16:05 - 16:20 Refreshments and networking

16:20 - 17:30 Building consensus: Would Gulf economies continue to prosper with or without monetary union?

- Equal economic rights within the GCC
- Would lack of consensus lead countries to move independently to a currency basket?
- If we left the peg what next: revalue and re-peg?
- Spreading the risk: Opting for a basket approach. Is this without risk - and would we be jumping out of the frying pan into the fire?

Presentations: Social economic costs of wrong currency policies

16:20 - 16:40

Hans Redeker
Global Head Foreign Exchange Strategy, BNP Paribas

16:40 - 17:00 Currency Union: An Inevitability with Challenges

Ashraf Laidi
Chief FX Strategist, CMC Markets US

17:00 - 17:20 Panel Debate

Panelists:

Hans Redeker
Global Head Foreign Exchange Strategy, BNP Paribas

Ashraf Laidi
Chief FX Strategist, CMC Markets US

17:20 - 18:05 GCC Currency Forum 08: Roundtable

- Sustained compliance with the chosen fiscal convergence
- A coordinated fiscal policy response to shocks
- GCC Common currency disadvantages vs advantages
- Risk management tools to control dollar decline
- Implementing similar structure of the banking system across GCC countries
- Impact on inter-GCC trade, foreign direct investment, service industries
- Is the common GCC currency integral to the success of the GCC Common market?

Discussion leader: Brandy Scott

Panelists:

Hans Redeker
Global Head Foreign Exchange Strategy, BNP Paribas

Ashraf Laidi
Chief FX Strategist, CMC Markets US

Sohail Farooq
Principal, Oliver Wyman Financial Services

Bob Arends
Global Head of Currency Management, Fortis I Global Markets

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Arabian Banking & Finance provides news, data and in-depth analysis for the region's financial professionals, illustrating the latest trends and developments within the industry.

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Every month, Arabian Banking & Finance highlights the key stories from the Middle East, looking at upcoming opportunities and challenges for the financial sector. It also contains interviews with the heads of some of the region's biggest financial institutions, visiting experts from top international investment banks and coverage of all the top events.

In 2007, Arabian Banking & Finance followed the introduction of controversial new regulations from the UAE's stock market regulator, and reported on the suspension of 12 brokerage firms. The magazine has reported on issues such as the move towards a single currency for the Gulf.

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