



Foreign Exchange (FX) Management and Trading @ MEAG

MEAG Portfolio Management Team FX | Elke Wenzler | February 2020

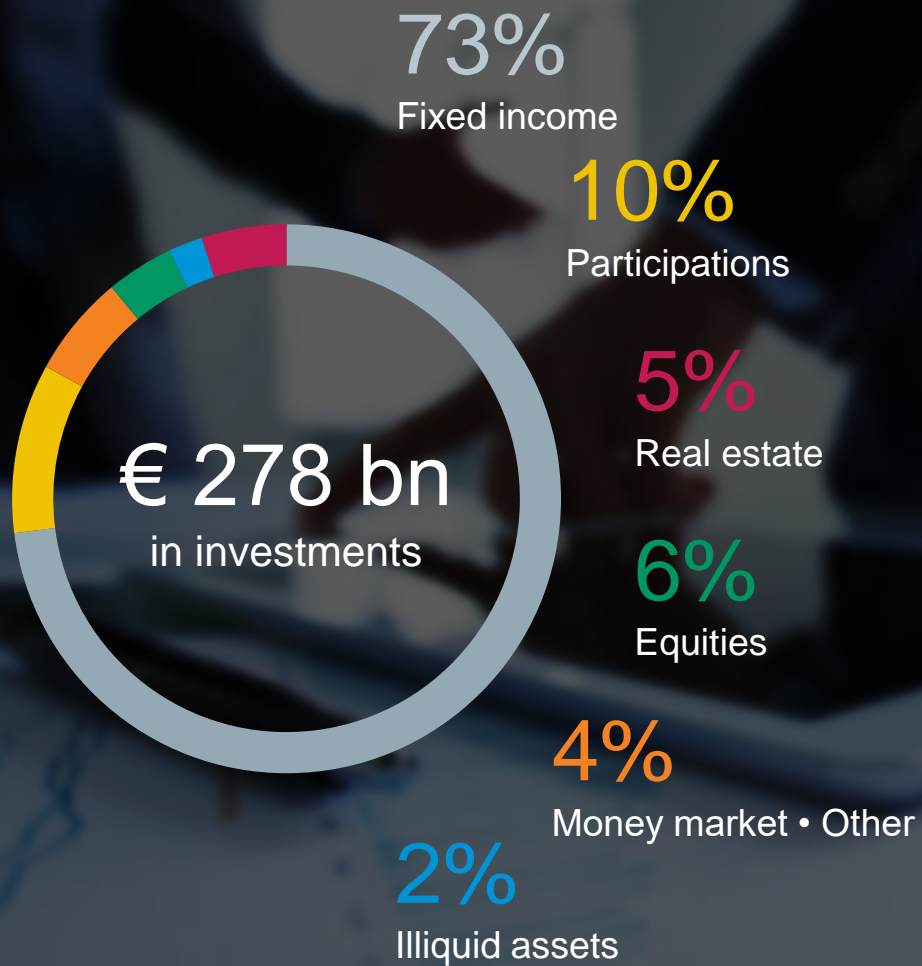
Currency Management

Munich Re Group is active globally, with offices in 50 countries and liabilities in over 160. It deals with a lot of different currencies.

The Group Investment Management Division is responsible for the Group's investment strategy, with a main focus on **Asset Liability Management**

Strategic **ALM** risks translate into an efficient and investible portfolio managed by **MEAG**

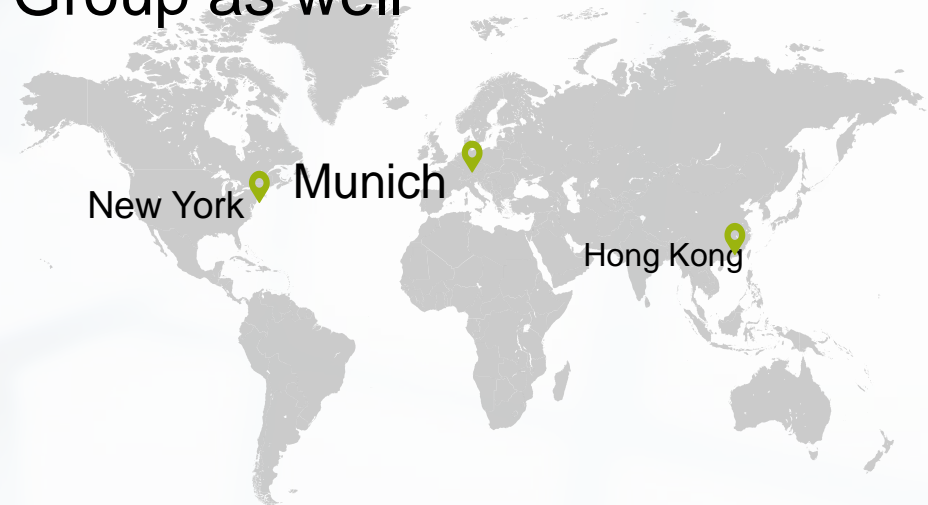




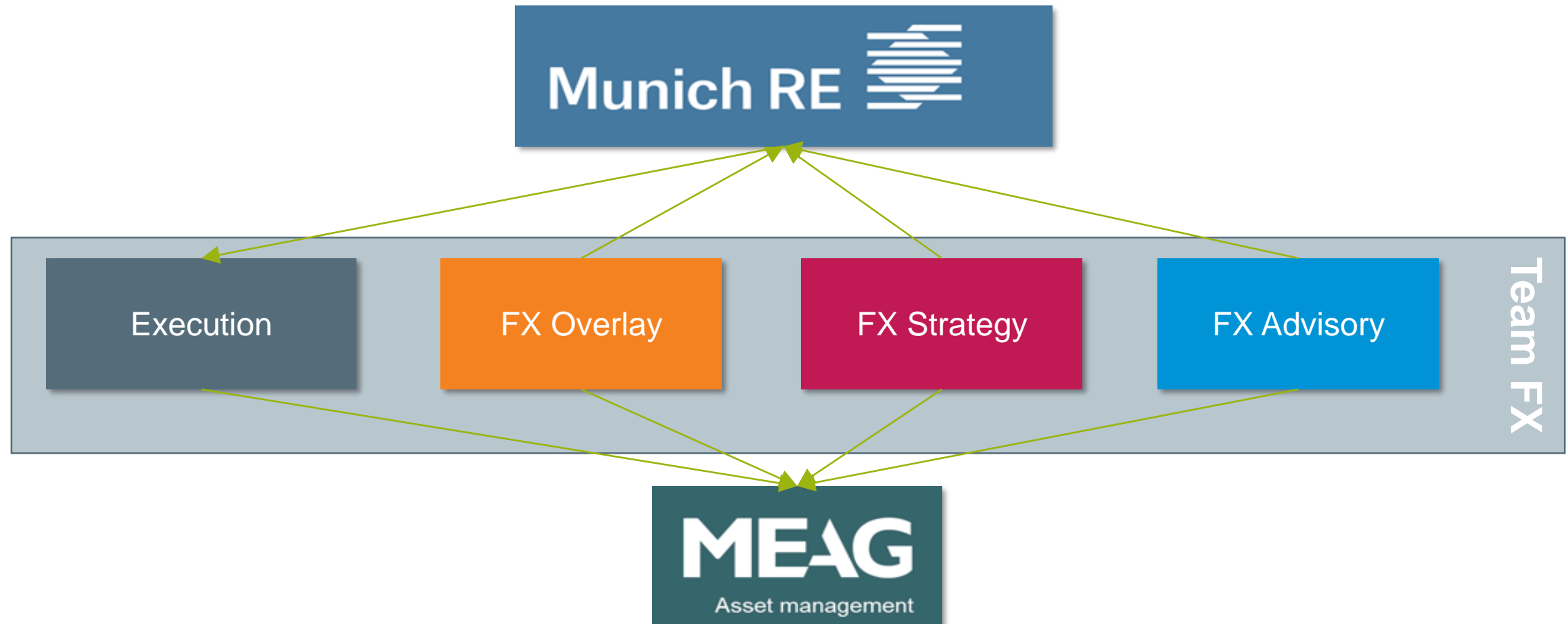
MEAG is the asset manager for Munich Re Group

We are responsible for the global investments of Munich Re and ERGO, as well as for non group institutional investors

And we provide other financial functions within the Group as well



MEAG Team FX provides currency management for all clients and financial functions within Munich Re Group



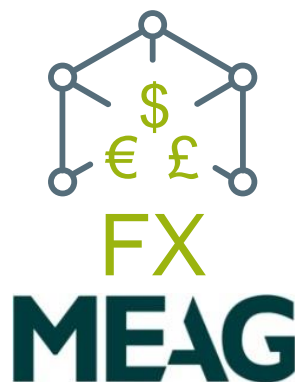
Four main areas of responsibility

FX & derivative execution

- Single point of contact to the FX market minimises the costs and risks of execution
- Inhouse order system and FX trading venues for efficient low-touch trading
- FX specialists to execute orders with high market impact or complexity
- Providing best execution, market access and additional services to clients, portfolio managers and financial departments

Currency risk management

- Passive and active FX overlay
- Systematic and discretionary strategies to capture excess return by choosing best hedge ratio, tenor and instrument
- Strategies implemented using FX forwards, FX options and interest rate derivatives



FX strategy

- Part of the global investment strategy and responsible for the FX strategy for MEAG, providing views for 32 currencies
- Views and exchange-rate determination using fundamental, market and technical analysis
- Combination of discretionary and systematic approach, based on internally developed models

FX structuring and advisory

- Expertise centre and contact for currencies
- Tailor-made hedging strategies for all asset classes (liquid and illiquid) and certain business units
- Solutions for transactions in new or highly regulated markets

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