

On October 27th & 28th, the BDA held its 8th Annual National Fixed Income Conference at the Loews Hotel in Philadelphia, PA.

The event drew record turnout across-the-board:

- *Over 230 fixed income leaders*
- *More than 70 firms represented*
- *25 exhibitors*

Thank you to all attendees, sponsors, and exhibitors for helping to make this event the preeminent fixed income business conference of the year.

A full event recap is below.

Conference Sessions - October 27, 2016

A View from the Top

The National Fixed Income Conference began with a discussion between Bill McNabb, Chairman & CEO, Vanguard and John Ettelson, President & CEO, William Blair, moderated by Tom Dannenberg, President & CEO, Hutchinson, Shockey, Erley & Co.

The discussion focused on the biggest trends impacting the fixed-income markets and what they see as the future for the U.S. securities markets.

Specifically, McNabb and Ettelson discussed how their firms are managing the new and significant compliance burdens that are a direct result of increased regulation. They also discussed how emerging market technologies are creating opportunities for middle-market firms due to enhanced connectivity between the buy-side and the sell-side.

Market and Regulatory Trends Impacting U.S. Fixed-Income Market Structure

Moderator: Kevin McPartland, Principal, Market Structure & Technology, *Greenwich Associates*

Panelists:

- Brian Brennan, Managing Director, *KeyBanc Capital Markets*
- Horace Carter, Head of Fixed Income Trading, Raymond James
- Richard Schiffman, Open Trading Product Manager, *MarketAxess*
- Bill Vulpis, Managing Director, *KCG Bondpoint*

This session began with a [presentation](#) and remarks by Kevin McPartland that focused on the shifting dynamics of U.S. taxable market infrastructure and opportunities for middle-market dealers to increase market share.

After the presentation, panelists discussed regulation, e-trading, market liquidity, and how rising interest rates and volatility may impact the fixed-income business.

Current Trends Impacting Retail Fixed Income

Moderator: Dan Kiley, Managing Director, Head of Municipal Fixed Income Trading, *Wells Fargo Advisors*

Panelists:

- Nick Goetze, Head of Fixed Income Services & Managing Director, Fixed Income Capital Markets Division, *Raymond James & Associates*
- Tom Kane, Managing Director, *Incapital LLC*
- Carrie McCann, Director, Relationship Manager, *Tradeweb Direct*
- Jim Wangsness, President, *TMC Bonds*

Panelists discussed current trends in retail investor demand, shifting U.S. investor demographics and investment styles, and how various new regulations, including the DOL Fiduciary Duty Rule, will impact investment advice and market structure.

Municipal Disclosure Trends Post MCDC. What's Next?

Moderator: Dan Deaton, Partner, *Nixon Peabody*

Panelists:

- Ronald P. Bernardi, Principal, President and Chief Executive Officer, *Bernardi Securities, Inc.*
- Gregg Bienstock, CEO & Co-Founder, *Lumesis*
- Stephen E. Heaney, Director of Public Finance, *Stifel, Nicolaus & Co.*
- Katherine Newell, Director of Risk Management, *New Jersey Educational Facilities Authority & GFOA Debt Committee Member*

Panelists discussed the impact that the Municipal Continuing Disclosure Initiative has had on changing patterns of behavior for underwriters, issuers, and outside counsel. Specifically, panelists talked about:

- How MCDC has shaped how underwriters perform due diligence of bond offerings, including for competitive and negotiated underwritings.
- The challenges that exist for underwriters in carrying out their due diligence obligations as it relates to issuers, municipal advisors, and bond counsel.
- What MCDC taught the marketplace about how to properly due diligence continuing disclosure compliance and where the marketplace could use some additional guidance.

Fixed Income Technology - Gaining Market Share Through Better Utilization of Technology

Moderator: Chris White, Founder & CEO, *ViableMkts*

Panelists:

- Alan Hogg, Principal, *Galena Summit Consulting, LLC*
- Sean Ladley, Managing Director, Head of Generalist Fixed Income Sales, *Wells Fargo Securities*
- AJ Maggio, Director, Fixed Income, *Hilltop Securities Inc.*

Panelists discussed how dealers can use a variety of sales and trading technologies to improve efficiency and client service. Specifically, the panelists discussed connectivity to the buy-side via order management systems, analyzing e-trading platforms, using technology to assess sales personnel and account management, and the development of new communication tools for sales and trading.

Election 2016: How the 2016 Elections will Shape Washington & Impact the U.S Securities Markets

The panel was moderated by **Bernard Bailey**, Managing Director, Marketing & Business Development at Assured Guaranty, and the featured speaker for this session was **David Urban**, President, American Continental Group, a DC-based full-service lobbying firm. Among the topics that were discussed was the current tone of the presidential election, how important it is to exercise your right to vote and the importance of your congressional and federal advocacy in between election cycles. Urban also answered questions about what he is witnessing in the field during this most high-profile presidential election. He also took questions about the potential threat to the tax-exempt status of municipal bonds and talked about how important bonds are as a tool for issuers, especially as both presidential candidates are focused on increased investment in infrastructure.

Conference Sessions - October 28, 2016

Regulator Panel: Discussion of SEC, FINRA & MSRB Fixed Income Regulation and Enforcement Priorities

Moderator: Andrew Southerling Partner, *Morgan Lewis*

Panelists:

- Cindy Friedlander, Director, Fixed Income Regulation, Regulatory Operations, *FINRA*
- Michael Post, General Counsel, *MSRB*
- Mark Zehner, Deputy Director, Public Finance Abuse Unit, Division of Enforcement *SEC*

Issues discussed included the MSRB and FINRA markup disclosure proposals that are currently filed with the SEC, best execution and what examiners may be looking for during examinations, minimum denominations and the MSRB's attempt to ensure a less complicated compliance program for permissible buying and selling below the minimum threshold.

Other topics discussed included pre-trade transparency, MCDC, future sweeps, and the current focus of the SEC's Division of Enforcement, which includes naming names of specific individuals, including bankers, involved in the violation of the securities laws.

Dealer Panel: Compliance, Regulatory, and Technology Challenges Facing Middle-Market Fixed Income Dealers

Moderator: Elizabeth Baird, Partner, *Morgan Lewis*

Panelists:

- Bob Colby, Chief Legal Officer, *FINRA*
- Chris Melton, Executive Vice President, Legal & Compliance, *Coastal Securities*
- John Reilly, Managing Director and Head of Business & Strategy, *Wells Fargo Advisors*

Panelists discussed the biggest practical dealer compliance challenges in the years ahead, including retail confirmation disclosure, new FINRA margin amendments for mortgage securities, FINRA's new debt research rule, Municipal Advisor compliance, and the DOL Fiduciary Duty Rule.

Municipal Underwriting: U.S. Issuance and Credit Outlook for 2017

Moderator: Matt Fabian, Partner, *Municipal Market Analytics*

Panelists:

- Suzanne Finnegan, Chief Credit Officer, *Build America Mutual*
- Susannah L. Page, Senior Vice President, Manager of Research, *Roosevelt & Cross Incorporated*
- Nick Sourbis, Fixed Income Investor Relations, *National Public Finance Guarantee*
- Stephen Winterstein, Managing Director of Research & Chief Strategist, Municipal Fixed Income, *Wilmington Trust Investment Advisors*

Panelists discussed the role of bond insurance, the upside and downside scenarios for insurance over the next three years, and whether Puerto Rico will play out to either disrupt or reinforce the mono-line insurance business. The discussion also focused on the long-

term fiscal pressures in America, including state and local pension funding issues that municipal bond investors must consider.

The panel also discussed electronic trading in the municipal market and if it has helped regional dealers cut costs and interact with more customers.

Additional Conference Related Events - Roundtables & Networking Reception

Roundtables:

In addition to the featured National Fixed Income Conference, the BDA also hosted for its members, two dealer roundtables:

- Legal & Compliance Roundtable (recap to come) - October 26, 2016
- Heads of Public Finance Roundtable (recap to come) - October 27, 2016

These roundtables provide yet another networking and information sharing opportunity for member firms and conference attendees. We continuously strive to produce the most beneficial forums for our members to share up-to-date information and for in-person networking and relationship building.

Networking Reception:

Additionally, networking at the National Fixed Income Conference's reception at the end of day one is an annual gathering and we're happy to put you in touch with colleagues at other firms, as well as with our product and service providers, many of whom are sponsors and exhibitors at the conference. This particular networking reception is staged directly in the middle of the exhibit area, providing yet another opportunity to grow your business and to learn more about what's out there for the benefit of your firm. Without your connections and contributions to our roundtables, networking events, conference calls, webinars and working groups we wouldn't be the success that we are today.

Thank you to our Sponsors and

Exhibitors!



For more information about sponsorship for next year's National Fixed Income Conference, contact

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