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Letter of the Chairman

Dear Financial Executive,

Today you receive from us the second IAFEI Quarterly, that is the electronic professional journal of IAFEI. We intend, to send to you a similar journal on an ongoing quarterly basis.

Again, several member institutes from IAFEI have contributed with articles to this second issue of this IAFEI Quarterly. IAFEI does thank its member institutes for supporting this quarterly newsletter with sending articles as contributions to this newsletter. In so doing, they contribute to making this paper a real international letter for news and for the discussion and transportation of financial professional subjects. Already, other IAFEI member institutes, which have not contributed to this second issue, have announced that they will send articles which will then enter into the third and forth upcoming issue.

All of us at IAFEI can be proud of this. The IAFEI Quarterly has been well received by all members of IAFEI, and over time, we jointly will improve this Quarterly journal both in quality as well as in quantity.

As Financial Executives, no matter were we work and live in this world, we are finding ourselves in permanent state of tension, and often enough emergency, against the background of multi faceted financial crisis which has emerged worldwide from the U.S. subprime mortgage loan crises which is causing continued repercussions and crises in financial markets around the world. Having to take notice of which turmoil goes on at which time in which financial market and for which reason, is forcing all of us to do a lot more of information work, reading, discussing, deliberating, than we used to have to do in more normal market times. This is an additional burden on all of us, and for some of us more than for other ones, depending on the specific business we are working in.

As the media at large, this time, are pretty well covering what is going on in this field, we as IAFEI do not have to duplicate this information flow. On the other hand, each of us has to be and is being alarmed on this subject at all times.

What we experience, during these months, is, fortunately, that there is a worldwide greed for transparency about what the causes are of such turmoil. The truth is coming out gradually day after day, and it is only a matter of time, that all the causes of the crisis will become visible on the desk. Imbalances and crises must be coped with, and each of us, in his or her own field, is being concerned and involved in an individual way.

Should any of you wish that IAFEI takes up any aspect of this ongoing financial crisis situation, please let us know. We will then consider to bundle forces and to attempt to address selected subjects. Don’t forget, that IAFEI at present has still limited resources only. On the other hand, IAFEI is growing, and there is more need than ever, to internationally address professional subjects. Between these two aspects we continue to position IAFEI.

Which ever suggestions for improvements you have for the IAFEI Quarterly please send such suggestions to us. We will consider each one seriously.

With best personal regards,

Your Chairman
IAFEI

Helmut Schnabel

News: SEC Accepts International Accounting Standards of IFRS / Accounting Burden for Non-US-American Corporations is Being Lowered / European Exceptions are Not Accepted

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The US-American securities exchanges supervisory agency SEC has accepted, by unanimous vote, to accept the international accounting standards, IFRS, for non US-American corporations listed on US-American exchanges. Until now, non US corporations, in addition to financial statements under international accounting standards, IFRS, international financial reporting standards, also had to account according to US generally accepted accounting principles, U.S. GAAP, in order to be allowed to have a listing on US exchanges. The chairman of the SEC, Christopher Cox, said on this occasion: “The trend to global investing makes it clear that we need accounting standards that reach beyond boundaries”.

The new ruling, though, applies only to such non US-joined stock corporations, which apply the international accounting standards as defined by the London based International Accounting Standards Board (IASB). Regionally divergent versions of such standards are not being accepted.

The European business associations have voiced protests against this position. In a letter to the SEC, two months ago, lobbyist groups, among them the associations of issuers, Unique und Ealic, did ask for an acceptance of European IFRS-regulations, which might deviate from the London standards. For European joined stock corporations the IFRS standards are mandatory, which are being accepted by the governments of the European Union and by the European Union Parliament. This might mean, in the future, that European joined stock corporations might have to produce two different sets of financial statements according to IFRS, in order to apply with the requirements of SEC.

European companies, which are applying a different IFRS version for the accounting of derivatives, are being given a transitory period of two years by SEC, before compliance is mandatory. After this, such corporations have to apply the London IFRS standards, or they have to account again under U.S. GAAP.

The European commission had decreed an exception regulation for the accounting of derivatives, following pressure from French banks.

The liberalisation of accounting regulations in the USA takes place against the background of a debate about the competitiveness of US-American financial markets. Because of US accounting regulations, which had been tightened in recent years, the number of secondary listings of Western European corporations at US-American exchanges had been reduced strongly. Since the recent liberalisation of the withdrawal from a listing on U.S. exchanges, several company groups had finished their listing at the New York Stock Exchange, among them the German chemical giant BASF.

The SEC chairman Cox had stated, in the past, that a possible advantage of accepting the IFRS accounting regulations would be that non US companies would be willing to get a listing in the US-American financial market.

The decision of the SEC, though, also met critique in the USA from members of the Congress and of the Financial Accounting Standards Board, which develops the US GAAP. Christopher Dodd, chairman of the banking committee in the U.S. Senate, called the abolition of GAAP for non US-American corporations as “too early and inadequately rushed”, because a worldwide convergence of the different accounting regulations might probably not take place before the year 2011.

The European Union commissioner for internal market, Mr. Charly McCreevy, was welcoming the decision by the SEC as “historic step on the way to a uniform accounting regulation”. The international accounting standards of IFRS are based more on principles and an evaluation by experts. By contrast, the U.S. GAAP standards have numerous specific regulations.

The SEC is now also examining the possible acceptance of accounting under IFRS for US-American corporations. Already in July 2007, the SEC has started to collect opinions on this subject from interested parties. For December 2007 two hearings are being planned.

Content of the article quoted from Frankfurter Allgemeine Zeitung, November 16th, 2007

Helmut Schnabel

News: Dubai is the First Financial Market Place to Decree Regulations for Hedge Funds

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The Dubai Financial Services Authority (DFSA) is the first supervisory agency to decree regulations on hedge funds. Such regulations have been published, and they have to be applied starting January 2008 by hedge funds, who want to invest in Dubai.

Under the new regulations in Dubai, hedge funds must make sure, that their managements are professionally capable to operate such funds, which often is not the case. The control of the trading risks must efficiently be put in place, also in the execution phase. Proper valuations must be proven, and hedge funds must fairly treat all investors.

The funds must also install systems and controls, in order to cope with market sensitive information, something that has always been regarded as a special problem in London, U.K., and which only recently has been put again on the agenda by FSA (Financial Supervisory Agency, in the United Kingdom).

The DFSA regards its regulations as state of the art, which should be applied by other market places as well, and regards this as a further step, in order to establish itself as a serious international financial market place.

In decreeing the regulations on hedge funds, the DFSA is much more imposing, than for instance the Financial Supervisory Agency (FSA) in the United Kingdom, which so far expects, that the hedge fund industry does come up with a voluntary code of conduct of its own. After the industry association of hedge funds, the London Alternative Investment Management Association (AIMA) had presented a code of conduct, and after – shortly after that – leading hedge funds had presented an even improved version, the deadline for deliberations on a new code of conduct is ending next week in London.

It is to be mentioned, that hedge funds are not totally unregulated in Europe. If the management of a hedge fund is done for instance out of the financial market place London, then it has to comply with the regulations of such market place. In addition, the hedge fund managers must comply with the regulations of the European Union, for instance the European Union regulations on market abuse.

For more information see: http://www.complinet.com/ffsa/display_display.html?rbid..

Location: Dubai Financial Authority (DFSA) > Rulebook Modules > Collective Investment Rules Module (CIR) [VER8/01-08] > CIR Part 2 Core Rules > CIR Specialist Funds > CIR 13.6 Hedge Funds > CIR 13.6.1 > CIR 13.6.1 Guidance

Content of the article quoted from Handelsblatt, Wednesday, December 12th, 2007

Helmut Schnabel

News: Hedge Funds Are Opening up Themselves/ New Code of Conduct Promises More Transparency

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The largest European hedge funds have worked out a new voluntary code of conduct. 14 of the largest European hedge funds have worked out this code under the leadership of the former British central banker Mr. Andrew Large.

The European hedge funds will report to their investors significantly more, in future, about the valuation, as well as the risks inherent in their investment positions. This is one of most important new characteristics of the new voluntary code of conduct.

Hedge funds are barely regulated, and for a long time they have opposed any attempts for more regulation. Experts have voiced the opinion, that the industry had no other choice but to give in, in order to prevent an even tougher government supervision.

The new code of conduct makes a number of requests to the hedge funds. Very importantly, the development of the valuation of the investments must be controlled, in future, by neutral valuation experts.

Further on, the code of conduct requires, that activist funds which are attacking corporations and which try to force them to change their corporate strategy, must report to the public their full ownership in such corporation. Such full ownership implies not only the shares which the hedge fund holds directly, but also the shares, over which control has been achieved by the hedge fund via derivatives.

Further on, such activist hedge funds should only vote in the annual shareholder meetings which such shares, which they own themselves, and not with shares which they have only borrowed.

Content of the article quoted from Handelsblatt, Wednesday, January 23rd, 2008

Helmut Schnabel

News: Moody’s Admits It Erred in Rating Some Securities/ Chief says Agency was Also Deceived

By Floyd Norris

DAVOS, Switzerland: The chief executive of Moody’s, the credit rating agency, concerned Friday that his company had made significant mistakes in the rating of old structured finance products that have blown up. But he said that the agency had been deceived by the people who put together the securities.

“In hindsight, it is pretty clear that there was a failure in some key assumptions that were supporting our analytics and our models,” Raymond McDaniel Jr., the Moody’s chief, told a panel at the World Economic Forum here, where he heard complaints about conflicts of interest and suggestions that large fees had influenced the ratings.

He said that one reason for the failure was that the “information quality” given to Moody’s, “both the completeness and veracity, was deteriorating” as the subprime mortgage market grew.

During a brief interview later, McDaniel did not give any specifics about who had misled the rating agency.

Many securities backed by subprime mortgages have been downgraded from the gilt-edged triple-A ranking, sometimes to junk status, and their prices have collapsed, angering many investors.

Rating agencies are paid by the companies they rate, a fact that has been harshly criticized here and elsewhere.

“The issue is the reliability of the system that generates the ratings,” Jacob Frenkel, a former central banker who is now a vice chairman of the American International Group, said Friday during an interview. “If we are going to rely” on them, he added, the agencies “must be compensated by investors.”

McDaniel vigorously defended Moody’s, saying the agency’s work was “not in some way corrupted by the business model.”

He said there would be conflicts no matter who paid the fees, suggesting that a major investor paying Moody’s might put pressure on it to give high ratings to securities the investor already owned.

That drew s strong response from Guillermo Ortiz, the governor of the Mexican central bank. “It is stretching the imagination to suggest that the conflict of interest would be comparable if you were being paid by the buyers, “ he told McDaniel.

McDaniel said that if Moody’s was paid by investors there could be a problem with major investors getting ratings first, and investors who were not willing to pay having no access to the information.

The agencies’ objectivity was also questioned by Walter Kielholz, the chairman of Credit Suisse. The growth of structured finance brought many new products that could be rated for a fee, he said. “I’m not sure the discipline was maintained.” He also pointed to the rapid turnover of young analysts at the agencies as a problem.

But Kienholz argued that blame should be spread around. “What happened to caveat emptor?” he asked. “There seems to be an entitlement that rating agencies be right, and that the highly compensated analysts” for institutional investors not be expected to do their own analysis.

Article quoted from International Herald Tribune, Saturday-Sunday January 26-27, 2008

News: Playground for U.S. Investors/ Investors Have Multiplied Engagement in Germany

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The Federal Republic of Germany is becoming a playground for investors from the United States. The portion of German equities, which is owned by U.S. investors has increased almost seven fold from 2001 to 2006, that is from 2,6 % to almost 18 %, according to a study of Dresdner Kleinwort. With this, shareholders from abroad are equally strongly invested in German joined stock corporations as domestic investors.

For Klaus Tanner, Managing Director Equity Sales at Dresdner Kleinwort, this has three reasons. The most important one is globalization, he said to Börsen-Zeitung (securities exchange journal). Through their exports German corporations are linked to Eastern Europe, Asia and the growth markets in general. Investments in these German joint stock corporations do give to U.S. investors exposure in these emerging markets, but in a safe way: The investors don't have to invest their money directly in India or Russia, which is complicated, but they invest it in well managed German corporations which are strongly engaged in these markets.

Such considerations will become more important, because the emerging markets are playing an ever increasing role for the German corporations. In 2006, according to findings of the OECD, a good quarter of the German exports went in these broad markets. Main export regions for Germany with a portion of 52%, however, were the states of the European Union.

But the different weights are changing. In a study by Dresdner Kleinwort about the 33 largest German corporations, with a total market capitalization of 544 Billion Euro and sales of 645 Billion Euro, about one third of these corporations said, that the emerging markets, including Asia, will be their most important sales region in 5 years. 5 years ago, this portion was only just at 3 %, according to the study. Since 1996, for instance, the exports to Great Britain and France, the two most important export regions for Germany for this year, have decreased by 11 and 15 %. By contrast, the exports to Russia and China increased from 2000 to 2006 by 250, respectively 190%.

According to an analysis by Dresdner Kleinwort, the U.S. investors have increased their engagement in the Federal Republic of Germany also for the reason, that German corporations have restructured themselves and lowered their cost basis. Other than in the other Europe, the labour costs in Germany have decreased considerably in the past 5 years, which has created an advantage for the country, explains Tanner. In addition to that, the equity valuations are low.

According to the analysis, the German issuers have reacted to this change in the structure of their shareholders. 94 % of the analyzed companies report, that the number of meetings with new investors over the past 5 years has increased. They have increased the number of road shows in the U.S.A. in the past 5 years, and they are also in between such U.S. road shows in a permanent dialogue with investors, which is a quotation from Oliver Schmidt, who is responsible for investors relations at Allianz. First of all, the new shareholders are wishing an easier access to the top management of the joint stock corporations, is being reported by the companies. A more transparent accounting, regular communication, an international top management and better corporate governance are additional priorities.

A listing in the U.S.A., regardless of the higher shareholding by U.S. investors, is regarded as not necessary by such German Corporations. According to the analysis, only 6 % of such companies see a value in a U.S. listing.

With a listing in New York, the German joint stock corporations wanted to create access to U.S. shareholders, which are only allowed to invest in corporations with a U.S. listing, such as for instance state owned pension funds, as Tanner says. Many of these restrictions have been lifted, however, in the meantime, and at the New York Stock Exchange trading volumes, worth mentioning, have never developed for German equities. “Even the pension funds let buy such papers rather by a broker in Frankfurt, Germany, and have them transferred by a depository bank into American depository receipts”, he reports. The Sarbanes-Oxley-Law with its reporting requirements has now, according to his analysis, caused many corporations to delist in New York.

After efforts of lobbyists for foreign issuers, and in view of decreasing IPO volumes in the United States, the U.S. securities supervisory agency has facilitated the withdrawal from Wall Street for foreigners. Such withdrawal from a U.S. listing was lately started by issuers like BASF, Bayer, Pfeiffer Vacuum. In September 2007, still a dozen of German joint stock corporations had a listing in New York: Allianz, Daimler, Deutsche Bank, Deutsche Telecom, Fresenius Medical Care, Infineon, SAP, Siemens, all from the DAX index; in addition Aixtron, Epcos, GPC Biotech, Qimonda.

Content quoted from Börsen-Zeitung, January 15th, 2008

Helmut Schnabel

News: Strengthening Confidence By Way of More Transparency

The heads of the governments of the 4 largest European Union member countries and European Union Commission President Barroso have met in London, UK, on January 29th, 2008, and debated conclusions to be drawn from the turbulences in global financial markets. In their joint communique they are requesting, among other things, more transparency in financial markets. The full joint communique is reprinted in this IAFEI Quarterly January 2008.

Said Chancellor Angela Merkel after this crisis summit in London: When market participants such as rating agencies and external auditors are not meeting their obligations, then regulatory measures will become necessary. We stand ready to form licence requirements for doing rating business for rating agencies in such a way, that these agencies will meet the required prerequisites.

Said British Prime Minister Gordon Brown: The crisis in the USA has spread on to the European markets. In view of this, we need a better early warning system, and greater transparency at the credit rating agencies.

The 4 European Union member countries reject, however, an emergency program for the enhancement of economic activity and growth, similar to the one, which is in the making in the USA.

Germany had already worked last year on measures, on a European level, for an improvement of the transparency and the risk management. The European Commission will deal with the subject in the spring of 2008 on the basis of the progress report of the European Union Finance Ministers.

The German Chancellor warned that protectionism can not be the answer to a lack of confidence. “This would be totally wrong.”, so Merkel. Therefore, policies must make sure, that such wrong reactions are being prevented. What is necessary now, is to talk about the joint European proposals with the USA and with the Japanese G8-Presidency.

Content quoted from German Government Website and hr radio website.

Helmut Schnabel

Joint communique on the global economy

Communique by Heads of Governments of 4 largest European Union Member Countries and by European Union Commission President José Manuel Barroso

29 January 2008

World Economy

The global economy has experienced a period of stable and sustained growth. However, recent financial turbulence has increased the risks for 2008. The fundamentals of the European economies remain strong with employment still rising. They are thus well placed to face the challenges presented by heightened global uncertainty. As the leaders of the major European economies we remain committed to cooperating closely to maintain economic stability, and to strengthening and deepening economic reform. At this time of global uncertainty we need to signal our commitment to an open global economy. An ambitious and balanced agreement on the Doha round, to which we are committed, is essential to this.

Financial Markets

Financial markets globally have suffered a prolonged period of turbulence triggered by the sub-prime crisis in the United States which spilled over into other financial markets. Prompt and coordinated action has helped to ease the immediate problems, though there is no room for complacency.
In view of this we remain fully supportive of the call for action in the joint declaration of 19 October. We look forward to discussing the outcome of the work currently underway in the Financial Stability Forum, and to discussing at the Spring European Council Ecofin's work to examine the causes and proper response to recent financial market turbulence. In developing a longer term response we should be guided by three principles:

- First, primary responsibility for managing risk is and must remain with individual financial institutions and investors.
- Second, this needs to be backed up by strengthened national regulatory and supervisory frameworks.
- Third, regulatory authorities in different countries need to cooperate and exchange information effectively in the EU and internationally to prevent and manage crises and contagion.

More immediately, however, we must rebuild confidence and increase the transparency of financial markets, institutions, and the instruments they trade by: improving the quality of the information available to investors on structured products, including in relation to their valuation; enhancing the understanding and management of risk; and avoiding possible conflicts of interest.
To this end we call for:

- improvements in the information content of credit ratings to increase investors' understanding of the risks associated with structured products, and for action to address potential conflicts of interest for rating agencies. While preferring market-led solutions, such as the amendment of the IOSCO code of conduct, if market participants prove unable or unwilling to rapidly address these issues we stand ready to consider regulatory alternatives;

- improvements in the understanding of banks' and other financial institutions' exposure to off balance sheet vehicles. We call upon the major audit firms and supervisors to deliver clear and consistent guidance on valuation and disclosure of such risks; and

- prompt and full disclosure of losses banks and other financial institutions that would help reduce uncertainty and improve confidence in financial markets;

- improvements in EU early warning on financial stability through regular reporting from the Level 3 committees (CEBS, CEIOPS and CESR);

- market participants, the FSF and the EU to act rapidly to ensure adequate transparency and disclosure about how structured products are valued, that uncertainties around those valuations are clear and that risks are well managed.

Recent events have also shown that we need to improve management of liquidity risk. The Basel Committee of Banking Supervisors should bring forward standards on improving the international management of liquidity risk. Additionally, we need to improve dialogue between supervisors and firms about risk management and stress testing. Market orientated solutions are crucial to achieving the necessary improvements in business operations and in interactions between market participants. We therefore welcome the voluntary best practice standards presented by the London-formed Hedge Fund Working Group on 23 January 2008 in the context of the Financial Stability Forum's five recommendations on hedge funds.

International and EU Cooperation

It is also important to ensure the work already underway in the Financial Stability Forum and the EU to improve crisis prevention and management is concluded and implemented as soon as possible. This should include:

- measures to foster the effectiveness of EU networks of financial supervisors and to ensure strong and effective supervision of cross border groups;

- common principles for international financial crisis management;

- a common analytical framework for the assessment of the systemic implications of a potential crisis;

- common practical guidelines for crisis management, including improved information exchange; and

- closer cooperation between countries with particularly important links at firm or capital market level.

Reform of the International Institutions

The recent market turmoil has also highlighted the need for reform to ensure that global institutions can meet the challenges of the 21st century. We need a better early warning system for the global economy and we need to ensure that its warnings have the force and authority to ensure that they are acted upon. To this end:

- in the short term the IMF and Financial Stability Forum need to report at the next IMF meetings on the threats to the global economy from financial sector developments. This will improve transparency about risks in the financial sector and how markets and regulators are responding. The IMF and FSF should also present as soon as possible proposals on how they will further enhance their cooperation.

- in the longer term we should consider how to strengthen and clarify the IMF's responsibility to oversee macro financial stability.

Prime Minister Gordon Brown
President Nicolas Sarkozy
Chancellor Angela Merkel
Prime Minister Romano Prodi
President José Manuel Barroso

Source: Website government of Germany

Globalization is far from being a new phenomenon. However, it is gaining momentum. This presents tough challenges for regulators whose job it is to contain the growing imbalances. Within this context, finance is playing a dynamic role.

Globalization and regulations

By Jean Paul Betbèze, Chief Economist, Credit Agricole - France

Article provided by DFCG, the French IAFEI Member Institute

The world is becoming increasingly global for better . . . and for worse. For better, in that world growth remains strong, there is little inflation, and crises are managed; for worse, in that the growth is definately progressing, but with an increasing number of imbalances. As well, the serenity which comes from the management of imbalances, by central banks and other market regulators, unleashes financial imagination and creates progress, but at the same time it generates risks that are, themselves, increasing.

The “De Facto” Financial Architecture

The World’s magic growth equation, currently 5%, is comprised of the United States’ growth rate of 3%, Europe and Japan’s 2%, and China’s 10% rate. The American 3% rate results from innovation in that country and the nation’s ability to mobilize and channel energies. The European 2% rate emerges from a still split economic system, but one which is reducing its rigidities and catching up little-by-little. As for China, the 10% growth rate is the consequence of the very low cost of labor (1 Euro per hour as compared to a 25 Euro average in the United States), and especially, due to an extremely high savings rate of 40%.
The world where the rich are financed by the poor is one where, in reality, the rich do not save and consume too much, while the poor consume too little and save too much. Essentially, this is the architecture that we see. Equilibrium is achieved through the mechanism of imbalances. The world goes forward, but where, and for how long?

A Bi-Monetary Global System

This three speed, tri-zone system of ours functions on only two currencies, the US Dollar and the Euro, and this is where the problem lies. The US dollar is, today, the world’s historical currency, just as the British pound was before it, and the French franc before that. The dollar has all the advantages of a world currency: liquidity, acceptability, network economies, strength of the economy, quality of the system of financing. This explains why it is so heavily utilized as a currency for quotation (oil, metals, agricultural products…), and particularly as a reserve currency: 65% of all

world reserves are in US dollars, 25% in euros. The Swiss franc and the pound represent 3.5% each.
Nevertheless, everyone knows at some point this dominant dollar is a problematic dollar. The twin deficits undermining it (those of the budget and the balance of payments) are dangerous. The US budget deficit implies printing paper, with the implicit guarantee that it will be repaid at some point in time. Here, it is worth noting that the United States is indeed capable of balancing its budget and even creating a surplus, as was the case during the presidency of Mr. Clinton. The external trade balance is a whole other game. This requires [the US to] become more competitive in order to export, while saving more in order to import less. Here again, reimbursement is required. But how?
The case of the euro is different. It is the currency of a relatively new geographic region, with limited indebtedness, and a positive external balance of payments. The euro zone has the capacity to develop, particularly because the euro currency reinforces the conditions for competition and in doing so, it reinforces both growth and resistance to shocks. As well, the euro is the currency of a zone where new information and communication technologies will continue to develop, having reached a certain level of stagnation, at this stage, in the United States. The conclusion of all this is that the competition between currencies is going to increase along with competition between geographic zones.

A normalizing dynamic

To develop international competition more satisfactorily, requires more than reduction of barriers and the dynamics of monetary policies. It is also necessary to have rules enabling the process to evolve in an organised way. Normalization, or the institution of rules and standards, is a process that, in all fields, reinforces and channels competition. More precisely, it reinforces competition *because* it channels it. The institution and development of norms and standards touches many areas: the quantity of agents in a given market as well as the information they send out; the quantity of actors, so as to avoid monopolistic situations, as well as the nature of the information conveyed, in line with common principles. The various means used to regulate competition are powerful tools in shaping a single market, and thus in reinforcing unbiased competition.

Finance and Norms

In this context, the field of finance, in a broad sense, is a very powerful driver for the dynamics of normalization and competition. Finance begins with accounts, which must be presented in a common way everywhere. We can say how much a company is earning and justify this account with numbers. The account, itself, which is the “original message”, is reinforced by the way information is communicated to the markets (quarterly results) or through appeals to the markets (stock exchange listing, increase in capital, bond issue, etc…). Step-by-step, standards are being put in place in combination with globalization and the extension of monetary zones. There is a real risk that the extension of the financial capacities of the actors reinforces the risks of instability, and that the race between norms and innovations consistently benefits the innovators.

Information about the information

Normalization is a means of codifying what we are going to say. The main challenge is to enrichen and deepen it, while reducing it pernicious effects. The international logic of norms allows us to know, more and more and better and better, who is doing what and where. No progress is one-way: the relationship of progress to the market is only partial, since it reflects the idea that the present makes the future; the relationship of progress to the past is also partial, viewing it with a logic of straight line amortization. It is thus only by taking hold of both ends of the chain -- where we are coming from and where we are going, clarifying our objectives and tuning our measurements -- that comparisons become easier and performances more clear. There will be further progress in these various metrics, but we should already be evaluating their advantages.
The principal world financial markets are developing according to a global logic. The truly international stock markets are based on the homogenous treatment of data and messages. On the fringes, other more local stock markets are more volatile. Norms cannot prevent excesses or abuse, but rather enable more rapid correction of systems that are opaque, protected or even falsified. In this environment, we can fully understand the advantages of norms and their cost / benefit ratio, which can only come from analysis and the fact that they are in competition. We currently benefit from an architecture of norms that has built up and is complete. To move forward, we must express more clearly what is at stake and conduct critical analyses of our practices.

Progress through Crises

Unfortunately, we notice that real progress is often made from excesses. It was when the dot.com bubble burst that we discovered that some of the Chinese walls were quite low . . . in the cases where there actually were some walls! It was when Enron went bankrupt that we finally took note of the importance of segregation of functions between accounting and consulting activities. And the subprime correction painfully reminded us of the important function of liquidity, somewhat forgotten in the notes. And so on and so forth. We now recognize that we must take into consideration intangibles, network logic, innovative finance and accounting, and securitization. By definition, innovation is excessive, but in time it matures. In the beginning, innovation tends to transgress at least the spirit, if not the letter of the norms or rules. Then one day, it clearly goes beyond, and a new norm takes into consideration what was formerly out of line. This the life cycle of norms.

It is necessary to understand and to allow norms to both develop and to correct themselves. The monetary or fiscal environment must remain sufficiently flexible when old norms are beaten. It is useless to remain inflexible about a subprime crisis, demanding punishment for speculators, when the depositors of Northern Rock are standing in line! Today’s monetary policy, which is providing liquidity and a decrease of interest rates in the United States, is, in fact, allowing norms to progress.

Jean Paul Betbèze

“The Tensions of Growth: Economic Perspectives and Key Factors for Human Development”

Speech by Rodrigo de Rato, Managing Director of the International Monetary Fund, at the Club of Rome, Madrid, Spain, September 24, 2007

Article Provided by AEEF, the Spanish IAFEI Member Institute

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1. I would like to thank Ashok Khosla for that very warm introduction and Ashok and also Isidro Fainé for hosting this conference today, and for their very interesting opening remarks. I am honored that you have asked me to give the keynote speech at this first annual meeting since the passing of Alexander King. There is little I can add to the moving commemoration that we have just witnessed. Alexander King was a great scientist and a great international civil servant. But perhaps his most notable achievement was to help found the Club of Rome after his retirement from heading the OECD. It is a timely reminder to me—not that I think I need one—that there are many interesting things and much important work that can be done after one leaves a major international institution.

2. Aurelio Peccei and Alexander King were visionaries, and one of the fruits of their vision was the first formulation of the book “Limits to Growth,” since updated several times. I think that we have yet to find out whether there are limits to growth. For my part, I am optimistic about the prospects for long-term, sustainable growth. I believe that even where resources are finite, there is still scope for technological progress and for improvements in the way resources are used, which can lead to a continuing improvement in people’s standards of living. But I certainly believe that there are tensions that accompany growth, and we are currently seeing these in several areas.

3. I would like to talk today about tensions arising in three areas. First, tensions in financial globalization—the very substantial increases in flows of capital across borders. These tensions are evident in the current turmoil in financial markets, and I will talk briefly about their implications for the global economy and the lessons we should draw from the recent turbulence. Second, tensions in the area of environmental policy and, specifically, the challenge of dangerous climate change, which is the most pressing environmental issue of the day. Finally, tensions coming from demographic change and, specifically, the effects and policy challenges for governments arising from aging populations.

4. I will begin with the turbulence that we are currently witnessing in financial markets. I will not speak in great detail about what is currently transpiring. An International Monetary Fund staff team headed by Jaime Caruana, who many of you will remember was previously Governor of the Bank of Spain, will be releasing a detailed report on global financial stability issues later today in Washington. I urge you to look at that for a comprehensive account of the

Fund's views. But I can say that we regard the turbulence as a serious problem, and we do not think the crisis is close to being resolved. Events in the financial markets are still unfolding, and it will be some months before the extent of banks' and investors' losses become clear. But we welcome the efforts of the major central banks to relieve the liquidity shortages in financial markets, and believe that this will help to limit the wider economic impact of the recent turbulence.

5. The economic impact of recent developments will remain uncertain so long as the situation in financial markets remains fluid. On the basis of current information, we expect the consequences for the global economy to be modest. The turbulence is unlikely to have much effect on the growth figures for 2007—most of the production, investment, and consumption decisions that will affect global GDP had already been taken before the turbulence began. However, we now expect that global growth in 2008, while still high by historical standards, will be slightly lower than in 2006 or 2007. We also believe that risks to this projection of a modest decline in growth are mostly tilted to the downside. In particular, if the financial market turbulence turns out to be prolonged, the impact on the global economy could be substantial. The Fund will present its World Economic Outlook—a detailed assessment of global economic prospects—in about a month, just ahead of our Annual Meetings.

6. What lessons can be drawn from the tensions in financial markets? I do not see the recent turbulence as a reason to abandon confidence in the benefits of globalization. The turbulence has demonstrated how risks and vulnerabilities can be transmitted across borders. But the same process of globalization also transmits opportunities across borders: opportunities for consumers to buy goods from many sources; opportunities for businesses and workers to sell goods in many markets; opportunities for savers to put their money where it can do most good; and opportunities for borrowers to raise capital and make productive investments.

7. However, I do think that recent developments hold some lessons for policy makers, and for the public. Regulators and financial market participants need to assess how transparency can be improved in various markets. Ratings agencies need to improve their practices, especially when dealing with complex structured securities. Institutional investors need to recognize that ratings by others do not absolve them of their own responsibility to assess risk. Individual investors share this responsibility. But they also need some protection of their rights, and some help in understanding and exercising them. This suggests that consumer protection should be enhanced—both for lenders and borrowers—and financial education should be deepened.

8. Policy makers also need to consider further the implications of spillovers between markets and between countries. I hope that one positive consequence of the events of recent months will be increased interest in international cooperation in monitoring global financial markets and coordinating their regulation. The Fund, together with other international

institutions, has to play a role here, as we did in catalyzing the formulation of plans by major economies to address global imbalances. I expect that this issue will be a topic for discussion at our Annual Meetings next month.

9. The need for cooperation is also clear in one of the other areas that I would like to discuss today: the response to dangerous climate change. A couple of years ago, at the Davos meetings, President Clinton said that he saw climate change as perhaps the one thing that could threaten human civilization. In the two years since then, published scientific opinion and public perception have begun to catch up with President Clinton's insight. Each successive scientific study casts more light on the potential damage from climate change, and many suggest that we are closer to the tipping points that would turn change that is damaging into change that is catastrophic. Yet I also see some encouraging signs that climate change is a challenge that the world can meet.

10. To economists, climate change is a clear global externality. The social consequences of emitting the greenhouse gases that drive global warming are not borne fully by those doing the emitting, but shared across the world. The problem is compounded by the fact that those doing the emitting are often among the most powerful individuals, companies, and countries in the world, and those most affected are among the least powerful. Indeed, the greatest effects will fall on future generations, who have no voice, unless parents and those who will become parents speak for them. So it seems difficult either to generate economic incentives for action or to generate an effective political consensus around the need for change.

11. Yet such a consensus is emerging. Around the world, individuals and companies are voluntarily reducing their own emissions, and lobbying their governments for political responses to the problem. Around the world, instead of free riders, we are seeing people who are willing to pay freely. For many, action to prevent dangerous climate change has taken on the fervor of a mission to save civilization and save the planet.

12. How then can policy makers channel this fervor to overcome the externalities of man-made climate change? I believe that they should look for answers in the same place that the problem originates: in economics. Policy makers around the world need a reasoned assessment of the economic costs and benefits of climate change and of the policies that can be adopted to combat it. These include policies to mitigate climate change—to prevent what can be prevented—and also policies to adapt to climate change—to respond to what cannot be prevented. The International Monetary Fund has a role to play here, too. We are currently engaged in a study of the macroeconomic effects of climate change and of policies to mitigate and adapt to it. We will have something to say on this in the World Economic Outlook, and more to say in a few months time. What the Fund is doing is only part of the work that needs to be done. Other international institutions are working on other aspects of the problem. And cooperation between international organizations and between governments will be needed to solve the problem. But with reason and with political will, I believe it can be solved.

13. Let me turn now to demographic changes. When the Club of Rome began considering population and demographic changes 35 years ago, its focus was on the risks of overpopulation. There are still parts of the world where increasing population puts pressure on the environment, resources, and on societies. But there is also increasing concern about the economic effects of aging populations, both in advanced economies and in major emerging economies.

14. In many countries, life expectancy is increasing and birth rates are falling. These are generally welcome developments. People are living longer and healthier lives, and they are exercising their freedom to have or not to have children. But there are also some unwelcome economic effects. Older populations are likely to produce less, because the active labor force is a smaller part of the population. For example, in the euro area, there are at present about four people in the age range 15-65 for every one over 65. By 2050, that ratio is projected to be closer to two to one. Demands on health care systems will also tend to be greater, because more people will be older, and the average cost of health care tends to rise as people age. And strains on pension systems will clearly increase as the population grows older.

15. To anticipate and manage the economic effects of demographic changes, governments will need to make a number of changes. Governments can make structural reforms to improve productivity, so that a relatively smaller active labor force will be able to produce more. Reforms such as reductions in tariff and legal barriers, opening up of markets to competition, and measures to create a more business-friendly environment can all help to produce such an increase in productivity. So can financial sector reform, including financial sector integration. Governments in countries with aging populations can also help reduce labor market shortages by encouraging immigration and putting in place policies to integrate immigrants into their societies. Reform of health care systems can help to offset the increased costs arising from demographic changes. Reforms could include both measures to improve efficiency and reduce market failures in health care, and increased emphasis on preventive medicine and improving health behavior by individuals. An important element of pension reform is likely to be increases in retirement ages—something that is already happening in many countries. But governments should accompany such measures with labor market reform, to improve job opportunities, particularly for older workers.

16. The tensions that I have talked about today show that economic change and economic growth can surprise us. When the Club of Rome was founded, financial globalization, climate change, and aging populations did not seem to be the most pressing challenges. But a spirit of inquiry and innovation and a recognition of the complexity and interlinkages in the global economy are as necessary today as they were when Aurelio Peccei and Alexander King began their great enterprise. I believe that this spirit can be brought to bear on the tensions and challenges that we face today. And so I look forward to your comments and questions.

17. Thank you very much.

中華財務主持人協會
FINANCIAL EXECUTIVES INSTITUTE

IAFEI
INTERNATIONAL ASSOCIATION OF FINANCIAL EXECUTIVES INSTITUTES

The Chinese Taiwan CFO Study

The Rise, Evolution and Future Path of the Chinese Taiwanese CFO

October 2, 2006

A Message
from the FEI, Chinese Taiwan Chairperson

I am very pleased to see the successful completion of Taiwan CFO Study Report, 2006, a report on the Rise, Evolution and Future Path of the Taiwan CFOs.

The evolution and expansion of the CFO's role and visibility has elevated the CFO to a position of increasing significance and public scrutiny. In this backdrop, the Global CFO Study was initiated by the International Association of Financial Executives Institutes (IAFEI).The Financial Executive Institute, Chinese Taiwan, a very active member of IAFEI, was pleased to partner with IAFEI to conduct the Taiwan CFO Study. The study seeks to assess the evolution, rise and future direction of the CFOs by examining and analyzing the profile, position, priorities, persona and career path of CFOs.

The Taiwan CFO experience is clearly not only expanding in scope, but also in expectations, with CFOs being increasingly involved in operational areas, corporate strategy, corporate governance management and M&A deals, and being expected to play leadership roles in the Company. The breadth and depth of the CFO functions have inevitably led to a need for a more broad based management education and a deeper pool of non finance skills in areas of communication, marketing and IT.

We are happy to present to the readers of this Report and we take the opportunity to thank a). The 60 effective respondents from subsidiaries of major multi-national corporations in Taiwan, Taiwanese listed companies and other leading Companies who had provided their perceptions and insights to make the Study valuable b) Deloitte, PWC, KPMG and Ernst & Young.the top four CPA firms who helped us to identify and send out a total of 1094 Questionnaires to CFOs of their representative clients c). The Commerce College of Soochow University who supported two talented graduate students in helping collection and sorting the data and D).Benson Liu, Roger Shih, Paul Tu and James Wan who worked as volunteers for the Project. Last but not the least, we thank Dr. Conchita L. Manabat, Chairperson of IAFEI for her admired leadership provided and Shefali Raina for her professional assistance in analyzing the data and composing the Report.

Peter Hsu
Chairman, The Financial executive Institute, Taiwan

Highlights of Key Findings

CFOs see significant transitions in their function, focus, priorities and challenges and are consequently reassessing their skill set and education needs. Changes in the 'CFO experience' are making CFOs better prepared for the CEO role, and many CFOs expect to assume CEO positions during their careers.

TOPIC	HIGHLIGHTS
Career Progression	CFOs increasingly expect to move to the CEO role in their career progression and feel confident that their CFO role has adequately prepared them for the CEO position.
Evolving Function and Focus	The CFO function has rapidly expanded in the areas of business corporate strategy, corporate governance management and M&A work. CFOs expect this trend to continue and not surprisingly expect to increase the time they spend in these areas.
New Priorities	CFOs say their top priority 3 years from now will be contributing to strategic decisions. Currently, CFOs tend to focus on 2 key priorities– driving cost reductions and providing better business information.
Evolving Challenges	CFOs say their biggest challenge 3 years from now will be contributing to strategic decisions, which is also a current challenge. CFOs also consider meeting finance function service delivery expectations as a current challenge.
Expanding skill set Needs	CFOs perceive a need to have wider non finance skill sets for CFO success, especially in areas of general management, communication with the BOD, IT and marketing and sales.
Transitioning Educational needs	CFOs are increasingly considering general management education and finance specialization as both important for CFO success.
CFO Accreditation	Almost 60% of the CFOs say that a Global CFO Accreditation Program is becoming necessary given the unique combination of skills and knowledge that a CFO must possess.

It is abundantly clear that the CFO experience has not only expanded in scope, but also in leadership expectations, and CFOs are increasingly assuming functions that belong to the CEOs traditional role.

CFOs clearly expect this expansive trend to continue in the near term. Not surprisingly, most CFOs feel confident that their CFO experience is adequately preparing them for the CEO role.

These trends are interesting, as they point to blurring zones of responsibility in the CEO and CFO function. It would be interesting to see how CFOs progress on this path: does this trend stop with co-responsibility for corporate strategy and M&A transactions, or is co-leadership the end point of this evolving trend?

Methodology

The Chinese Taiwan CFO Survey was undertaken by IAFEI in partnership with FEI Chinese Taiwan, with the objective of measuring the perceptions of CFOs in Chinese Taiwan on the rise, evolution and the future path of CFOs.

Professionals from the Deloitte Manila practice provided survey implementation assistance. The survey was conducted via e-mail using a survey questionnaire in June of 2006.

It was sent to more than a 1,000 CFOs of leading Chinese Taiwanese listed and non-listed corporations through various channels and had a response rate of more than 5%. The responses were also compiled by Deloitte Manila practice Professionals.

About FEI Chinese Taiwan

"Financial Executive Institute, Chinese Taiwan was founded in 1975 by a group of esteemed financial professionals. It has more 300 members who are Chief Financial Officers and other Financial Professionals of Taiwan-based manufacturing, trading and financial services companies. FEI Taiwan's mission is to maintain an effective platform for the Taiwanese financial professionals to enhance their capabilities through learning and sharing knowledge and skill as well as leadership with other local, regional and global financial professionals"

About IAFEI

IAFEI is a federation of Financial Executive Institutes of countries across the world, and is a private, non-profit, non-political organization, domiciled in Switzerland. With 15 member institutes comprising more than 130,000 financial executives, IAFEI is the only global organization of its kind. IAFEI provides networking, visibility, advocacy and information access opportunities to member institutes and their individual members through quarterly publications, regional summits, global research projects and the annual world congress. Please visit the IAFEI website, www.iafei.org for more information.

About C.L. Manabat & Co. (Deloitte Philippines)

In the Philippines, C.L. Manabat & Co. is the member firm of Deloitte Touche Tohmatsu, and services are provided by C.L. Manabat& Co. The Philippine member firm is among the nation's leading professional services firms, providing audit, tax, consulting, and financial advisory services. Known as an employer of choice for innovative human resources programs, it is dedicated to helping its clients and its people excel. For more information, please visit the Philippine member firm's website at www.deloitte.com/ph.

Emerging Project: IAFEI Task Force Rating: "The Role of the Rating Agencies in the Aftermath of the Subprime Crisis in the USA"

IAFEI member institutes, and in particular individual members of national member institutes, are herewith asked to volunteer for working within this emerging project of an IAFEI task force on the subject of rating. Offers/ Wishes for participating in this new IAFEI task force should be addressed to the IAFEI secretariat, or to the IAFEI Executive Director, or to the IAFEI Chairman.

This emerging project "IAFEI Task Force Rating" has been discussed and approved by the IAFEI Board of Directors Meeting held on September 10th, 2007, in Tokyo, Japan. The Chairman and the Executive Director of IAFEI are designated to try to find volunteers from within IAFEI for a collaborative work on this subject.

The subject "The Role of the Rating Agencies" is an ever lasting subject for the financial markets worldwide. It has regained strong focus and concern due to what happened in the U.S. subprime market crisis and the devastating consequences which this crisis has caused in all financial markets around the world.

At the heart of the problem are ratings that were issued for structured securities in the USA which were based on collateralized debt obligations and similar structures with special emphasis on the subprime mortgage loans. Such structured securities had somewhat higher returns than government bonds, and had received at the same time AAA ratings like government bonds, ratings, which during 2007, suddenly were downgraded into speculative grade ratings or, even worse, into default.

This phenomenon has been heavily criticized by market participants, supervisory agencies, and even highest government members of countries around the globe. A lot of investigations are going on in the USA, in Asia, as well as in Europe, by various interested parties such as financial industries associations, national supervisory agencies, national governments and parliaments, and the academic world.

One of the jobs of the IAFEI Task Force Rating is to take notice of the various discussions, investigations, research activities on the subject in various countries of this world; and to briefly summarize the essence of proposals which are being made, and still will be made in future, by such activities, in order to give an insight into the direction, into which the subject is moving worldwide.

Secondly, the job of the IAFEI Task Force Rating is to come up, if considered as necessary, with proposals of its own, as to how to improve the subject rating at large, in general and in particular. Eventually, the emerging IAFEI Task Force Rating may conclude, that it may support recommendations and activities of other parties in the world, which already may reflect the upcoming positions of the IAFEI Task Force Rating. In such case, it will then not make sense to reinvent the wheel once more. But it does then make more sense to strengthen and to ally with other existing parties which already move in the wished direction.

The *Association of Chief Financial Officers Germany*, in it's annual membership meeting on November 30th, 2007, has addressed the emerging project "IAFEI Task Force Rating" to the audience, and has asked for volunteers for this emerging task force. In the meantime, two members of the *Association of Chief Financial Officers Germany* have volunteered to participate in this emerging IAFEI Task Force Rating.

IAFEI does want this emerging project to fly with participation from more than one country.

IAFEI member institutes, and individual members of such IAFEI member institutes, are therefore warmly requested to consider a voluntary participation in this emerging project.

IAFEI does look forward to your response.

Helmut Schnabel

Asia Pacific CFO Summit 2008

Paradigm Shift –
Financial Perspective of Asia Rising

Preliminary Proposal

Hosted by

Financial Executives Institutes Chinese Taiwan

Asia Pacific CFO Summit 2008

September 5, 2008

Table of Contents

1. Executive Summary

Theme:
Paradigm Shift – Financial Perspective of Asia Rising

Date:
September 4-6, 2008

Venue:
International Reception Hall, Grand Hotel

Participants:
A. Members of IAFEI institutes
B. Financial executives and professionals, CEOs, and scholars

Estimated Participants:
160 (International: 40~50; Domestic: 110~120)

Admission:
Special Package for International Participant — USD 100, which will be refunded after attending the Summit or to offset partial accommodation or post-summit tour expense.

Project Office Contact:

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FEI Chinese Taiwan Secretary General
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2. Theme and Topic

Session	Topic	Candidate speaker
Speech	Paradigm Shift – Financial Perspective of Asia Rising	
Speech	The Impact of Investor Relations on Asian Corporation's Globalization.	Dr. Elizabeth Sun Head of Investor Relations Division, TSMC
Speech	Changing Role of CFO in the Globalization World	
Speech	The Role of Asset Securitization in Credit and Investment – Lessons to be Learned	Mr. Helmut Schnabel Chairman of IAFEI
Speech	Asian capital market – Current Situation and Outlook	
Panel Discussion	Corporate Governance and Social Responsibility in Asia.	
Panel Discussion	Cross-Border M&A – Asian View.	

Note:

- Please recommend speakers and panelists for speeches and panel discussions above
- 1 moderator and 3 panelist for panel discussion
- Taiwan Semiconductor Manufacturing Company (TSMC) has received a number of international IR awards

3. Timetable

Time	2008/9/4 (Thu.)	2008/9/5 (Fri.)	2008/9/6 (Sat.) and Thereafter
8:30-9:00	Visits to: Government Authorities, Sponsors, Corporate, or Affiliated Institutions	Registration	Post-Summit Tour (Optional)
9:00-9:30		Opening ceremony	
9:30-10:20		Speech 1	
10:20-10:40		Coffee break	
10:40-11:30		Speech 2.	
11:30~12:20		Speech 3	
12:30~13:30		Luncheon & Speech 4	
13:30~14:20		Speech 5:	
14:30~15:50		Panel discussion 1	
15:50~16:10		Coffee Break	
16:10~17:30		Panel Discussion 2:	
17:30~17:50		Closing ceremony	
18:30-21:00	Welcome Dinner	Farwell Dinner	
21:00~	Good night	Good night	

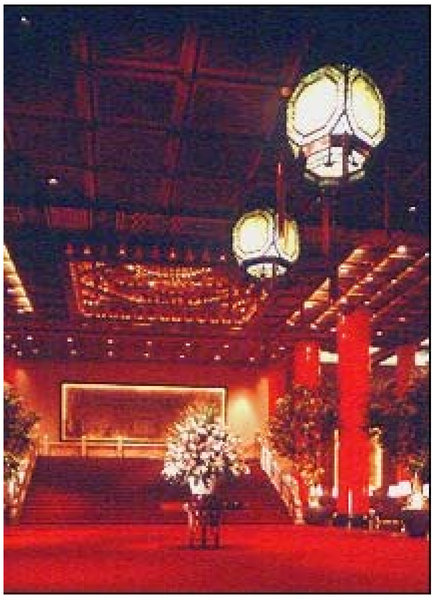
(The Timetable is subject to change)

4. Grand Hotel Introduction

The Grand Hotel, with its traditional palace style architecture, vermilion pillars, stately archways, and brilliantly tiled roof, is not only a magnificent landmark of Taiwan, but it is an emblem of ancient China. The Grand Hotel has decades played host to dignitaries from around the world. Its histories and legends will surely mesmerize those who step into the Grand's palatial lobby. The Grand Hotel has been rated as one of the top ten hotel in the World by Fortune Magazine and always serves as the primary hotel to host State Guests..

The international guests and participants are welcomed to use the accommodation and transportation during the summit period. Feel free to make reservation on line or consult Summit Project office at ronnieli@ms3.hinet.net for more details.

Grand Hotel Address: 1,Chung Shan N.Rd.,Sec.4, Taipei, Taiwan, 104.R.O.C
TEL: +886-2-2886-8888 FAX:+886-2-2885-2885
Hotel website: http://www.grand-hotel.org/newsite/html/e/ca01.htm



IAFEI News, Meetings, Activities

January 28th, 2008: Meeting in Madrid, Spain, between IAFEI and the new IAFEI member institute from Spain, AEEF. Representatives of IAFEI are Dr. Host Laubscher, IAFEI Executive Director, Marc Ugolini, IAFEI Area President Europe, Helmut Schnabel, IAFEI Chairman. Representatives of AEEF are Mr. Soler, President AEEF, Mr. Eckhoff, Vice President AEEF, Ronald Bunzl, Board Member of AEEF and Head of International Affairs.

After AEEF has rejoined IAFEI in September 2007, the purpose of the meeting is to discuss ways and means for a closer cooperation between AEEF and IAFEI as well as within IAFEI.

April 9th, New York: Meeting between FEI-USA, FEI-Canada, IMEF-Mexico and IAFEI. Representatives from IAFEI will be Daniel Burlin, Vice Chairman IAFEI, and Helmut Schnabel, Chairman IAFEI. Additional IAFEI officials may eventually attend as well. The purpose of the meeting is to discuss ways and means for improving ties between these organizations. Eventual results of this meeting are up in the air, and no forecast about eventual results can be reasonably made today. Results, if any, will be reported in the next IAFEI Quarterly.

For more information see www.IAFEI.org