

Chief Investment Officer



BANK ĊENTRALI TA' MALTA
EUROSISTEMA
CENTRAL BANK OF MALTA

1. JOB DETAILS

Job Title: Chief Investment Officer (CIO)

Date: July 2021

Reports to: Deputy Governor Monetary Policy

2. JOB PURPOSE

To oversee the management of the Bank's financial assets. The CIO is responsible for both the development and the implementation of the overall investment strategy, within the parameters set by the Board of Directors and the Investments Policy Committee of the Bank. This includes managing the Bank's own portfolio using the Bank's own resources, analysing global financial market developments, overseeing the Bank's relationship with its external asset managers, reviewing performance and making recommendations to optimise investment returns for the given risk appetite. The CIO also supports the Governors on developments in international financial markets and related issues that are relevant to Eurosystem market operations.

The CIO is also responsible for ensuring that the Bank's role of market-maker of Malta Government securities on the secondary market is carried out continuously, smoothly and without disruption. Furthermore, the CIO is to provide advice to the Government on debt management issues, and act as Investment Manager for public sector entities as agreed by the Bank and such entities.

3. KNOWLEDGE, SKILLS AND EXPERIENCE REQUIRED

The requirements listed are representative of the knowledge, skills and experience required for the successful performance of the job:

Knowledge and Experience:

- Broad knowledge and sound understanding of international financial markets with the ability to draw insights, policies and strategies;
- Knowledge about fixed income and other varieties of financial products on the market and the associated risks;
- Knowledge and sound understanding of the domestic sovereign debt market, with the ability to draw insights, policies and strategies;
- Proven experience in the management of financial assets of a financial institution and fostering operational risk management and mitigation processes;
- Advanced command of English with proven professional drafting ability;
- Outstanding track record of achievement, demonstrated through tangible results;
- Ability in leading and motivating employees to accomplish the responsibilities that are required of this role;
- Strong business orientation in achieving the Bank's strategic objectives;
- Proven experience in leading teams;
- A postgraduate degree in finance, economics, banking or a related discipline together with at least five years' relevant experience in the field of asset management at senior management levels.

Skills:

- Ability to provide senior level advice, insight and analysis to the Governors;
- Strong leadership skills with an enterprise-wide orientation and ability to identify the overarching issues, opportunities and threats for the Bank, thus ensuring a collaborative environment;
- Quick in comprehension with the ability to give the right advice on emerging issues;
- The ability to communicate with and understand the needs of stakeholders, business partners, and Bank staff;
- Ability to collaborate with peers in the European System of Central Banks (ESCB) and develop overarching strategies and policies for the Bank;
- Upholds a service-oriented attitude supported by strong business negotiation and ability to gain trust and convince on the merits of a recommended line of action;
- Strong principles and methods of planning, management, organization and analysis;
- Strong organisational skills to manage staff, information and resources, as well as coordinate concurrent initiatives with a view to managing costs and risk;
- Strategic as well as pragmatic;
- The ability to deliver motivating and quality presentations as required to senior management of the Bank and other fora including foreign-related seminars.

4. KEY RESULT AREAS

1. Oversee the management of the Bank's financial assets and to provide, as well as implement, the strategic direction within the parameters set by the Board of Directors and the Investment Policy Committee
 - (i) Continuously monitor the actual performance as per approved SAA and the limits as per Agreement on Net Financial Assets;
 - (ii) Liaise with Risk Management Department and adopt a flexible approach to maximise income subject to internal risk constraints;
 - (iii) Put forward recommendations to enhance financial performance in accordance to changing financial market conditions;
 - (iv) Develop niche business areas to further enhance income while observing prescribed risk parameters;
 - (v) Liaise and co-ordinate with Risk Management Department the conduct of the annual Strategic Asset Allocation (SAA) exercise.
2. To ensure that monthly tactical benchmark recommendations are made to the Investment Policy Committee
 - (i) Continuous market intelligence gathering and formulation of market views with a view to submitting recommendations that will add value over and above the return from the strategic benchmark portfolio;
 - (ii) PowerPoint presentation including recommendations on duration and credit related to currency portfolios;
 - (iii) Implementation of decisions by amending the notional tactical benchmark.
3. To act as the business driver in terms of externally managed financial assets
 - (i) Liaise with Risk Management Department on regular reporting received from external managers and monitor performance for any necessary action
 - (ii) To co-lead discussions with external managers with a view to analysing performance and other related issues
 - (iii) Make recommendations to Governors, Investment Policy Committee (IPC) and Board in connection with financial assets which are outsourced and managed externally
4. To ensure the preparation of developments in international financial markets and other selected topics concerning Eurosystem's market operations as well as compilation and dissemination of foreign exchange rates.
5. To ensure that the FX & MM desk are in line with pre-set parameters as prescribed by the IPC and the Board of Directors.
6. Co-Managing reserves on behalf of the ECB as pooling partner with the Central Bank of Ireland (CBI)
7. Align internally managed financial assets with international best practice, including more focus on ESG considerations in the Bank's investment process.

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- 8.** To ensure the enhancement of the trading operations of the Bank through innovative technologies.
- 9.** Represent the Bank on local and international investment and financial markets related meetings with a view to carrying out duties and to respond to any requirements as the case may be.
- 10.** To act as Investment Manager for both the Depositor and Investor Compensation Schemes and the National Development and Social Fund.
- 11.** To ensure that the Bank's role of market-maker of Malta Government securities on the secondary market is carried out continuously, smoothly and without disruption.
- 12.** To advise the government on debt management issues
 - (i)** To ensure that an effective research function is in place so as to identify financing strategies that minimize debt servicing costs subject to prudent level of risks;
 - (ii)** To contribute and participate in Public Debt Management Advisory Committee (PDMAC) meetings and other fora as necessary together with Finance Ministry and Treasury officials.
- 13.** To ensure the implementation of a broad, coordinated set of plans and programs to meet the goals and priorities of the various projects as identified by the business area, in the most efficient and effective manner.
- 14.** To ensure that the Bank's Strategic objectives related to the Investments Department are implemented in a timely manner.
- 15.** To perform any other duties which may be assigned from time to time.

5. COMMUNICATIONS AND WORKING RELATIONSHIPS

Within the organisation:

- Written and verbal communication with the Governors and the Board of Directors – to ensure a common understanding of issues pertaining to the Investments Division;
- Active participation in the Bank’s Executive Committee and participation/contribution to the Investments Policy Committee and other internal committees;
- Active engagement of the full organisation as required, including Chief Officers, Heads of Department; and Office Managers across the Bank;

Outside the organisation:

- Ministry for Finance & Employment – to discuss debt management issues;
- NCBs with whom the CBM may have or potentially develop collaboration agreements
- ESCB to discuss developments in the context of Working Groups/Task Forces;
- External fund managers
- Public sector entities to whom the CBM provides investment management services
- IMF officials in Article IV consultations
- Malta Stock Exchange to support its operations, particularly the secondary market in Malta Government securities.

6. ORGANISATION CONTEXT / SCOPE FOR IMPACT

The role of the Investments Division is that of optimising the return of the Bank’s financial assets under its management, with a growing focus on ESG-compliant investments, subject to prudent risk management practices. Given its role of market-maker of Malta Government Securities (MGS), the Investments Division is to ensure a continuous smooth operation of the secondary market for MGSs and in providing sound advice to the Treasury Department in debt management.