



**Investment Objective** of Punjab Pension Fund (PPF) is to generate revenue for the discharge of pension liabilities of the Government of Punjab.

**Performance Review**

PPF posted a net return of 10.1% during the 10MFY17 vs. 10.7% during the same period of FY16. The performance of the Fund remains significantly higher than its benchmark of 7.8%; despite a sharp decline in market yields.

The Fund’s portfolio allocation remained almost unchanged. The OIC of the Fund is currently following a strategy of investing in short duration instruments and not taking exposure in long term instruments at currently prevailing lower yields. At the end of April 2017, the Fund has around 65% of its exposure in fixed rate PIBs, Long term Bank TDRs and products of National Saving Schemes. This high yielding portion of the portfolio will support the Fund in outperforming its benchmark in the year FY17.

CPI Inflation for the month of April-17 was recorded at 4.78 percent on YoY and 1.4 percent on MoM basis. The MoM CPI number was mainly driven by Perishable Food Items Index and Education index which rose by 9.7% and 6.5% respectively on MoM basis. Another major reason behind monthly inflation was quarterly revision in “Housing, Water, Electricity, Gas & Fuel” index which recored 1.12 increase on MoM basis. We are of the view that there is no immediate threat of reversal in inflation.

**Fund Facts**

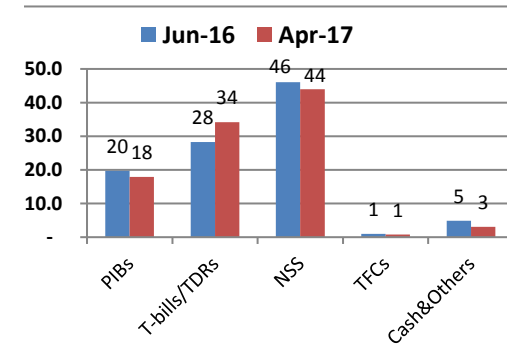
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	44,030
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.13% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

**Fund Size FY17**

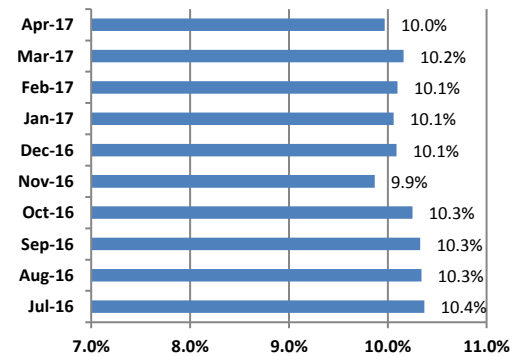
*Rs. million*

*Beginning Fund Size (01 Jul 2016)	38,204
Add: Contribution during the year	500
Add: Gains during the year	3,267
Less: Expenses during the year	(43)
<b>*Ending Fund Size (30 Apr 2017)</b>	<b>41,928</b>
<i>* Excluding Unrealized Gain of Rs. 2,102 million</i>	

**Asset Allocation (% of Fund Size)**



**YTD Monthly Returns (Net)**



**Operational Investment Committee**

Aquil Raza Khoja, FCA	General Manager
Muhammad Sajid, CFA	Portfolio Manager

Period	Growth	Market Value (Rs. billion)	Funding Ratio		
			Fund Assets	Liability Index	(a)/(b)
			30-yr Pension Liabilities (b)		
			Fund Assets (a)		(a)/(b)
FY09	15.00%	3.5	575.9		0.61%
FY10	13.21%	12.1	637.6		1.90%
FY11	10.81%	13.4	608.9		2.20%
FY12	16.86%	15.6	742.5		2.10%
FY13	20.46%	18.8	1035.8		1.82%
FY14	5.65%	24.8	940.5		2.64%
FY15	21.57%	35.3	3866.4		0.91%
FY16	11.14%	40.2	4280.7		0.94%
10M FY17	8.10%	44.0	4551.0		0.97%
Jul '08 to Apr '17	13.80%				

**Performance History**

