



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 10.2% during the 7MFY17 vs. 10.8% during the same period of FY16. The performance of the Fund remains significantly higher than its benchmark of 6.7%; despite a sharp decline in market yields.

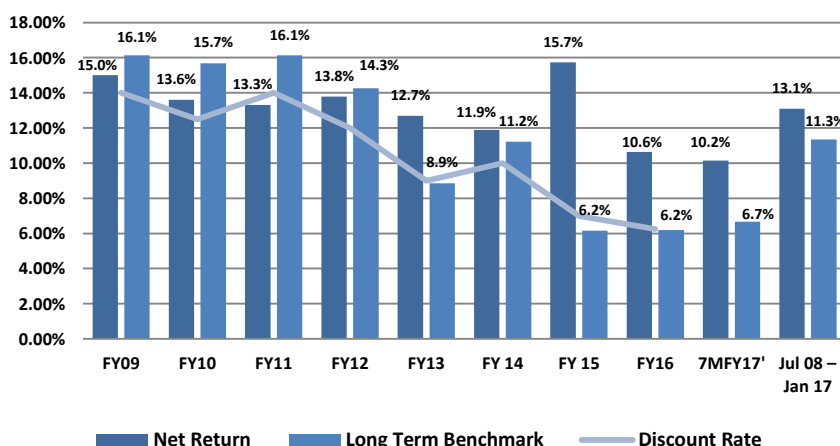
The Fund's portfolio allocation remained almost unchanged. The OIC of the Fund is currently following a strategy of investing in short duration instruments and not taking exposure in long term instruments at currently prevailing lower yields. At the end of January 2017, the Fund has around 65% of its 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 January was recorded at 3.66 percent on YoY and 0.18 percent on MoM basis. The lower inflation is mainly due to lower food and fuel prices.

The SBP announced its latest Monetary Policy Statement on 28th January 2017; where the SBP kept its Policy Rate unchanged at 5.75%. The SBP expects that annual rate of inflation will remain lower than the target rate of 6.0 percent.

Period	Growth		Market Value (Rs. billion)		Funding Ratio
	Fund Assets	Liability Index	Fund Assets (a)	30-yr Pension Liabilities (b)	(a)/(b)
FY09	15.00%	28.01%	3.5	575.9	0.61%
FY10	13.21%	9.41%	12.1	637.6	1.90%
FY11	10.81%	-4.50%	13.4	608.9	2.20%
FY12	16.86%	21.93%	15.6	742.5	2.10%
FY13	20.46%	39.51%	18.8	1035.8	1.82%
FY14	5.65%	-9.20%	24.8	940.5	2.64%
FY15	21.57%	45.22%	35.3	3866.4	0.91%
FY16	11.14%	18.65%	40.2	4280.7	0.94%
7M FY17	5.63%	1.70%	43.0	4463.2	0.96%
Jul '08 to Jan '16	13.91%	16.50%			

Performance History



Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	43,023
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

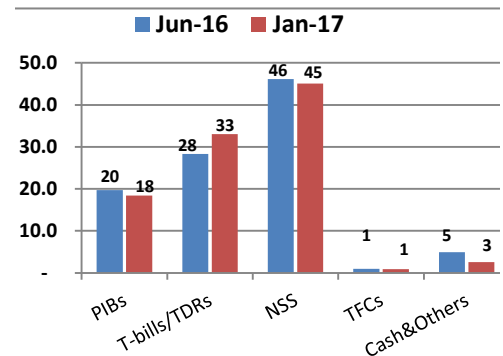
Fund Size FY17

Rs. million

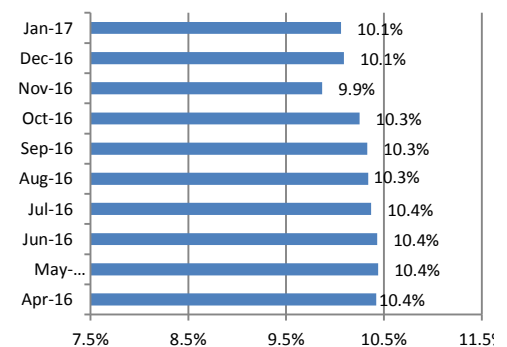
*Beginning Fund Size (01 Jul 2016)	38,204
Add: Contribution during the year	500
Add: Gains during the year	2,285
Less: Expenses during the year	(31)
*Ending Fund Size (31 Jan 2016)	40,958

* Excluding Unrealized Gain of Rs. 2,065 million

Asset Allocation (% of Fund Size)



YTD Monthly Returns (Net)



Operational Investment Committee

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

For feedback and enquiries contact us at:
3-Canal Park, Gulberg-II, Lahore
www.ppf.gov.pk
Ph: 042-35758138

