



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

### Performance Review

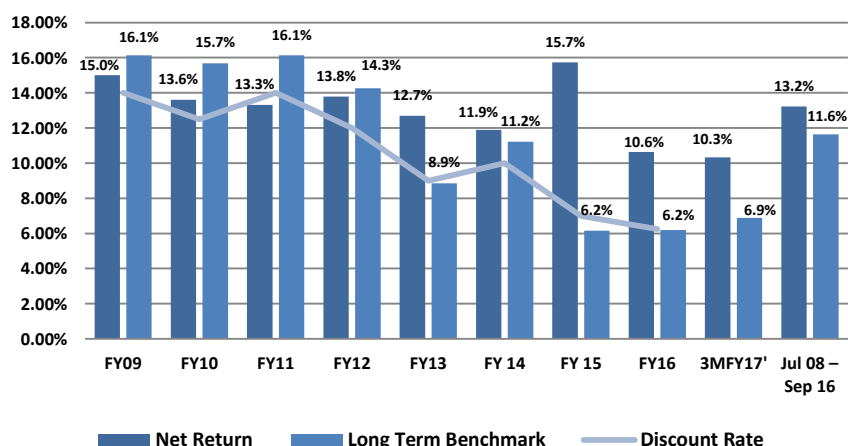
PPF posted a net return of 10.3% during the 1QFY17 vs. 10.8% during same period of FY16. The performance of the Fund remains significantly higher than its benchmark of 6.9%; despite a sharp decline in market yields.

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 September 2016, the Fund has around 65% of its exposure in fixed rate PIBs 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 September was recorded at 3.9 percent on YoY and 0.20 percent on MoM basis. The lower inflation is mainly due to lower food and fuel prices. As far as inflation outlook is concerned, the OIC of the Fund is of the view that there is no immediate risk of sharp rise in inflation in near future. The OIC is also of the view that inflation and interest rates have almost bottomed out and now they are not expected to fall further.

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	3180.0	1.11%
FY16	11.14%	18.65%	40.2	3646.0	1.10%
3M FY17	5.50%	3.15%	41.2	3765.2	1.10%
Jul '08 to Sep '16	14.10%	17.08%			

### Performance History



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	41,249
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.10% 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

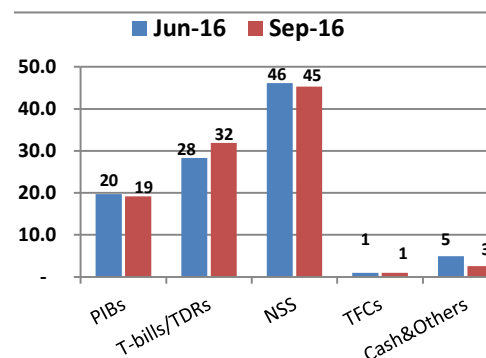
Rs. million

*Beginning Fund Size (30 Jun 2016)	38,204
Add: Contribution during the year	-
Add: Gains during the year	967
Less: Expenses during the year	(9)

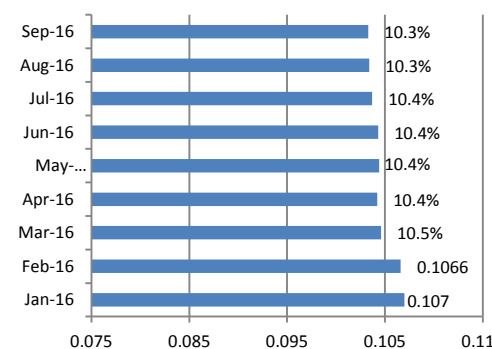
**\*Ending Fund Size (30 Sep 2016) 39,162**

\* Excluding Unrealized Gain of Rs. 2,087 million

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

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

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