



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

### Performance Review

The Fund's Net Assets grew by 4.27% during 1H FY 2022-23. During the period under review, the fund's Fixed Income portfolio which constitute around 73% of the Fund posted an annualized return of 15.2%. The Equity portfolio of the Fund posted holding period return of -5.8% as compared to the benchmark KSE 100 index return of -2.7%. Although the Fund has a long-term investment objective, however, the OIC of the Fund kept the duration of its fixed income portfolio short which helped the Fund avoiding huge losses due to steep interest rate hike by the SBP. Presently, the major portfolio of the Fund is invested in floating rate bonds and short-term bank placements.

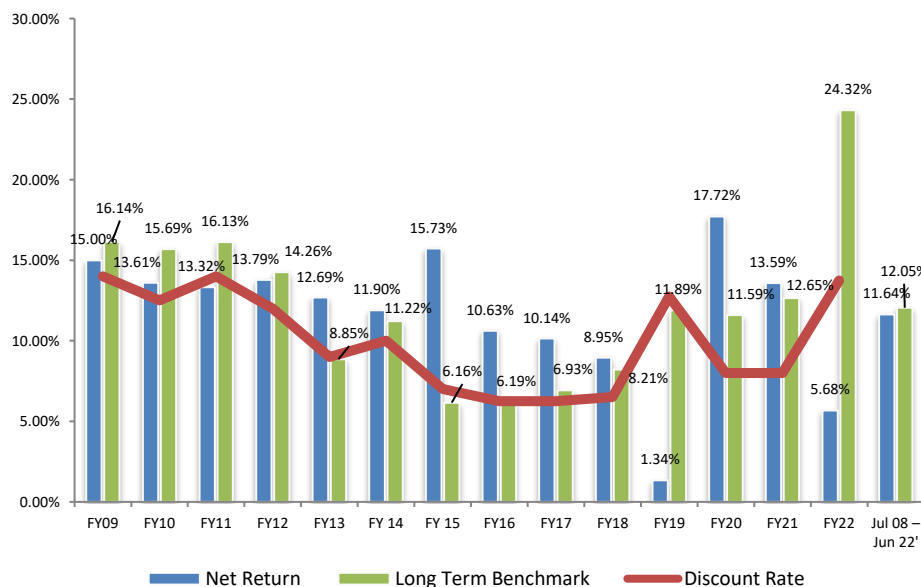
In December-22, the YoY CPI reached to 24.5% while MoM inflation slowed to 49 basis points as compared to 80 basis point last month. Perishable food index and transport index contributed the most towards lower inflation reading. The SBP has projected inflation for the current financial year in a range of 21-23%.

	Fund Performance*	Liability Estimate d	Fund Size (a)	Estimated** 30-yr Pension Liabilities (b)	(a)/(b)
FY09	15.00%	22.38%	3.5	636.3	0.55%
FY10	13.21%	12.86%	12.1	718.1	1.69%
FY11	10.81%	40.03%	13.4	1005.6	1.33%
FY12	16.86%	40.03%	15.6	1408.1	1.11%
FY13	20.46%	40.03%	18.8	1971.8	0.95%
FY14	5.65%	40.03%	24.8	2761.1	0.90%
FY15	21.57%	40.03%	35.3	3866.5	0.91%
FY16	11.14%	14.12%	40.2	4412.5	0.91%
FY17	9.88%	14.12%	49.3	5035.7	0.98%
FY18	7.97%	14.12%	53.2	5746.9	0.93%
FY19	1.34%	14.12%	59.2	6558.5	0.90%
FY20	17.72%	-	76.3	6558.5	1.16%
FY21	13.59%	-	85.2	6558.5	1.30 %
FY22	5.68%	-	94.0	6558.5	1.43 %
1H FY23	4.27%	-	98.0	6558.5	1.49 %
Jul '08 to Dec '22	11.95%	19.10%			

\*Including mark to market gain/losses

\*\*Based on actuarial reports of 30.6.2009, 30.6.2010, 30.6.2015 & 30.6.2019

### Performance History



### Fund Facts

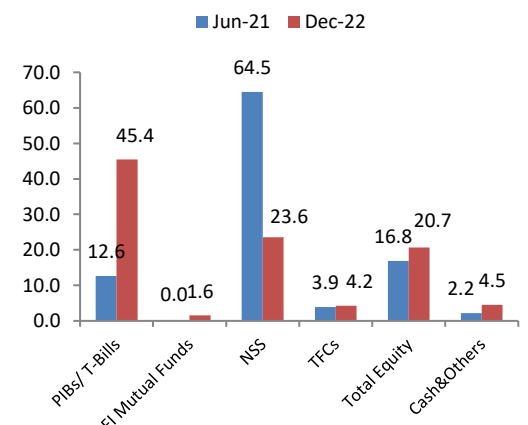
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	98,037
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.14% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Risk Profile of the Fund	Low to Moderate

### Fund Size FY22-23

Rs. million

Beginning Fund Size (1 <sup>st</sup> Jul 2022)	94,026
Add: Contribution during the period	-
Add: Gain during period	4,077
Less: Expenses during the period	(66)
<b>Ending Fund Size (31<sup>st</sup> December 2022)</b>	<b>98,037</b>

### Asset Allocation (% of Fund Size)



Muhammad Sajid, CFA

Acting General Manager

Haroon Zafar, CFA

Research Analyst