



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 1.79% during first month of FY 2020-21 and reached to Rs. 76.3 billion. Exceptional performance by equity portfolio is prime contributor towards the monthly performance.

Fixed Income: During July 20, the Fixed Income portion of the Fund's portfolio posted an annualized return of 12.35% p.a. as compared 12.72% p.a. return last month. The Fund has locked the major portion of the Fixed Income Portfolio in different products of National Saving Schemes at attractive rates.

Equity: During first month of FY20-21, PPF's equity portfolio posted a return of 13.72% vs its applicable benchmark of 14.14%. The significant equity performance will help maintain a healthy return during current financial year.

In July-20, CPI increased to 9.30% from last month's YoY CPI number of 8.59%. On MoM basis, inflation recorded an increase of 250 basis point as compared to increase of 82 basis point last month. Increase in perishable food prices due to Eid-ul-Adha pushed the CPI upwards. The trend has already reversed and will help to bring the CPI number for August lower. CPI will remain under checked in the following months. However, continuous upside pressure on oil prices and revision of electricity and gas tariff are key risk going forward.

Fund Facts

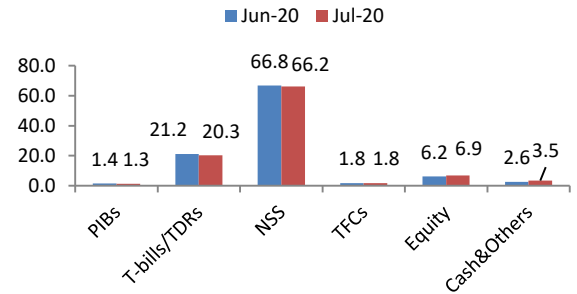
| | |
|----------------------------------|--------------------------|
| Fund Type | Pension Fund |
| Inception Date | 16-Jun-08 |
| Net Assets (Rs. million) | 76,330 |
| Long Term Benchmark | YoY CPI + 3% |
| Management Expenses (annualized) | 0.08% p.a. of Net Assets |
| Trustee | CDC Pakistan Limited |
| Risk Profile of the Fund | Low to Moderate |

Fund Size FY20-21

Rs. million

| | |
|--|---------------|
| Beginning Fund Size (1st Jul 2020) | 74,990 |
| Add: Contribution during the period | - |
| Add: Gains during period | 1,345 |
| Less: Expenses during the period | (5) |
| Ending Fund Size (31st July 2020) | 76,330 |

Asset Allocation (% of Fund Size)

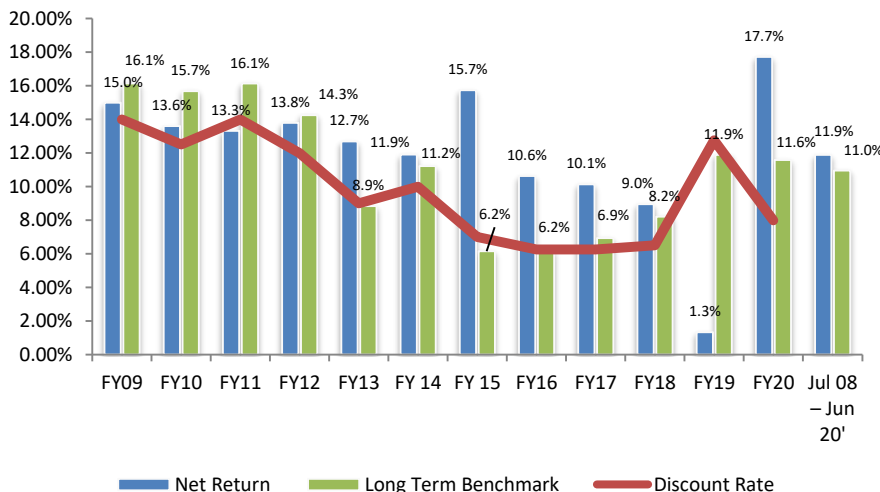


| | Fund Performance* | Liability Index | Fund Size (a) | Estimated** 30-yr Pension Liabilities (b) | (a)/(b) |
|--------------------|-------------------|-----------------|---------------|---|---------|
| FY09 | 15.00% | 22.38% | 3.5 | 636.3 | 0.55% |
| FY10 | 13.21% | 12.86% | 12.1 | 718.1 | 1.69% |
| 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% |
| Jul '08 to Jun '20 | 12.48% | 23.52% | | | |

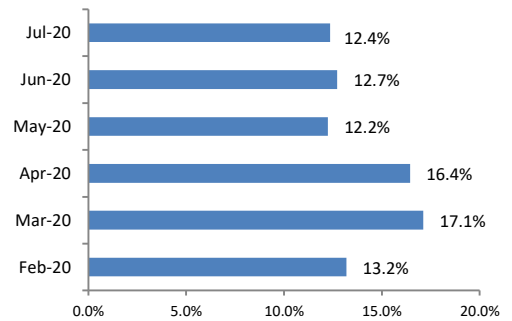
*Including mark to market gain/losses

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

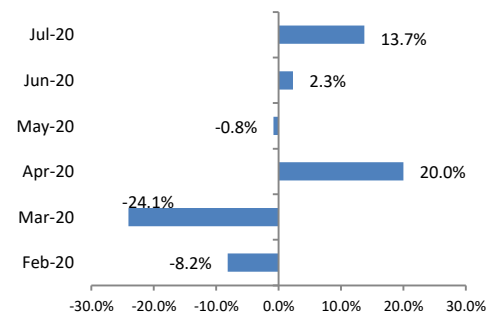
Performance History



YTD Monthly Returns- Fixed Income-Mark to Market



YTD Monthly Returns- Equity



Operational Investment Committee

| | |
|---------------------------|-------------------|
| Syed Shahnawaz Nadir Shah | General Manager |
| Muhammad Sajid, CFA | Portfolio Manager |
| Haroon Zafar, CFA | Research Analyst |