



**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 10.0% during 4MFY18 vs. 10.3% during same period of FY17. The Fund posted a real return of 6.6% during the period. The performance of the Fund remains significantly higher than its benchmark of 6.4%; despite record low yields prevailing in the market.

During the period 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 October 2017, the Fund has around 58% of its exposure in fixed rate PIBs, long term bank deposits, and products of National Saving Schemes. This high yielding portion of the portfolio will support the Fund in outperforming its benchmark in the year FY18. However, a significant portion of this high yielding portfolio will mature by the end of first half of FY18 and the second half of FY18 will be challenging for the Fund to sustain its performance.

CPI Inflation for the month of Oct-17 was recorded at 3.8 percent on YoY and 0.8 percent on MoM basis. As far as inflation outlook is concerned, the OIC of the Fund is of the view that there is no immediate risk of reversal in inflation in near future.

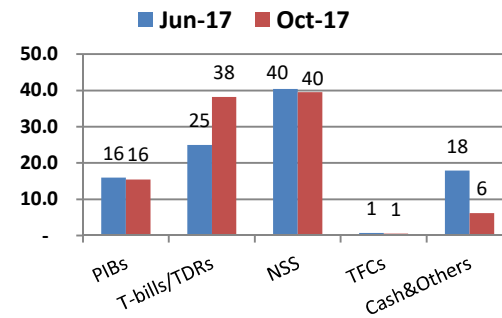
**Fund Facts**

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	50,826
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.12% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

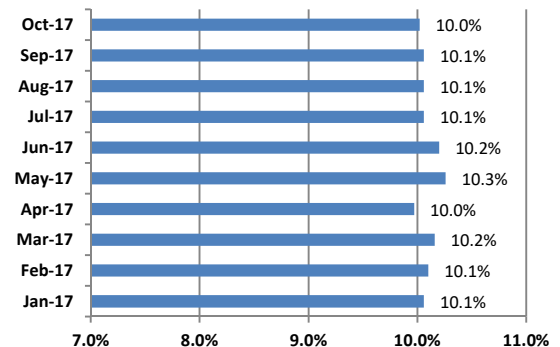
**Fund Size FY18** Rs. million

*Beginning Fund Size (01 Jul 2017)	47,128
Add: Contribution during the year	-
Add: Gains during the year	1,562
Less: Expenses during the year	(19)
<b>*Ending Fund Size (31 Oct 2017)</b>	<b>48,671</b>
* Excluding Unrealized Gain of Rs. 2,155 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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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	4995.0	0.81%
FY17	9.88%	5.08%	49.3	5249.1	0.94%
4MFY18	3.16%	3.85%	50.8	5451.0	0.93%
Jul '08 to Oct '17	13.58%	15.70%			

**Performance History**

