



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

#### Performance Review (Performance reported on Mark to Mark basis)

PPF posted a net return of 1.18% during the period Jul-September FY19 vs its benchmark return of 0.72%. The Fund outperformed its benchmark by 0.46%.

**Equity:** During the period July-September FY19, PPF's equity portfolio posted a return of 0.42% vs its applicable benchmark return of -2.23%. The outperformance was due to better timing of entry into equity market decided by the Fund. During the month of September-18, PPF's Equity Portfolio posted a return of -1.66% vs benchmark return of -1.84%.

**Fixed Income:** During the period July-September FY19, the Fixed Income portion of Fund's portfolio posted an annualized return of 5.26% vs its benchmark return of 4.40%. During September-18, PPF posted an annualized return of 7.57% on its fixed income portfolio; outperformed its benchmark return of 6.01%. During the period, PPF's return has been adversely affected by the reversal of PIB yields; however, Fund's majority of portfolio was in short duration investments.

In September-18, CPI Inflation recorded an increase of 5.1 percent on YoY basis. Inflation has shown rising trend since last couple of months. In response, the SBP has raised its policy rate by 100 basis points in latest Monetary Policy review. We expect that consistent pressure on external front, currency devaluation, surge in oil prices, and rising demand side pressure will further increase the inflation and interest rates in current fiscal year.

#### Fund Facts

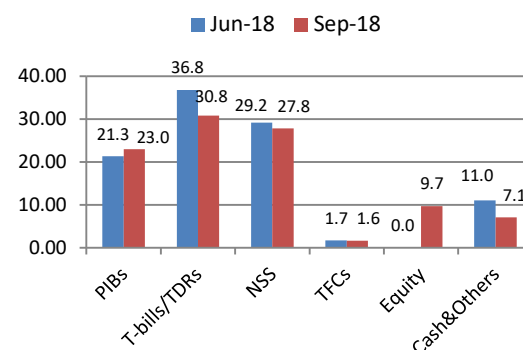
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	53,824
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.10% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

#### Fund Size FY19

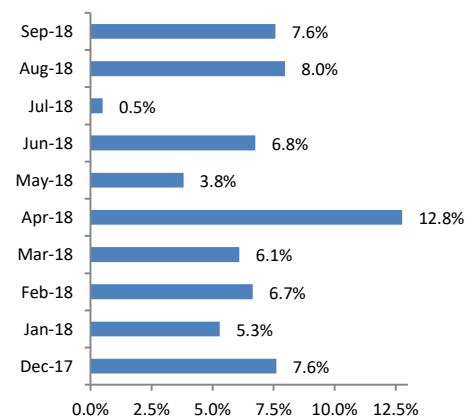
Rs. million

Beginning Fund Size (01 Jul 2018)	53,195
Add: Contribution during the year	-
Add: Gains during year	643
Less: Expenses during the year	(14)
<b>Ending Fund Size (30 September 2018)</b>	<b>53,824</b>

#### Asset Allocation (% of Fund Size)



#### YTD Monthly Returns- Fixed Income (p.a.)



#### Operational Investment Committee

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

For feedback and enquiries contact us at:  
112-Tipu Block, New Garden Town, Lahore  
www.ppf.gov.pk  
Ph.: 042-35882960-2

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%
FY18	7.97%	0.29%	53.2	5264.5	1.01%
3M FY19	1.18%	-1.53%	53.8	5183.8	1.04%
Jul '08 to Sep '18	12.93%	13.65%			

#### Performance History-(Excluding Mark to Market)

