



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 9.1% during 10MFY18 vs. 10.1% during same period of FY17. The Fund posted a real return of 5.3% during the period. The performance of the Fund remains significantly higher than its benchmark of 6.68%; despite record low yields prevailing in the market.

There was a sizeable shift in Fund's asset allocation during 10MFY18. An amount of Rs. 26.9 billion in 3yr Speial Saving Account (SSA), the higher yielding segment of portfolio, has matured during the period. As a result, net return for the period has dropped to single digit. Yields have declined slightly after SBP's decision to keep Policy Rate unchanged, against market expectation, in recent Monetary Policy review of March, 2018. Resultantly, the unrealized gain of PPF increased by Rs.183 million during the month of April-18.

At the end of April 2018, the Fund has around 38.9% 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.

CPI Inflation for the month of Apr-18 was recorded at 3.68 percent on YoY; and increased by 1.82 percent on MoM basis. As far as inflation outlook is concerned, the OIC is of the view that overall CPI for the full year will remain well withing the target of 6 percent.

Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	52,743
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.11% 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

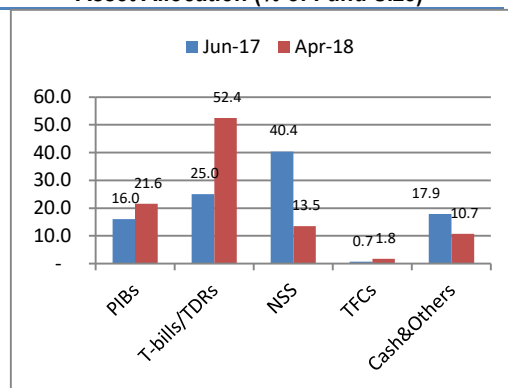
Rs. million

*Beginning Fund Size (01 Jul 2017)	47,128
Add: Contribution during the year	-
Add: Gains during the year	3,581
Less: Expenses during the year	(48)

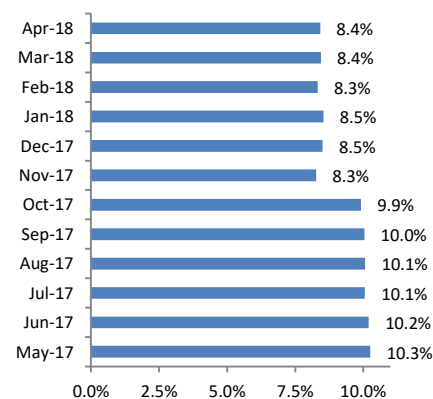
***Ending Fund Size (30 Apr 2018) 50,661**

* Excluding Unrealized Gain of Rs. 2,082 million

Asset Allocation (% of Fund Size)



YTD Monthly Returns (Net)



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%
10MFY18	7.05%	5.09%	52.7	5516.5	0.96%
Jul '08 to Apr '18	13.28%	14.99%			

Performance History

