



**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 11.0% during 1MFY16 vs. 12.5% during 1MFY15. There was no major change in interest rates during the month while no significant monetary change occurred.

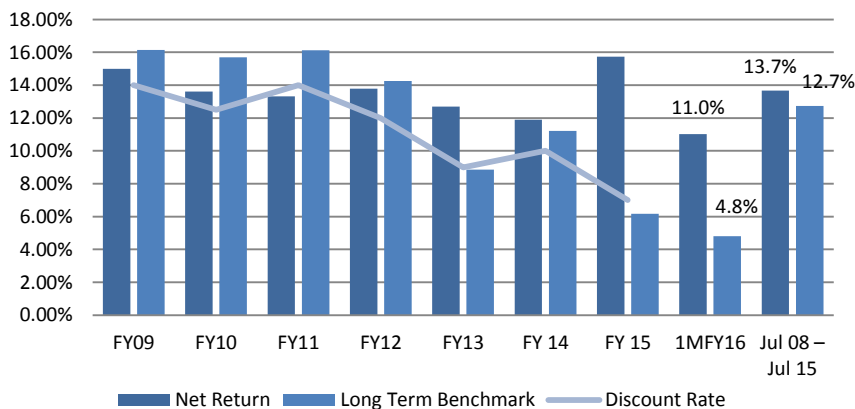
The Fund's portfolio allocation during the month has remained unchanged. At the end of July 2015, the Fund has more than 70% of its exposure in fixed rate PIBs and fixed rate products of National Saving Schemes. This high fixed rate exposure was built during FY15.

Inflation and interest rates declined sharply during FY15. As a result SBP reduced its Discount Rate by 3% from 10% to 7%. Despite the sharp decline in market yields, the Fund continued posting a decent spread over its benchmark.

The Operational Investment Committee (OIC) of the Fund is of the view that inflation and interest rates will remain on lower side during FY16. However, the fixed yielding allocation of portfolio will support the Fund's net return.

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%	45.30%	35.3	1366.0	2.58%
Jul15	1.00%	4.03%	35.7	1420.8	2.51%
Jul 08 to Jul 15	14.64%	17.42%			

### Performance History



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	35,664
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 FY16

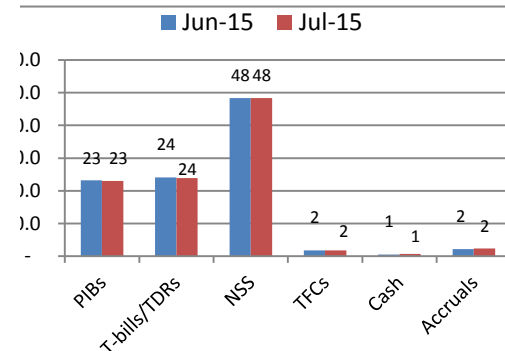
Rs. million

*Beginning Fund Size (30 Jun 2015)	33,628
Add: Contribution during the year	-
Add: Gains during the year	303
Less: Expenses during the year	(3)

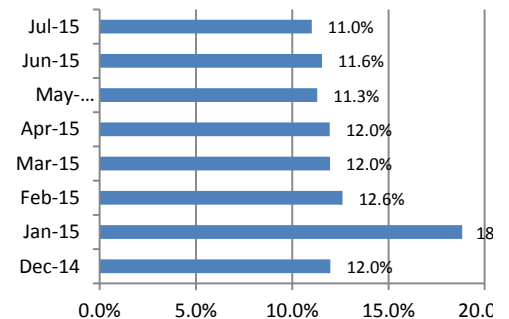
**\*Ending Fund Size (31 July 2015) 33,928**

\* Excluding Unrealized Gain of Rs. 1,736 million

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

Aquil Raza Khoja, FCA	General Manager
Sobia Hasan, CFA	Head of Investments
Muhammad Sajid, CFA	Portfolio Manager

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