



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

Performance Review

Fixed Income: During the period July-May FY19, the Fixed Income portion of Fund's portfolio posted an annualized return of 10.51%. During May-19, PPF posted an annualized return of 12.24% on its fixed income portfolio while Equity Portfolio lost another 2.1% value during the month. From Jan-19 onward, the OIC of the Fund started accumulating PIBs at attractive long term yields. Resultantly, PPF's allocation to "Fixed Income-More than 3year tenor" increased to 56.5% of fund size.

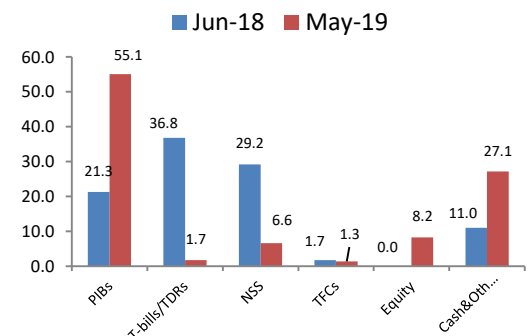
Equity: During the period July-May FY19, PPF's equity portfolio posted a return of -11.33% vs its applicable benchmark return of -15.62%. The outperformance was primarily due to better timing of entry into equity market decided by the Fund. During the month of May-19, PPF's Equity Portfolio posted a return of -2.11% vs benchmark return of -3.25%.

In May-19, CPI Inflation softened to 8.89 percent on YoY basis & increased by 0.36% on MoM basis. Lower food prices led to decrease in inflation number. Core Inflation (Non-Food Non-Energy) shows steadiness around 7%. The SBP has kept its projection of average CPI for FY-19 to a range of 6.5% to 7.5% p.a. In Monetary Policy Statement announced at the end of May-19, the SBP has increased Policy Rate by another 150 basis points. Recent IMF entry leads to market expectation of further interest rate hike.

Fund Facts

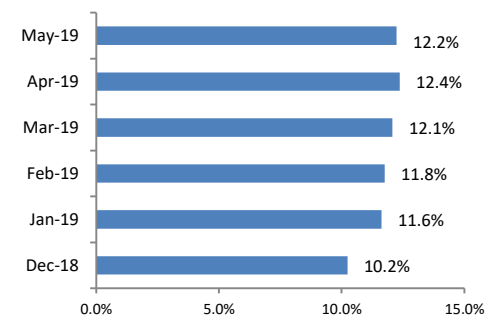
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	59,341
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.09% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

Fund Size FY19	Rs. million
Beginning Fund Size (01 Jul 2018)	53,195
Add: Contribution during the period	5,333
Add: Gains during period	4,078
Less: Reversal during the period	(3,213)
Less: Expenses during the period	(52)
Ending Fund Size (31 May 2019)	59,341

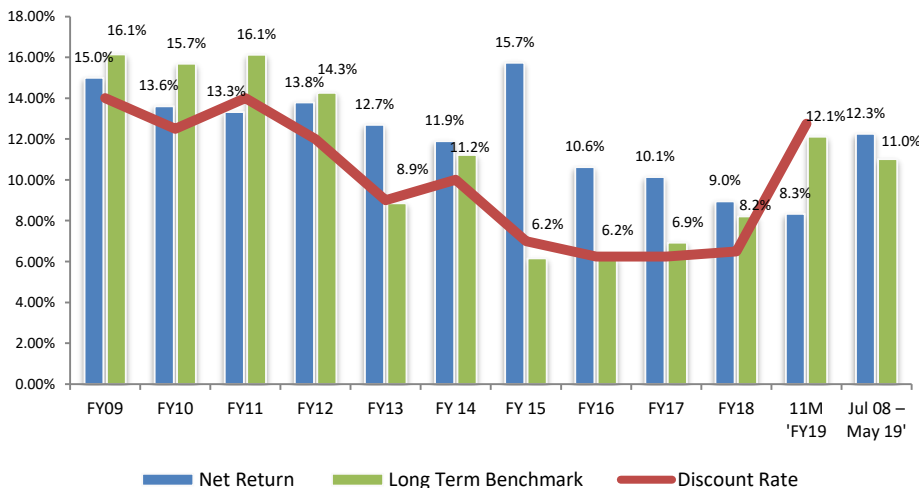
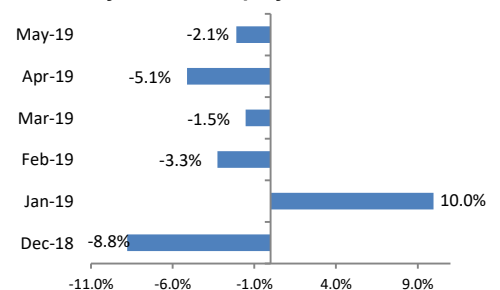


	Fund Assets	Liability Index	Fund Assets (a)	30-yr Pension Liabilities (b)	(a)/(b)
FY09	15.00%	28.01%	3.5	575.9	0.61%
FY10	13.21%	9.41%	12.1	637.6	1.90%
FY11	10.81%	-4.50%	13.4	608.9	2.20%
FY12	16.86%	21.93%	15.6	742.5	2.10%
FY13	20.46%	39.51%	18.8	1035.8	1.82%
FY14	5.65%	-9.20%	24.8	940.5	2.64%
FY15	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%
11M FY19	1.45%	-21.06%	59.3	3932.9	1.51%
Jul '08 to May '19	12.35%	10.59%			

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



YTD Monthly Returns- Equity



Operational Investment Committee

Aquil Raza Khoja, FCA	General Manager
Muhammad Sajid, CFA	Portfolio Manager
Research Analyst	
Haroon Zafar, CFA	