



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 first quarter FY19-20, the Fixed Income portion of Fund's portfolio posted an annualized return of 17.8%. PPF posted net return of 27.97% p.a. in September-19 as compared to return of 13.34% p.a. in August-2019. This huge gain is attributable to realization of capital gain from selling a significant portion of the PIB portfolio. The OIC of PPF realized capital gain of over Rs.1 billion on sale of PIBs which took the monthly annualized return of unprecedented 28% p.a. and locked the portfolio at higher rates in various products of National Saving Schemes; whose profit rates are revised with a time lag. Fixed Income annualized return will normalize in coming months.

Equity: During first quarter of FY19-20, PPF's equity portfolio posted a return of -5.45% vs its applicable benchmark return of -5.39%. However, during the month of September-19, stock market recovered; as a result, PPF posted a return of 8.59% during the month.

In August-19, CPI was recorded at 11.38% on YoY basis as compared to 10.50% in July-19. MoM inflation, however, showed some softening which reduced from 1.64% last month to 0.77% in August-19. The State Bank of Pakistan expects that CPI for FY19-20 will remain between 11% to 13% p.a. Punjab Pension Fund is expecting to earn more than CPI as major portfolio is locked at higher rates.

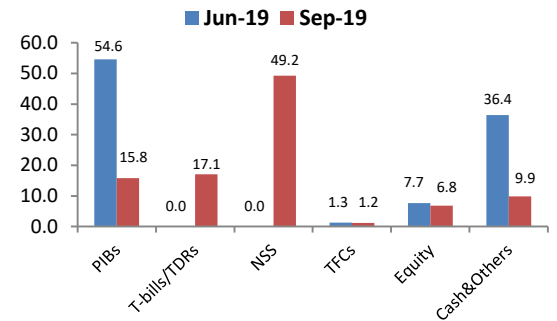
Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	63,099
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.09% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Risk Profile of the Fund	Low to Moderate

Fund Size FY20

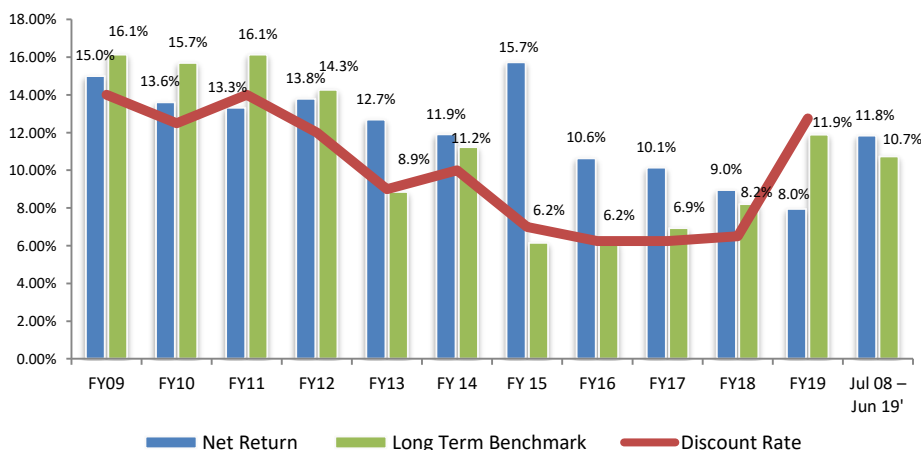
Rs. million

Beginning Fund Size (01 Jul 2019)	59,273
Add: Contribution during the period	-
Add: Gains during period	2,139
Add: Unrealized gain during the period	1,700
Less: Expenses during the period	(13)
Ending Fund Size (30 September 2019)	63,099

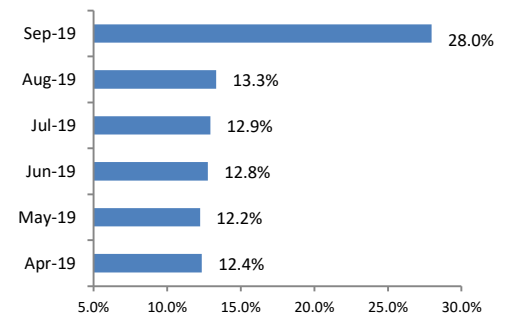


	Fund Performance*	Liability Index	Fund Size (a)	Estimated 30-yr Pension Liabilities (b)	(a)/(b)
FY09	15.00%	28.01%	3.5	575.9	0.61%
FY10	13.21%	9.41%	12.1	637.6	1.90%
FY11	10.81%	-4.50%	13.4	608.9	2.20%
FY12	16.86%	21.93%	15.6	742.5	2.10%
FY13	20.46%	39.51%	18.8	1035.8	1.82%
FY14	5.65%	-9.20%	24.8	940.5	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%
FY19	1.34%	-28.64%	59.2	3756.8	1.58%
3M FY20	6.45%	14.81%	63.1	4312.9	1.46%
Jul '08 to Sep '19	12.35%	10.54%			

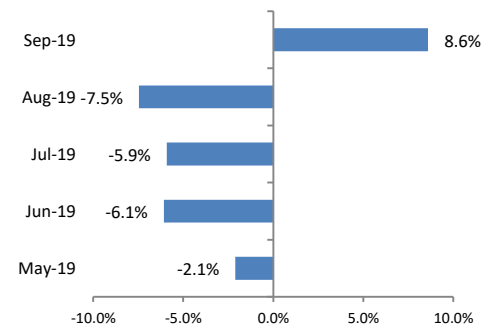
*Including mark to market gain/losses



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



YTD Monthly Returns- Equity



Operational Investment Committee

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