



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

Performance Review

PPF made a net return of 12.62% during July-August FY15 vs. 11.79% during the corresponding period of FY14. The performance of the Fund significantly improved as a result of higher allocation of the portfolio in long term PIBs; PIBs were 72.4% of total portfolio as on 31st August 2014.

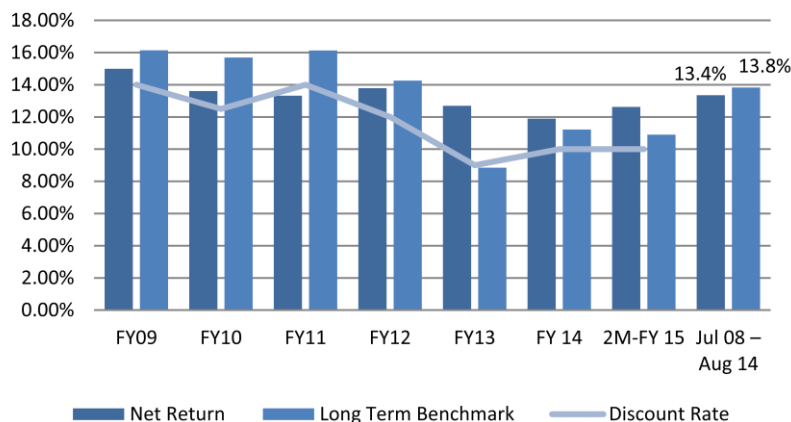
CPI Inflation for the month of August FY15 was recorded at 7.0% on YoY basis which is on lower side and we expect that inflation will remain in single digit for the full year FY15. However, recent flood can cause some upward pressure on food prices.

Despite controlled inflation scenario, yields of long term PIBs are continually increasing solely due to heavy Government borrowings. Since OIC of PPF is of the view that there is no immediate threat of increase in inflation and long term government paper is offering very attractive spread over inflation, the Fund will continue building up its long term PIBs portfolio and holding close to its maximum permissible exposure of 75% of Fund size.

This strategy has started to pay off already and higher allocation of PIBs in overall portfolio helped the Fund to post a return higher than its benchmark in the period.

Period	Growth	Market Value (Rs. billion)		Funding Ratio	
		Fund Assets	Liability Index		Fund Assets (a)
FY09	15.00%	28.01%	3.5	575.9	0.60%
FY10	13.21%	9.41%	12.1	621.7	1.94%
FY11	10.81%	-2.88%	13.4	608.9	2.19%
FY12	16.86%	25.40%	15.6	757.1	2.06%
FY13	20.46%	38.96%	18.8	1052.1	1.79%
FY14	5.65%	-5.75%	24.8	991.6	2.50%
Jul-Aug FY15	0.90%	-0.11%	25.0	986.4	2.53%
Jul '08 to Aug '14	13.48%	14.25%			

Performance History



Fund Facts

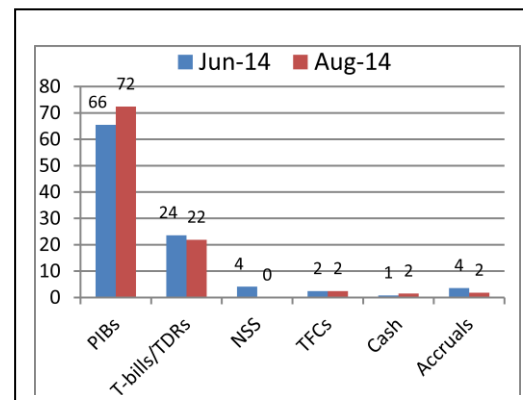
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	24,974
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.12% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

Fund Size FY15

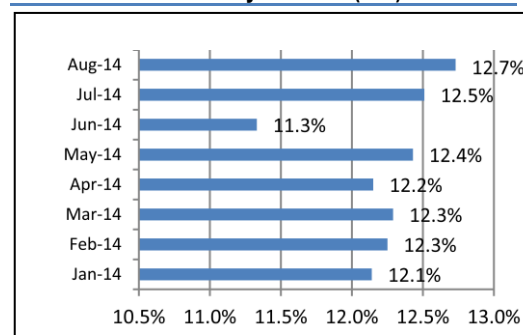
Rs. million

Beginning Fund Size (30 Jun 2014)	24,555
Add: Contribution during the year	-
Add: Gains during the year	506
Less: Expenses during the year	(5)
Ending Fund Size (31 Aug 2014)	25,056

Asset Allocation (% of Fund Size)



YTD Monthly Returns (Net)



Operational Investment Committee

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