



**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 made a net return of 17.8% during 8MFY15 vs. 11.8% during the corresponding period of FY14. This improvement in the performance of the Fund came on the back of realized capital gain on sale of PIBs. During this period PPF realized an overall Capital Gain of Rs. 827 million.

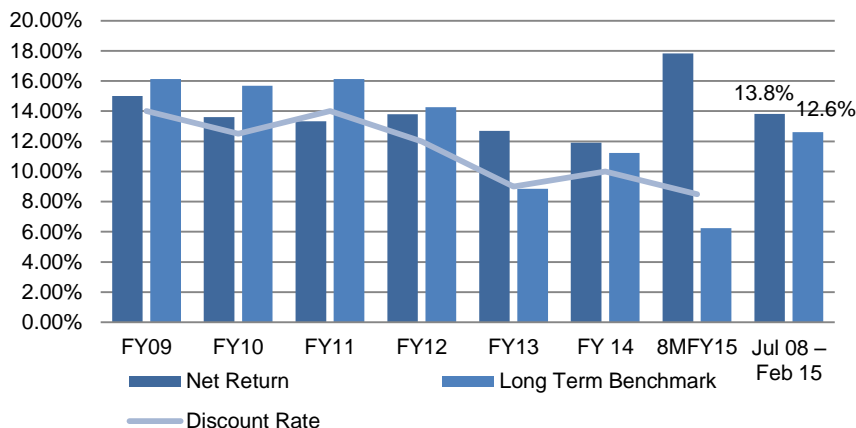
During the month of February-15, the Fund posted a net return of 12.6% vs 18.8% during January-15. The lower return for the month of February was due to absence of capital gain during the month. During the last couple of months PPF shifted a significant exposure of its portfolio from PIBs to National Savings.

YoY CPI for the month of February 2015 came at record low of 3.24%; while on MoM basis CPI recorded a decline of 0.92 percent. During the 8 months of FY15 CPI Index increased by just 0.20% cumulatively.

SBP is expected to announce its next bi-monthly Monetary Policy Statement during the 3<sup>rd</sup> week of March 2015. Secondary market yields have already incorporated a decline of 50 basis points. The SBP estimates that average CPI for the FY15 will remain 4.5 to 5.5 percent. In the wake of lower inflation expectations and stable balance of payment situation, we expect that State Bank will reduce the Discount Rate by another 50 basis points.

Period	Growth		Market Value (Rs. billion)		Funding Ratio (a)/(b)
	Fund Assets	Liability Index	Fund Assets (a)	30-yr Pension Liabilities (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	940.52	2.64%
Jul-Feb FY15	17.83%	48.40%	31.3	1395.7	2.24%
Jul '08 to Feb '15	14.92%	18.29%			

### Performance History



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	31,274
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.15% 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

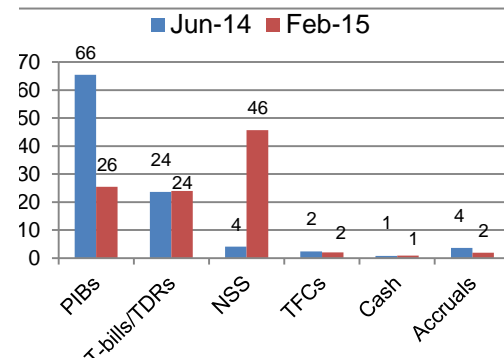
Rs. million

*Beginning Fund Size (30 Jun 2014)	24,555
Add: Contribution during the year	2,000
Add: Gains during the year	2,913
Less: Expenses during the year	(23)

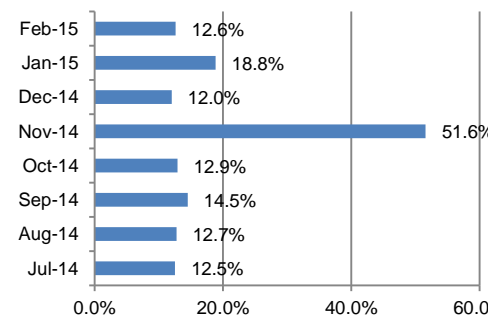
**\*Ending Fund Size (28 Feb 2015) 29,445**

\* Excluding Unrealized Gain/(Loss) of Rs. 1.83 billion

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

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