



**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 15.7% during FY15 vs. 11.9% during FY14. This is the highest single year return posted by the Fund in its seven year history.

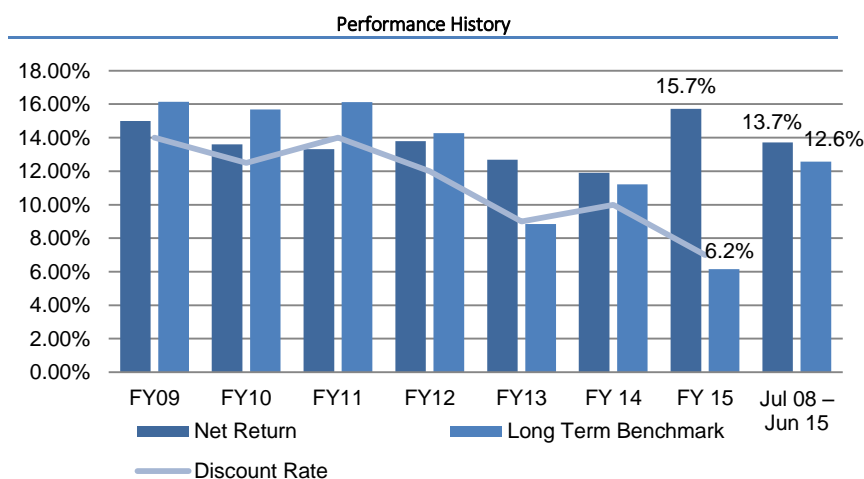
PPF's performance has superceded its benchmark for the third consecutive year; and it is important to note that the Fund has done so without any exposure in equities.

This noteworthy improvement in the performance of the Fund during FY15 came on the back of followings:

- Realized capital gain of Rs. 869 million on sale of PIBs
- Steep fall in CPI due to sharp decline in international oil and commodity prices
- Timely investment in high yielding instruments at the beginning of FY15 and subsequent shift to fixed rate investments amid falling rates

With a much larger fund size and expected low yield environment, we expect FY16 to be a challenging one. The OIC of the Fund is of the view that inflation and interest rates will remain on lower side.

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%
Jul-Jun FY15	21.57%	45.30%	35.3	1366.0	2.58%
Jul 08 to Jun 15	14.67%	17.00%			



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	35,309
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.17% 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

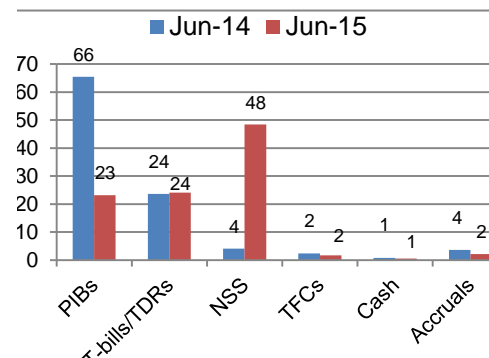
Rs. million

*Beginning Fund Size (30 Jun 2014)	24,555
Add: Contribution during the year	5,000
Add: Gains during the year	4,116
Less: Expenses during the year	(43)

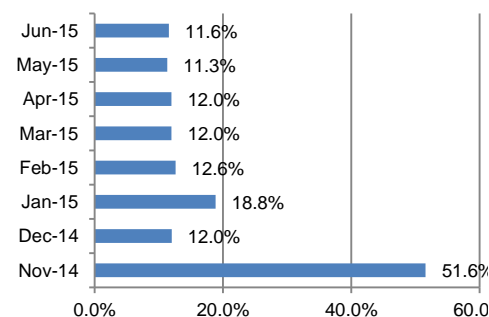
**\*Ending Fund Size (30 June 2015) 33,628**

\* Excluding Unrealized Gain of Rs. 1,681 million

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

Aquil Raza Khoja, FCA	General Manager
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Muhammad Sajid, CFA	Portfolio Manager

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