



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

### Performance Review

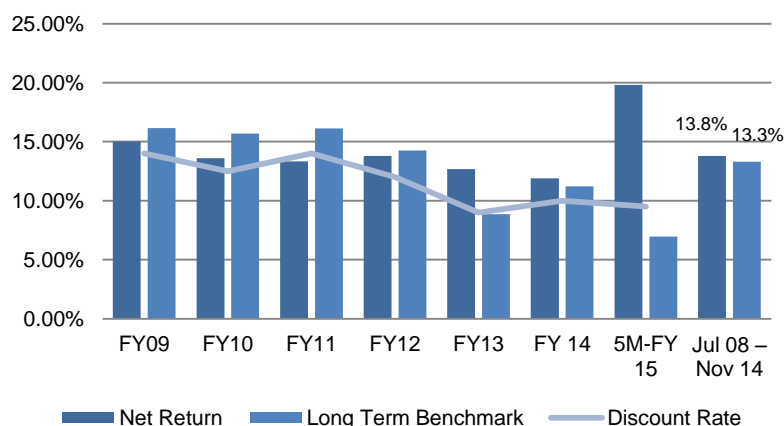
PPF made a net return of 19.8% during 5MFY15 vs. 11.7% during the corresponding period of FY14. This drastic improvement in the performance of the Fund came on the back of realized capital gain on sale of PIBs during the month of November. Capital Gain of Rs. 625 million was realized during the month of November; as a result, annualized return for the month of November was recorded at 51.6%.

In the past year, the OIC of PPF had followed a strategy of building up its long-term PIB portfolio in order to lock-in high yield. Subsequently inflation came down especially during the last couple of months; the State Bank of Pakistan also lowered its Policy Rate by 50 basis points in last Monetary Policy. As a result, the yields of long term PIBs declined by around 200 basis points on average. PPF, which had accumulated long-term PIBs in its portfolio, remained a beneficiary in this declining interest rates scenario. The Fund sold PIBs of around Rs. 10.5 billion in the secondary market and invested the entire amount in different products of National Saving Schemes at fixed rates.

PPF still has 32% of its portfolio invested in long term PIBs; this portion of the portfolio will help the Fund to post a decent rate of return in prevailing lower interest rate scenario.

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	0.60%
FY10	13.21%	9.41%	12.1	637.6	1.90%
FY11	10.81%	-4.50%	13.4	609.0	2.19%
FY12	16.86%	21.93%	15.6	742.5	2.10%
FY13	20.46%	39.51%	18.8	1035.8	1.81%
FY14	5.65%	-9.20%	24.8	940.5	2.64%
Jul-Nov FY15	10.22%	18.41%	27.3	1113.7	2.45%
Jul '08 to Nov '14	14.34%	14.95%			

### Performance History



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	27,280
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.16% 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

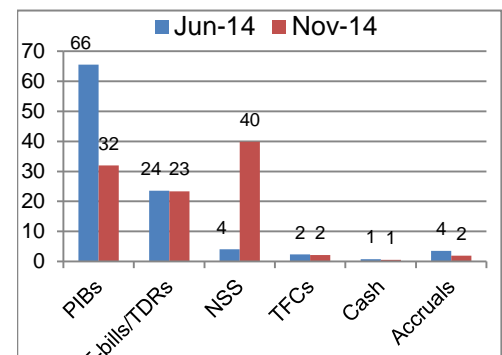
Rs. million

*Beginning Fund Size (30 Jun 2014)	24,555
Add: Contribution during the year	-
Add: Gains during the year	1,948
Less: Expenses during the year	(14)

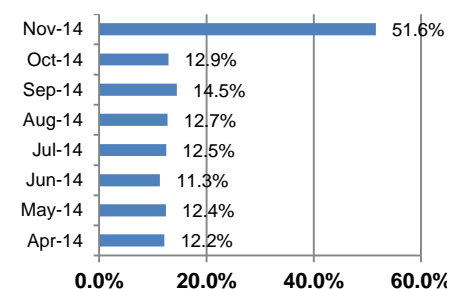
**\*Ending Fund Size (30 Nov 2014) 26,489**

\* Excluding Unrealized Gain/(Loss)

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

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