



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 13.1% during 4MFY15 vs. 11.7% 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 70.4% of total portfolio as of 31st October 2014.

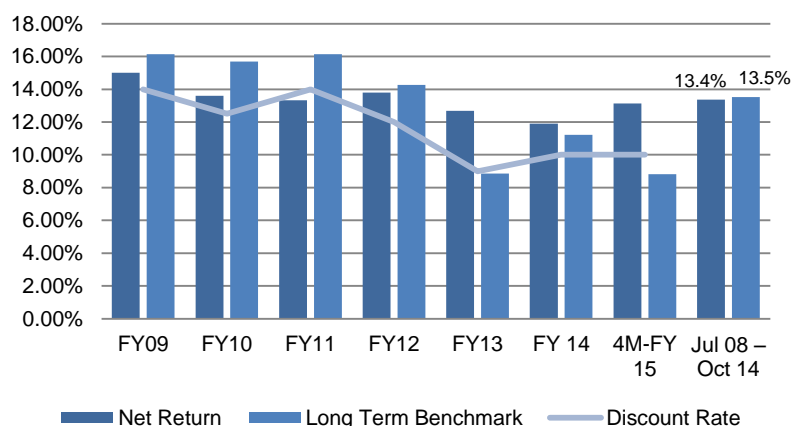
Return for the month of October was 12.9%; while CPI Inflation for the month was recorded at 5.8% on YoY basis which is the lowest level in seventeen months. We expect that inflation will remain in single digit for the full year FY15. Global economic slowdown and falling oil & commodity prices will further contribute towards lower domestic inflation.

The OIC of PPF was following a strategy of building up its long term PIB portfolio in order to lock-in high yields for a long period of time. This strategy has started to pay off as higher allocation of PIBs in overall portfolio helped the Fund beat its benchmark by a considerable margin.

Next Monetary Policy Statement is going to be announced on 15th Nov 2014. The OIC of PPF is of the view that despite lower inflation, SBP is likely to adopt a cautionary approach and there will be no change in Policy Rate.

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-Oct FY15	6.64%	8.18%	26.4	1017.5	2.59%
Jul '08 to Oct '14	13.95%	13.53%			

Performance History



Fund Facts

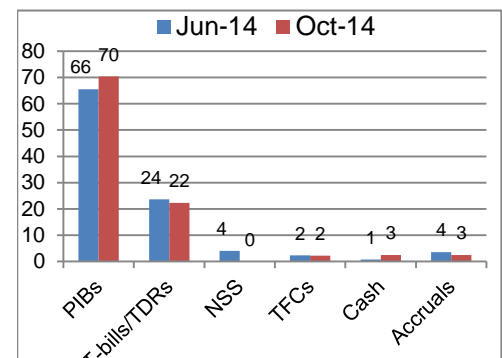
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	26,394
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.15% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

Fund Size FY15

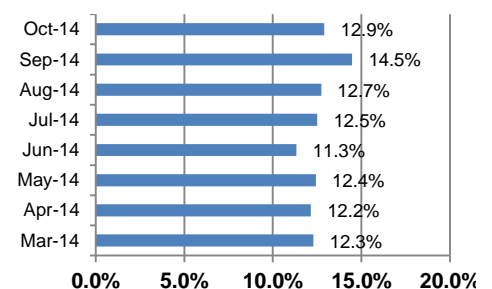
Rs. million

Beginning Fund Size (30 Jun 2014)	24,555
Add: Contribution during the year	-
Add: Gains during the year	1,054
Less: Expenses during the year	(11)
Ending Fund Size (30 Oct 2014)	25,598

Asset Allocation (% of Fund Size)



YTD Monthly Returns (Net)



Operational Investment Committee

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