



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

### Performance Review

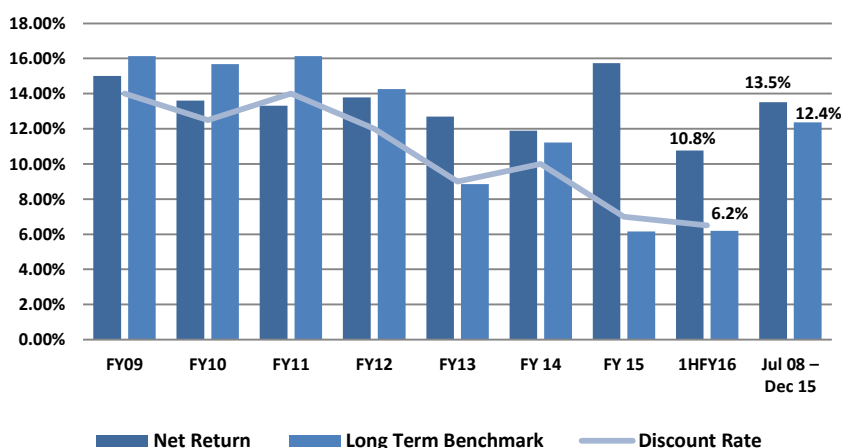
PPF posted a net return of 10.8% during 1HFY16 vs. 18.5% during 1HFY15. The net return for the month of December was 10.7%. The performance of the Fund was significantly higher than its benchmark of 6.2%; despite a sharp decline in market yields.

The Fund's portfolio allocation during the month has remained unchanged. At the end of December 2015, the Fund has around 70% of its exposure in fixed rate PIBs and products of National Saving Schemes. This high yielding portion of the portfolio will support the Fund in outperforming its benchmark in FY16.

CPI Inflation for the month of December was recorded at 3.2 percent on YoY and negative 0.6 percent on MoM basis. As far as inflation outlook is concerned, the OIC is of the view that inflation may pick up in the second half of FY16; mainly because of very low base of previous year. However, falling oil prices and stable exchange rate may keep inflation on lower side despite the low base effect.

Period	Growth	Market Value (Rs. billion)		Funding Ratio	
		Fund Assets	30-yr Pension Liabilities (b)		
		Liability Index	Fund Assets (a)	(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%
FY15	21.57%	45.22%	35.3	1366.0	2.58%
1HFY16	5.22%	8.26%	37.1	1480.0	2.51%
Jul '08 to Dec '15	14.40%	17.00%			

### Performance History



### Fund Facts

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	37,142
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 FY16

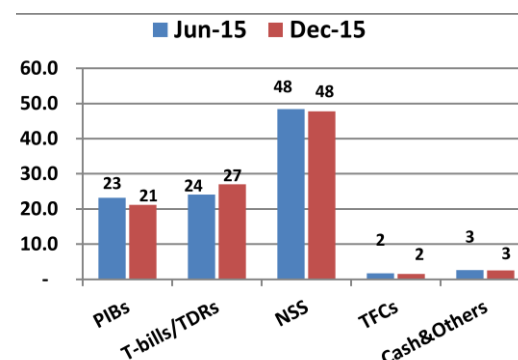
Rs. million

*Beginning Fund Size (30 Jun 2015)	33,619
Add: Contribution during the year	-
Add: Gains during the year	1,805
Less: Expenses during the year	(27)

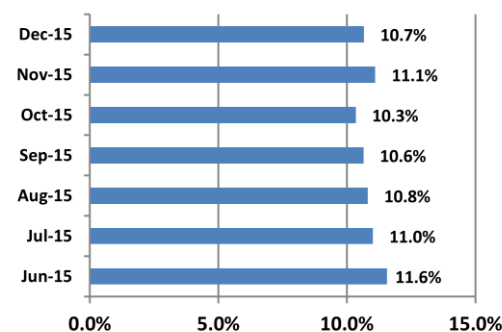
**\*Ending Fund Size (31 Dec 2015) 35,397**

\* Excluding Unrealized Gain of Rs. 1,745 million

### Asset Allocation (% of Fund Size)



### YTD Monthly Returns (Net)



### Operational Investment Committee

Aquil Raza Khoja, FCA	General Manager
Sobia Hasan, CFA	Head of Investments
Muhammad Sajid, CFA	Portfolio Manager

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