



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

**Performance Review**

**Fixed Income:** During first two months of FY20, the Fixed Income portion of Fund’s portfolio posted an annualized return of 13.14%. PPF posted net return of 13.34% in August-19 as compared to annualized return of 12.9% in July-2019.

**Equity:** During first two months of FY20, PPF’s equity portfolio posted a return of -7.46% vs its applicable benchmark return of -12.75%.

In July-19, CPI stood at 10.5% YoY under the new base year (2015-16) vs. 11.6% YoY under the previous base year (2007-08). MoM inflation under the new base year registered 1.64% growth, compared to 1.38% under the previous base year. The SBP has released CPI for the month of August 2019 with following amendments:

- i. Base Year has been changed from 2007-08 to 2015-16.
- ii. CPI is being segregated under the new base year into Urban and Rural indices to give a more accurate depiction of inflationary trends.
- iii. Moreover, the weights of various items in the CPI basket have been altered, seemingly in line with the Household Integrated Economic Survey (HIES 2015-16) to make them more in line with consumer spending patterns.
- iv. NFNE inflation weightage has increased which will inflate core inflation numbers from previous period.

The CPI target for FY-20 is between 11% to 13% p.a. The revised base and methodology may force the SBP to revised its estimate and MPC policy direction.

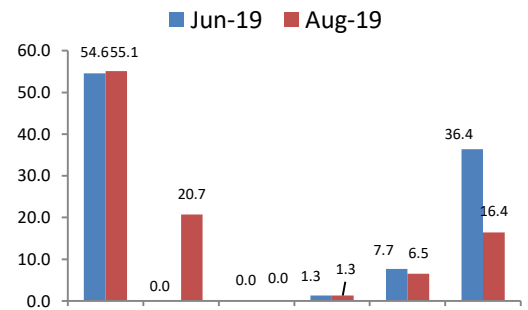
**Fund Facts**

Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	61,128
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.09% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

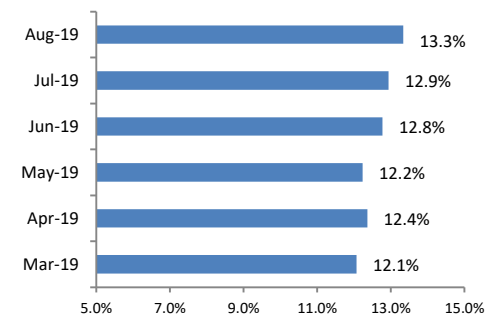
**Fund Size FY20**

*Rs. million*

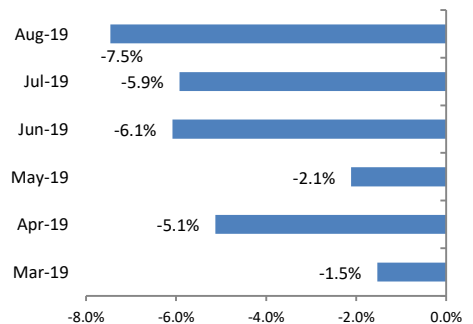
<b>Beginning Fund Size (01 Jul 2019)</b>	<b>59,273</b>
Add: Contribution during the period	-
Add: Gains during period	614
Add: AFS gains during the period	1,250
Less: Expenses during the period	(9)
<b>Ending Fund Size (31 August 2019)</b>	<b>61,128</b>



**YTD Monthly Returns- Fixed Income (p.a.)**



**YTD Monthly Returns- Equity**



**Operational Investment Committee**

Aquil Raza Khoja, FCA	General Manager
Muhammad Sajid, CFA	Portfolio Manager
<b>Research Analyst</b>	
Haroon Zafar, CFA	

	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%
FY15	21.57%	45.22%	35.3	3866.4	0.91%
FY16	11.14%	18.65%	40.2	4995.0	0.81%
FY17	9.88%	5.08%	49.3	5249.1	0.94%
FY18	7.97%	0.29%	53.2	5264.5	1.01%
FY19	1.34%	-28.64%	59.2	3756.8	1.58%
2M FY20	3.13%	2.53%	61.1	3851.8	1.59%
Jul '08 to Aug '19	12.13%	9.51%			

**Performance History**

