



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

Performance Review (From July 18; Performance reported on Mark to Mark basis)

PPF posted a net return of 0.36% during the month of Jul-18 vs its benchmark return of 0.17%; During the month, the Fund has invested around 10% of its size in Equity Market through Mutual Funds. This shift in asset allocation will help PPF to outperform its long term benchmark during FY19.

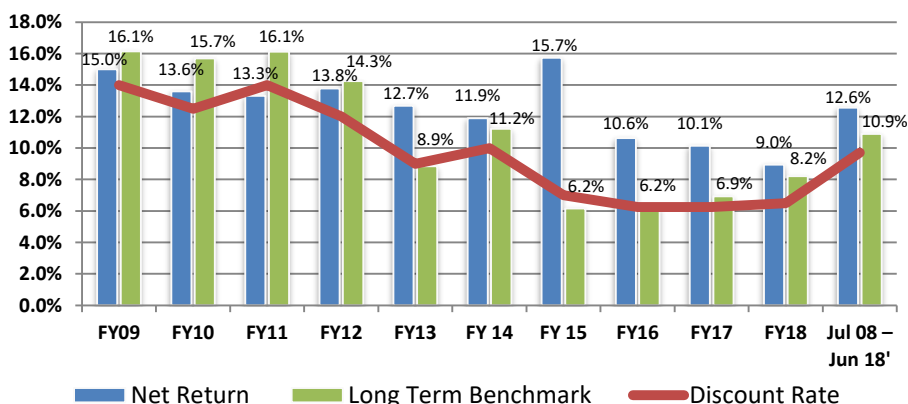
Equity: During July-18, PPF's equity portfolio posted a return of 3.4% vs its applicable benchmark return of 1.9%. The outperformance was due to better timing of entry into equity market decided by the Fund.

Fixed Income: The Fixed Income portion of Fund's portfolio posted an annualized return of 0.5% vs its benchmark return of 0.17%. During the month, benchmark has been adversely affected by reversal of PIB yields, whereas Punjab Pension Fund's strategy to stay in short duration investments has paid well. We expect the returns of our portfolio to further improve in coming months.

In Jul-18, CPI Inflation recorded an increase of 5.8 percent on YoY basis. Inflation has shown rising trend since last couple of months. In response, the SBP has raised its policy rate by 150 basis points in previous two Monetary Policy reviews. We expect that consistent pressure on external front, currency devaluation, surge in oil prices, and rising demand side pressure will further increase the inflation in current fiscal year.

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%
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%
Jul FY19	0.36%	-2.37%	53.4	5139.8	1.04%
Jul '08 to Jul '18	13.06%	13.79%			

Performance History-(Excluding Mark to Market)



Fund Facts

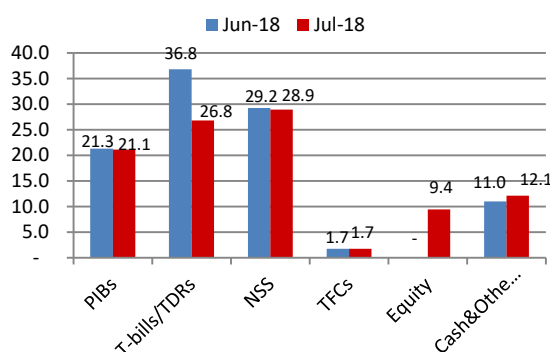
Fund Type	Pension Fund
Inception Date	16-Jun-08
Net Assets (Rs. million)	53,378
Long Term Benchmark	YoY CPI + 3%
Management Expenses (annualized)	0.10% p.a. of Net Assets
Trustee	CDC Pakistan Limited
Auditors	KPMG Taseer Hadi & Co.
Risk Profile of the Fund	Low to Moderate

Fund Size FY19

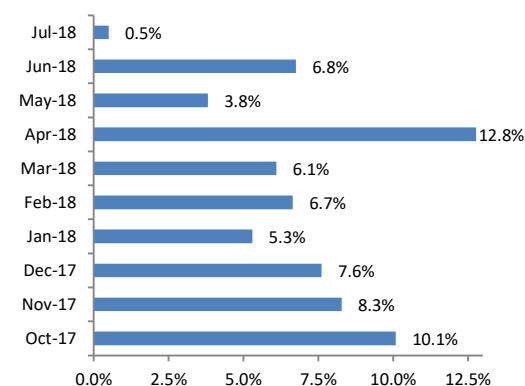
Rs. million

Beginning Fund Size (01 Jul 2018)	53,195
Add: Contribution during the year	-
Add: Gains during year	188
Less: Expenses during the year	(5)
Ending Fund Size (31 July 2018)	53,378

Asset Allocation (% of Fund Size)



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



Operational Investment Committee

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