

**Publication of Performance of Pension Funds Set Up under  
Voluntary Pension System Rules, 2005  
(For the Period Ended December 31, 2010)**

1. The Voluntary Pension System Rules (the 'VPS Rules') provide a framework of savings for retirement benefits. Persons holding Computerized National Identity Card/ National Identity Card for Overseas Pakistanis or a National Tax Number can become participants to the system on attaining 18 years' age. A participant of the fund can choose retirement age between 60 to 70 years.
2. For each individual enrolled in the system, a separate account is created representing his/ her share in a pension fund. Contributions made by an individual during his working life are invested in a combination of equity, debt and money market securities as per allocation scheme selected by the participant.
3. An individual can open more than one pension accounts with different pension fund managers. At retirement age contributions to the pension account are stopped and the participant starts drawing pension from his accumulated fund. Voluntary Pension System (VPS) also allows participants to quit the system before attaining the retirement age but in that event they have to forego tax benefits already availed.
4. Current tax law offers some incentives for contribution to VPS. However the law, governing occupational and voluntary retirement schemes, requires review to bring uniformity in the tax treatment made available to different retirement schemes.
5. So far, five companies have obtained license from Securities and Exchange Commission of Pakistan (SECP) to operate as pension fund managers. These companies are managing nine pension funds out of which five are Shari'ah compliant and four are conventional pension funds. The funds are structured as trusts wherein custody of assets is with a trustee company and investment decisions rest with the fund manager.
6. SECP has carried out performance review of the pension funds set up under the VPS Rules for the six months (from 1<sup>st</sup> July to 31<sup>st</sup> December 2011). The Review reflected following position\* of different funds:

## A. Conventional Pension Funds (Position up to 31 December 2010)

Name of PFM:	JS Investments Limited	Arif Habib Investment Management Limited	Atlas Asset Management Limited	UBL Asset Management Limited
Name of Pension Fund:	JS Pension Savings Fund	Pakistan Pension Fund	Atlas Pension Fund	UBL Retirement Saving Fund
Date of launch:	27-Jun-07	27-Jun-07	27-Jun-07	19-May-10
<b>Debt sub-fund of the Pension Fund:</b>				
**NAV on December 31, 2010 (Rs.)	137.28	126.45	132.89	105.46
NAV on June 30, 2010 (Rs.)	130.18	121.68	127.85	100.644793
Return (net of expenses) for 6 months ended December 31, 2010 (Rs. & %)	7.10 5.45%	4.77 3.92%	5.04 3.94%	4.82 4.78%
Expenses***	0.49%	1.05%	1.10%	1.32%
NAV at the date of launch (Rs.)	99.95	100.00	100.00	99.90
Return (net of expenses) since date of launch to December 31, 2010 (Rs. & %)	37.33 37.35%	26.45% 26.45	32.89 32.89%	5.56 5.57%
<b>Equity sub-fund of the Pension Fund:</b>				
NAV on December 31, 2010 (Rs.)	90.06	102.4	125.92	121.01
NAV on June 30, 2010 (Rs.)	73.68	82.54	100.77	100.64
Return (net of expenses) for 6 months ended December 31, 2010 (Rs. & %)	16.38 22.23%	19.86 24.06%	25.15 24.96%	21.78 21.95%
Expenses***	0.96%	1.09%	1.60%	1.59%
NAV at the date of launch (Rs.)	99.95	100.00	100.00	99.90
Return (net of expenses) since date of launch to December 31, 2010 (Rs. & %)	-9.89 -9.89%	2.40 2.40%	25.92 25.92%	21.11 21.13%
<b>Money Market sub-fund of the Pension Fund:</b>				
NAV on December 31, 2010 (Rs.)	114.26	133.50	135.63	105.80
NAV on June 30, 2010 (Rs.)	108.51	127.25	129.15	100.77
Return (net of expenses) for 6 months ended December 31, 2010 (Rs. & %)	5.75 5.30%	6.25 4.91%	6.48 5.02%	5.03 4.99%
Expenses***	0.85%	1.03%	1.13%	1.27%
NAV at the date of launch (Rs.)	99.95	100.00	100.00	99.90
Return (net of expenses) since date of launch to December 31, 2010 (Rs. & %)	14.31 14.32%	33.50 33.50%	35.63 35.63%	5.90 5.91%

\*The statistics are based on the data provided by the Pension Fund Managers to the SECP.

\*\*The expression NAV stands for 'net asset value per unit'.

\*\*\*The 'expenses' have been stated as a percentage of average net assets and include all the expenses and fee charged to the respective sub-funds during the 6 month period ended December 31, 2010. To calculate the average net assets during the six month period, the quarterly balance of net assets has been used for practical convenience.

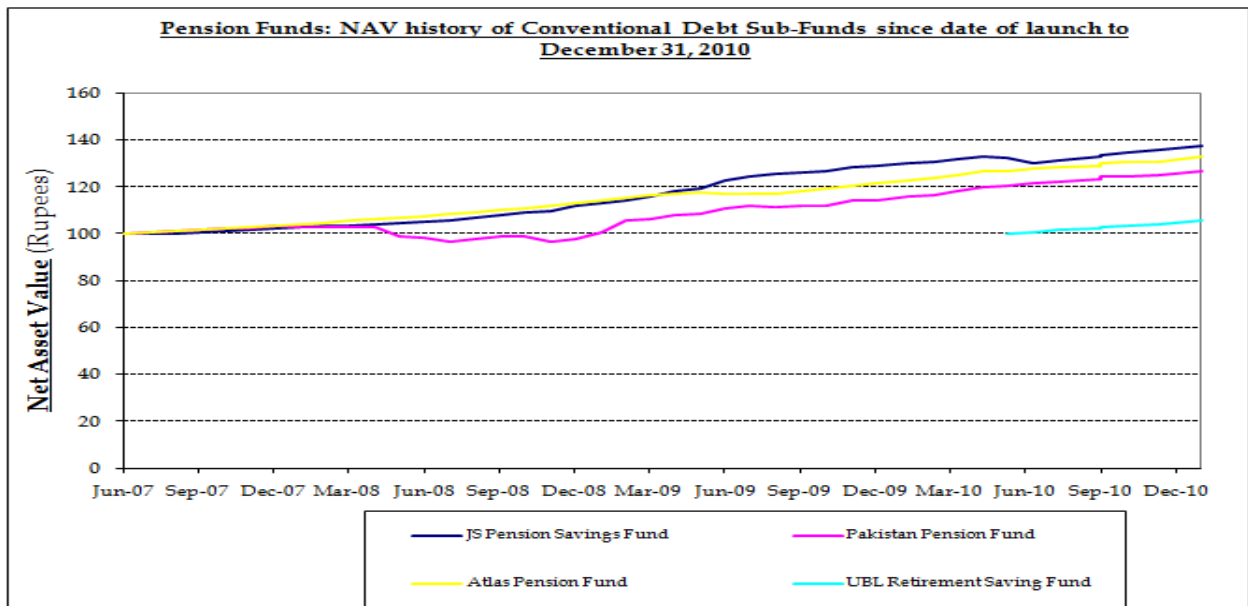
**B. Shariah Compliant Pension Funds (Position up to 31 December 2010)**

<b>Name of PFM:</b>	<b>JS Investments Limited</b>	<b>Arif Habib Investment Management Limited</b>	<b>Atlas Asset Management Limited</b>	<b>Al -Meezan Investment Management Limited</b>	<b>UBL Asset Management Limited</b>
<b>Name of Pension Fund:</b>	<b>JS Islamic Pension Savings Fund</b>	<b>Pakistan Islamic Pension fund</b>	<b>Atlas Pension Islamic Fund</b>	<b>Meezan Tahaffuz Pension Fund</b>	<b>UBL Islamic Retirement Saving Fund</b>
<b>Date of Launch:</b>	16-Jun-08	31-Oct-07	6-Nov-07	27-Jun-07	19-May-10
<b>Debt sub-fund of the Pension Funds:</b>					
NAV on <i>December 31, 2010</i> (Rs.)	129.10	129.82	131.14	135.82	104.12
NAV on <i>June 30, 2010</i> (Rs.)	121.59	124.66	127.5	129.71	100.5467053
Return (net of expenses) for 6 months ended <i>December 31, 2010</i> (Rs. & %)	7.51 6.18%	5.16 4.14%	3.64 2.85%	6.11 4.71%	3.57 3.55%
Expenses	0.72%	1.23%	1.08%	0.95%	1.22%
NAV at the date of launch (Rs.)	100.00	100.20	100.00	100.25	99.90
Return (net of expenses) since date of launch to <i>December 31, 2010</i> (Rs. & %)	29.10 29.10%	29.62 29.56%	31.14 31.14%	35.57 35.48%	4.22 4.22%
<b>Equity sub-fund of the Pension Funds:</b>					
NAV on <i>December 31, 2010</i> (Rs.)	134.78	107.03	153.03	126.64	120.46
NAV on <i>June 30, 2010</i> (Rs.)	108.25	89.83	119.19	101.01	98.68
Return (net of expenses) for 6 months ended <i>December 31, 2010</i> (Rs. & %)	26.53 24.51%	17.20 19.15%	33.84 28.39%	25.63 25.37%	21.78 22.07%
Expenses	0.91%	1.19%	1.66%	0.98%	1.52%
NAV at the date of launch (Rs.)	100.00	100.20	100.00	100.14	99.90
Return (net of expenses) since date of launch to <i>December 31, 2010</i> (Rs. & %)	34.78 34.78%	6.83 6.82%	53.03 53.03%	26.50 26.46%	20.56 20.58%
<b>Money Market sub-fund of the Pension Funds:</b>					
NAV on <i>December 31, 2010</i> (Rs.)	117.11	120.91	133.48	135.85	103.12
NAV on <i>June 30, 2010</i> (Rs.)	112.71	117.23	127.44	128.94	100.1879705
Return (net of expenses) for 6 months ended <i>December 31, 2010</i> (Rs. & %)	4.40 3.90%	3.68 3.14%	6.04 4.74%	6.91 5.36%	2.93 2.93%
Expenses	0.89%	1.22%	1.13%	0.94%	1.20%
NAV at the date of launch (Rs.)	100.00	100.20	100.00	100.18	99.90
Return (net of expenses) since date of launch to <i>December 31, 2010</i> (Rs. & %)	17.11 17.11%	20.71 20.67%	33.48 33.48%	35.67 35.61%	3.22 3.22%

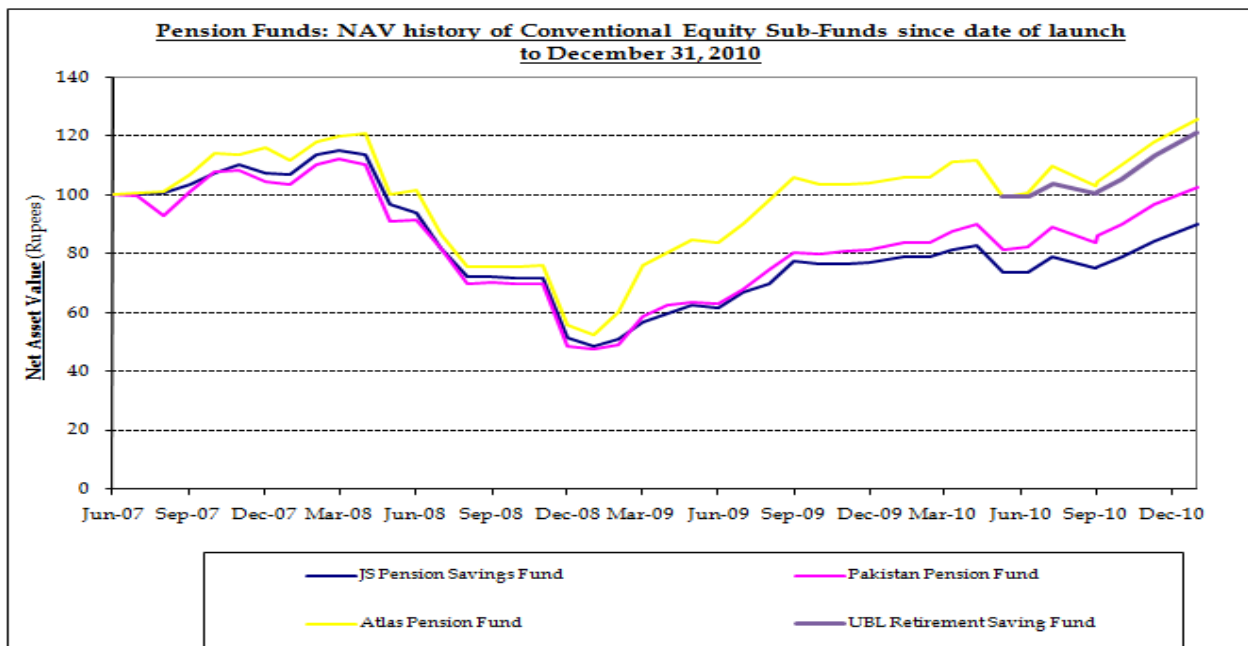
7. Results of investment in equity market are more volatile compared to debt and money markets. This behavior can be observed from the information displayed in graphs below:

## NAV History: Since Launch to December 31, 2010

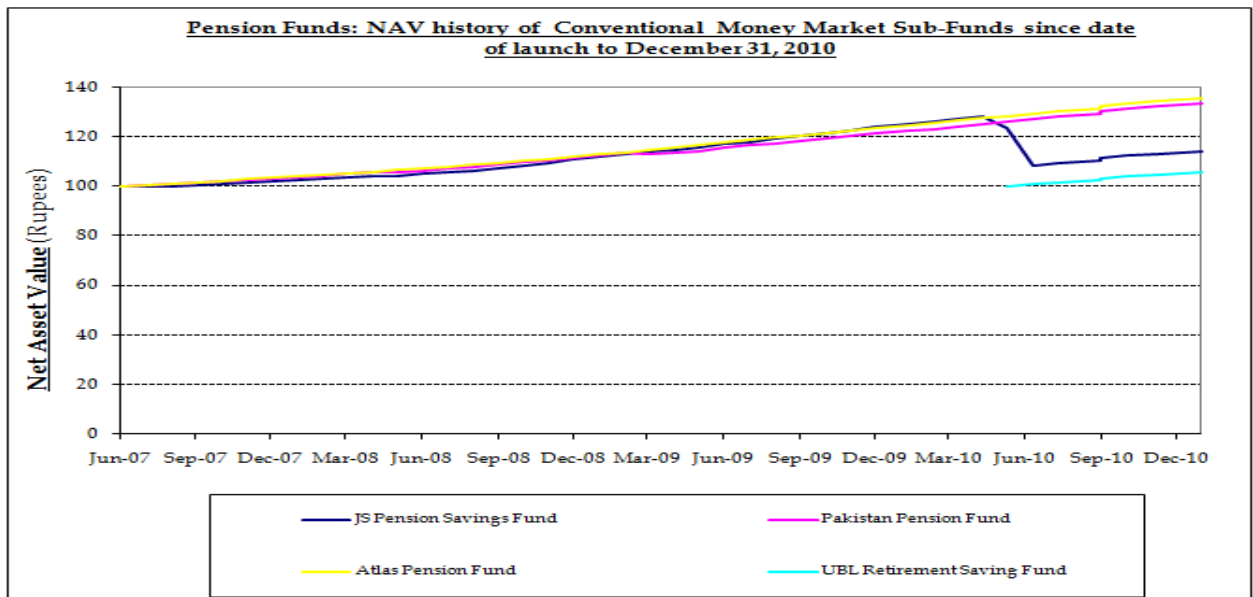
Conventional Debt sub-funds:



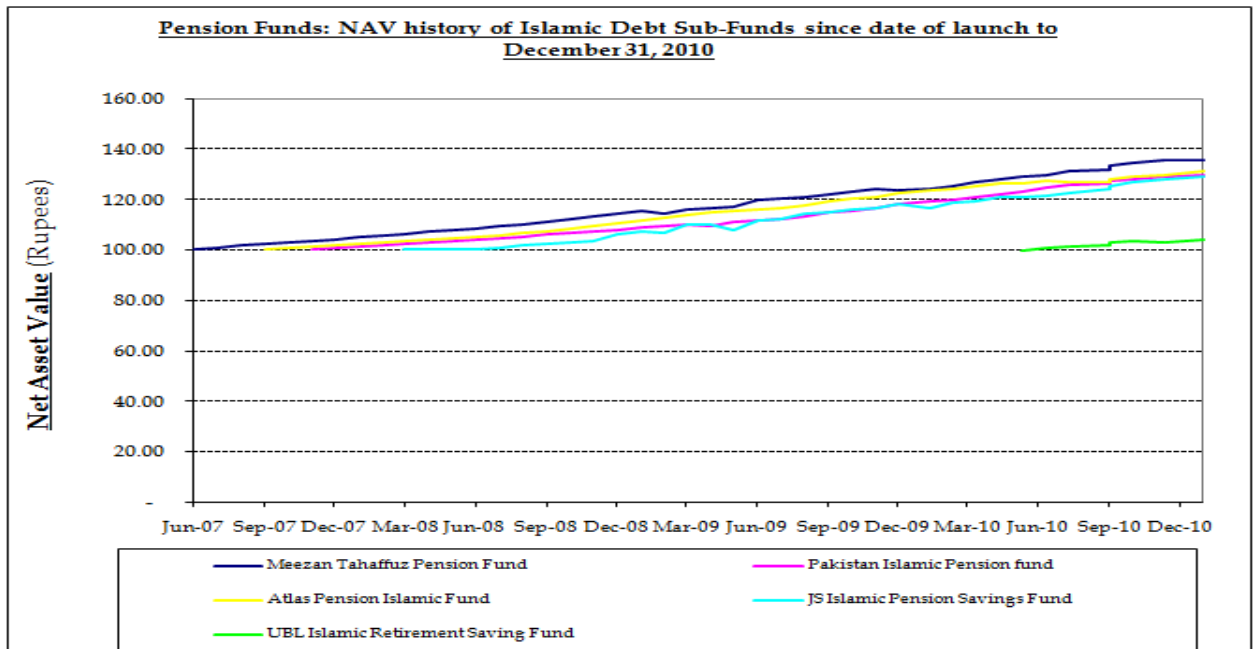
Conventional Equity sub-funds:



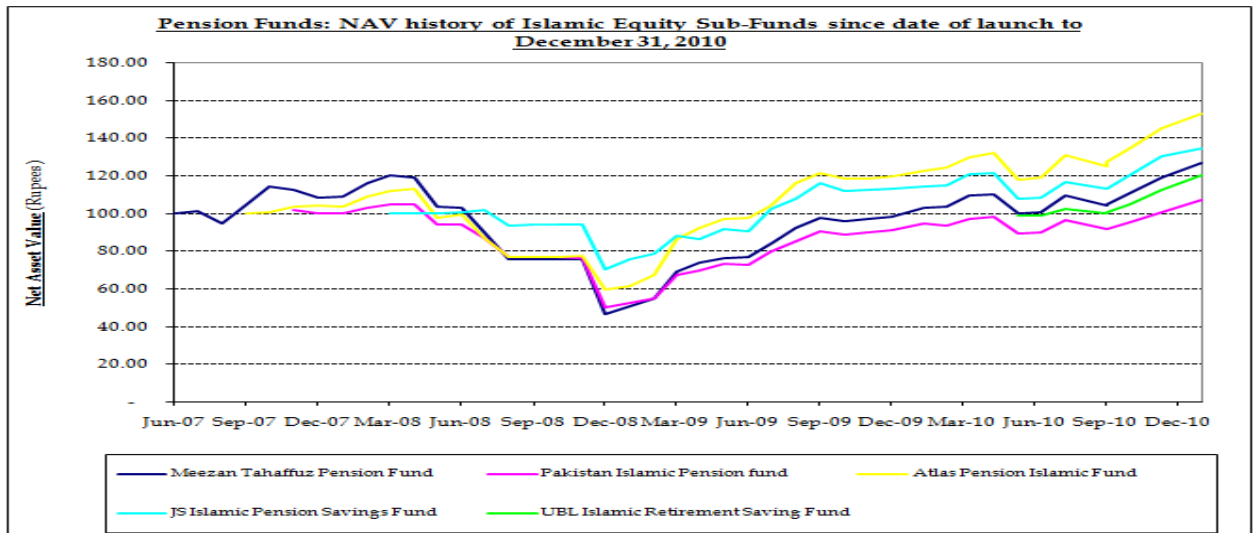
Conventional Money market sub-funds:



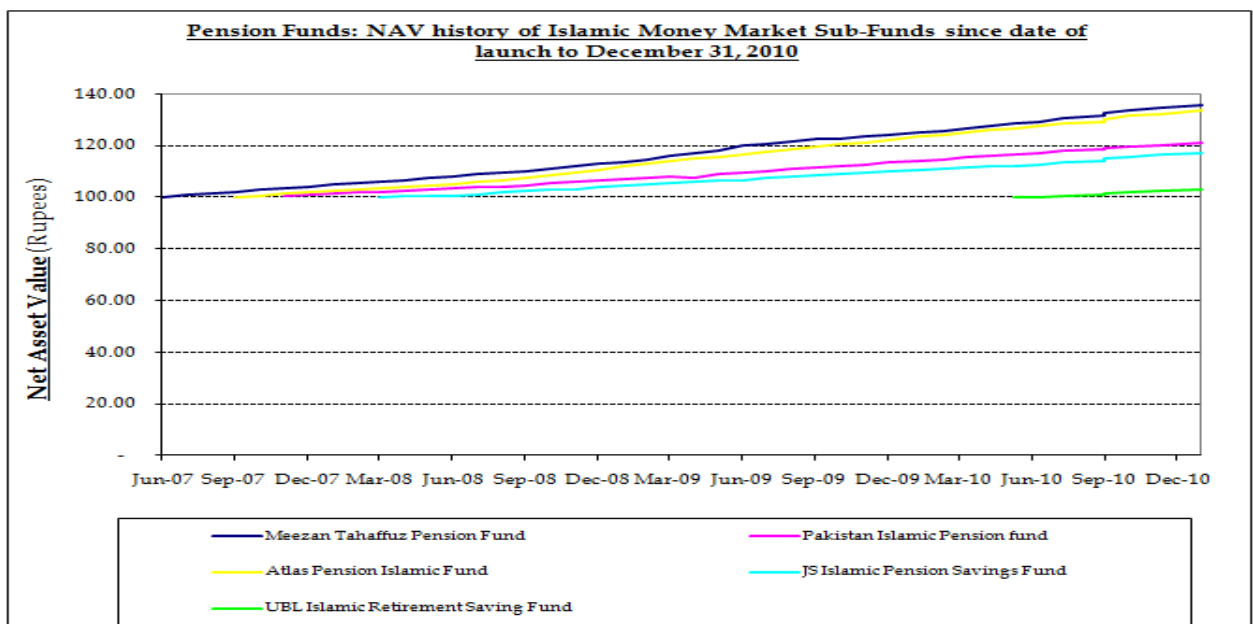
Islamic Debt sub-funds:



### Islamic Equity sub-funds:



### Islamic Money Market sub-funds:



*This is a publication by SECP under the requirement of rule 41 of the VPS Rules, 2005. It is highly suggested to individuals interested in enrolment to VPS, to read provisions of offering document of a pension fund to make an informed contribution decisions.*