

Press Release

August 24, 2018

For immediate release

SECP releases five-year comparative performance of private pension funds

ISLAMABAD, August 24: Private pension funds were introduced in 2007 under the Voluntary Pension System Rules, 2005. At present, there are 19 pension funds, out of which 10 are Shariah compliant and 9 are conventional. These funds are managed by 10 experienced pension fund managers.

The pension funds provide participants with options to invest in securities and commodities. Participants can choose allocation policies suiting their risk and return preferences. The total net assets of the voluntary pension fund industry are currently over Rs26 billion contributed by more than 25,000 participants.

The fund managers, depending on the asset class, charge fees ranging from 0.5% to 1.5% per annum. Furthermore, the fund managers can charge sales load up to 3% of the contribution on direct sales and up to 1.5% of the contribution if an investor carries out transaction online. However, the pension fund managers have been prohibited from charging sales load on subsequent contributions made by a participant whether directly or online.

Over 65% of the assets of the pension fund industry are invested in Shariah-compliant funds. All persons with CNIC are eligible to become members of pension funds and accumulate savings for their retired life. Participants can choose retirement age between 60 to 70 years. Upon retirement, they can withdraw up to 50% of the accumulated balance in lump sum and the remaining 50% in installments. Tax credit of up to 20% of taxable income can be availed upon investment in pension funds. Moreover, persons over 40 years of age can avail even higher tax benefits.

Periodic performance of the pension funds relating to the last five financial years, released by the SECP is tabulated as follows:

Shariah-compliant schemes

Equity sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		

ABL Islamic Pension Fund - Equity	20-Aug-14	N/A	30.84%	11.31%	28.01%	-11.98%	1.50%	3%
Meezan Tahaffuz Pension Fund - Equity	28-Jun-07	32.40%	26.60%	18.10%	20.40%	-16.50%	1.50%	3%
JS Islamic Pension Savings Fund - Equity	16-Jun-08	49.02%	32.03%	4.13%	38.01%	-20.95%	0.50%	3%
Atlas Pension Islamic Fund - Equity	6-Nov-07	24.88%	24.32%	4.99%	28.29%	-9.54%	1.50%	3%
Pakistan Islamic Pension Fund - Equity	15-Nov-07	42.10%	39.53%	14.84%	33.21%	-12.16%	1.50%	3%
NAFA Islamic Pension Fund - Equity	2-Jul-13	36.30%	51.5%	16.9%	35.8%	-10.50%	1.50%	3%
Al-Ameen Islamic Retirement Savings Fund - Equity	19-May-10	41.13%	45.54%	19.05%	30.45%	-14.07%	1.50%	3%
NIT Islamic Pension Fund - Equity	19-Jun-15	N/A	0.04%	6.67%	24.07%	-19.51%	0.75%	3%
HBL Islamic Pension Fund- Equity	16-Dec-11	44.41%	25.92%	5.56%	27.56%	-12.02%	1.50%	3%
Alfalah GHP Islamic Pension Fund - Equity	2-Jan-17	N/A	N/A	N/A	-2.75%	-13.44%	1.50%	3%

Debt sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
ABL Islamic Pension Fund - Debt	20-Aug-14	N/A	6.56%	3.52%	4.52%	1.26%	1.50%	3%
Meezan Tahaffuz Pension Fund - Debt	28-Jun-07	7.70%	6.40%	4.50%	4.90%	2.80%	1.50%	3%
JS Islamic Pension Savings Fund - Debt	16-Jun-08	6.76%	3.90%	3.91%	5.17%	2.27%	0.50%	3%
Atlas Pension Islamic Fund - Debt	6-Nov-07	8.04%	5.53%	4.23%	5.39%	3.58%	0.75%	3%
Pakistan Islamic Pension Fund - Debt	15-Nov-07	8.22%	4.76%	4.04%	4.46%	2.99%	1.50%	3%
NAFA Islamic Pension Fund - Debt	2-Jul-13	8.20%	5.6%	3.8%	3.9%	2.80%	1.50%	3%
Al-Ameen Islamic Retirement Savings Fund - Debt	19-May-10	7.48%	5.49%	3.39%	4.54%	2.78%	1.50%	3%
NIT Islamic Pension Fund - Debt	19-Jun-15	N/A	3.55%	3.06%	4.59%	3.24%	0.50%	3%
HBL Islamic Pension Fund- Debt	16-Dec-11	7.04%	4.97%	3.23%	5.06%	2.89%	1.50%	3%
Alfalah GHP Islamic Pension Fund - Debt	2-Jan-17	N/A	N/A	N/A	3.56%	1.50%	1.50%	3%

Money market sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
ABL Islamic Pension Fund - MM	20-Aug-14	N/A	6.31%	2.24%	3.22%	1.68%	1.50%	3%
Meezan Tahaffuz Pension Fund - MM	28-Jun-07	6.90%	6.90%	4.00%	4.40%	2.90%	1.50%	3%
JS Islamic Pension Savings Fund - MM	16-Jun-08	6.64%	5.32%	2.41%	3.85%	2.75%	0.50%	3%
Atlas Pension Islamic Fund - MM	6-Nov-07	7.67%	5.97%	4.21%	4.88%	4.02%	0.50%	3%
Pakistan Islamic Pension Fund - MM	15-Nov-07	6.86%	4.80%	2.36%	3.78%	3.34%	1.50%	3%
NAFA Islamic Pension Fund - MM	2-Jul-13	7.50%	6.2%	3.9%	3.8%	3.60%	1.50%	3%
Al-Ameen Islamic Retirement Savings Fund - MM	19-May-10	6.56%	5.69%	3.13%	4.03%	3.32%	1.50%	3%
NIT Islamic Pension Fund - MM	19-Jun-15	N/A	3.58%	2.79%	3.52%	3.72%	0.50%	3%
HBL Islamic Pension Fund- MM	16-Dec-11	6.08%	5.28%	2.83%	4.15%	3.41%	1.50%	3%
Alfalah GHP Islamic Pension Fund - MM	2-Jan-17	N/A	N/A	N/A	2.89%	2.52%	1.50%	3%

Commodity sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
Meezan Tahaffuz Pension Fund - Commodity	4-Aug-16	N/A	N/A	N/A	-9.20%	12.10%	1.50%	3%

Conventional schemes

Equity sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end)
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								load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
ABL Pension Fund - Equity	20-Aug-14	N/A	28.79%	10.56%	31.31%	-16.26%	1.50%	3%
JS Pension Savings Fund - Equity	26-Jun-07	61.51%	22.91%	3.35%	41.25%	-15.88%	0.50%	3%
Atlas Pension Fund - Equity	28-Jun-07	35.30%	21.13%	4.50%	28.72%	-2.97%	1.50%	3%
MCBAH Pakistan Pension Fund - Equity	29-Jun-07	49.60%	37.95%	10.77%	35.72%	-9.43%	1.50%	3%
NAFA Pension Fund - Equity	2-Jul-13	39.04%	49.6%	14.8%	37.3%	-7.40%	1.50%	3%
UBL Retirement Savings Fund - Equity	19-May-10	39.90%	47.71%	20.33%	30.10%	-12.39%	1.50%	3%
NIT Pension Fund - Equity	19-Jun-15	N/A	0.19%	1.22%	19.04%	-16.11%	0.75%	3%
HBL Pension Fund- Equity	16-Dec-11	25.57%	31.58%	8.96%	27.33%	-10.24%	1.50%	3%
Alfalah GHP Pension Fund - Equity	2-Jan-17	N/A	N/A	N/A	-6.16%	-12.30%	1.50%	3%

Debt sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
ABL Pension Fund - Debt	20-Aug-14	N/A	20.92%	12.14%	4.42%	3.72%	1.50%	3%
JS Pension Savings Fund - Debt	26-Jun-07	4.36%	10.75%	5.29%	4.63%	4.38%	0.50%	3%
Atlas Pension Fund - Debt	28-Jun-07	7.83%	13.03%	7.88%	5.24%	4.96%	0.75%	3%
MCBAH Pakistan Pension Fund - Debt	29-Jun-07	7.16%	16.85%	7.35%	4.31%	4.31%	1.50%	3%
NAFA Pension Fund - Debt	2-Jul-13	8.20%	17.3%	5.5%	4.4%	4.30%	1.50%	3%
UBL Retirement Savings Fund - Debt	19-May-10	7.80%	19.42%	12.29%	4.36%	4.63%	1.50%	3%
NIT Pension Fund - Debt	19-Jun-15	N/A	6.64%	3.90%	4.48%	4.96%	0.50%	3%
HBL Pension Fund- Debt	16-Dec-11	7.44%	11.01%	8.06%	4.37%	3.99%	1.50%	3%
Alfalah GHP Pension Fund - Debt	2-Jan-17	N/A	N/A	N/A	3.74%	3.60%	1.50%	3%

Money market sub-funds

Names of sub-funds	Date of launch	Returns					Management fee	Sales load (front end)
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								load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
ABL Pension Fund - MM	20-Aug-14	N/A	6.14%	4.15%	3.89%	3.85%	1.50%	3%
JS Pension Savings Fund - MM	26-Jun-07	6.91%	6.69%	4.10%	4.42%	4.09%	0.50%	3%
Atlas Pension Fund - MM	28-Jun-07	7.59%	7.93%	5.74%	5.53%	5.36%	0.50%	3%
MCBAH Pakistan Pension Fund - MM	29-Jun-07	7.15%	7.17%	4.40%	4.30%	4.39%	1.50%	3%
NAFA Pension Fund - MM	2-Jul-13	7.60%	7.8%	4.9%	4.4%	4.40%	1.50%	3%
UBL Retirement Savings Fund - MM	19-May-10	7.19%	7.27%	4.60%	4.55%	4.38%	1.50%	3%
NIT Pension Fund - MM	19-Jun-15	N/A	6.64%	3.87%	4.17%	4.94%	0.50%	3%
HBL Pension Fund-MM	16-Dec-11	7.13%	6.88%	4.16%	4.50%	4.38%	1.50%	3%
Alfalah GHP Pension Fund - MM	2-Jan-17	N/A	N/A	N/A	3.85%	3.65%	1.50%	3%

Commodity sub-fund

Names of Sub Fund	Date of launch						Management fee	Sales load (front end load)
		FY-2014	FY-2015	FY-2016	FY-2017	FY-2018		
UBL Retirement Savings Fund - Commodity	1-Apr-14	3.33%	-2.83%	13.77%	-1.05%	1.17%	1.50%	3%
NIT Pension Fund - Commodity	19-Jun-15	N/A	0.20%	10.05%	-1.70%	4.88%	0.50%	3%