



## IDFC BOND FUND - Income Plan

(The fund has been repositioned to Medium to Long Term category w.e.f. July 12, 2018)

(previously known as IDFC Super Saver Income Fund – Investment Plan)

An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years and 7 years

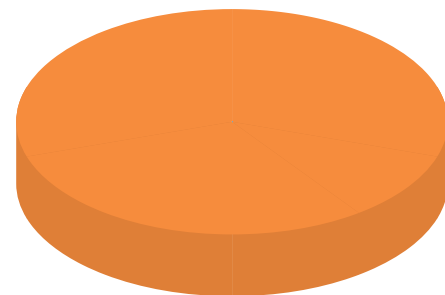
An actively managed bond fund which seeks to invest in highly rated money market and debt instruments (including government securities) and aims to generate stable long term returns through mix of accrual income and capital appreciation.

### OUTLOOK

The MPC in its August policy cut the repo rate by 35 bps to 5.40%, while maintaining stance of policy as accommodative. The move to cut was decided with the 35 bps to 25 bps vote counting as 4:2. It may be recalled that Governor Das had earlier floated the idea of challenging the conventional 25 bps moves, with unconventional steps like the one today possibly reaffirming the signaling effect of policy direction as well. The policy is largely in line with the dovish end of expectations. There is no decision with respect to the working group on liquidity management framework. However, the Governor did note the very large surpluses in the system today and reaffirmed the commitment to provide abundant liquidity. Thus the implementation basis the recommendations of the framework is very likely to be consistent with the current market view that RBI as already moved to targeting surplus liquidity.

With this clear stance of the current policy objective alongside weak inflation pressures and a probable overestimation of growth, we reiterate our previously expressed view of a terminal repo rate of 5%, alongside provisioning of comfortable positive liquidity. With liquidity in surplus and banks' credit growth slowing, term spreads seem to be attractive and this remains a continued bullish backdrop for quality bonds.

### ASSET QUALITY



AAA Equivalent  
**100.00%**

#### Fund Features:

**Category:** Medium to Long Duration

**Monthly Avg AUM:** ₹663.99 Crores

**Inception Date:** 14th July 2000

**Fund Manager:** Mr. Suyash Choudhary (w.e.f. 15/10/2010)

**Standard Deviation (Annualized):** 4.33%

**Modified Duration:** 5.79 years

**Average Maturity:** 7.96 years

**Yield to Maturity:** 6.87%

**Benchmark:** CRISIL Composite Bond Fund Index

**Minimum Investment Amount:**

₹5,000/- and any amount thereafter.

**Exit Load:** If redeemed/switched out within 365 days from the date of allotment:

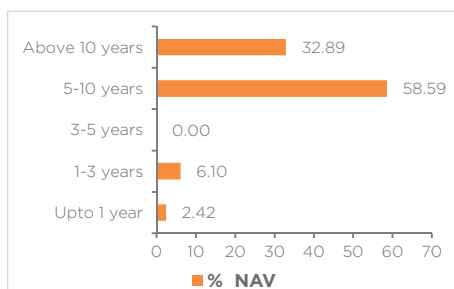
For 10% of investment: Nil

For remaining investment: 1%

If redeemed/switched out after 365 days from the date of allotment: Nil

**Options Available:** Growth, Dividend - Quarterly, Half Yearly, Annual & Periodic

**Maturity Bucket:**



**PORTFOLIO** (31 July 2019)

Name	Rating	Total (%)
<b>Government Bond</b>		<b>83.84%</b>
7.27% - 2026 G-Sec	SOV	43.58%
6.79% - 2029 G-Sec	SOV	32.83%
6.79% - 2027 G-Sec	SOV	3.60%
7.59% - 2029 G-Sec	SOV	2.37%
7.59% - 2026 G-Sec	SOV	1.41%
7.73% - 2034 G-Sec	SOV	0.06%
<b>Corporate Bond</b>		<b>13.09%</b>
REC	AAA	6.91%
Reliance Industries	AAA	6.19%
<b>State Government Bond</b>		<b>0.65%</b>
8.32% Karnataka SDL - 2029	SOV	0.65%
<b>Net Cash and Cash Equivalent</b>		<b>2.42%</b>
<b>Grand Total</b>		<b>100.00%</b>



This product is suitable for investors who are seeking\*:

- To generate optimal returns over long term
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 4 years and 7 years

\*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

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