



IDFC BOND FUND - Medium Term Plan

(Previously known as IDFC Super Saver Income Fund – Medium Term Plan)
An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years and 4 years

The fund is positioned in the short term fund category and invests in a mix of debt and money market instruments. The overall average maturity of the fund will ordinarily not exceed around 4 years. MT is best suited for investors who want moderate participation.

The around 4 year average maturity cap makes the fund well suited to offer lower volatility yet benefit from potential fall in interest rates.

OUTLOOK

The FY20 final Union budget provided an exceptional challenge to sound credible without deviating heavily from the interim budget targets. Given this, the finance minister delivered a remarkable balancing act. As with almost all budgets, revenue numbers will still get challenged especially given the ongoing economic slowdown. However, this is a creditworthy optimising given constraints and leaves the bond market reasonably satisfied. Also noteworthy is the fact that RBI Governor Mr. Das, alongside 2 other Monetary Policy Committee (MPC) members, has seemingly been sympathetic towards some fiscal expansion and would likely have not considered this as a constraint for further easing. With the finance minister actually showing further consolidation, the trigger for further monetary easing becomes even stronger. This alongside RBI's move to positive liquidity (core system liquidity is already around INR 80,000 crores positive and is likely to go towards INR 2,00,000 crores by September post RBI dividend) and the global backdrop of sharply lower yields paints a continued bullish environment for quality interest rates.

Fund Features:

Category: Medium Duration

Monthly Avg AUM: ₹2,423.71 Crores

Inception Date: 8th July 2003

Fund Manager: Mr. Suyash Choudhary
(w.e.f. 15/09/2015)

Standard Deviation (Annualized): 1.93%

Modified Duration: 2.80 years

Average Maturity: 3.96 years

Yield to Maturity: 7.65%

Benchmark: CRISIL Short Term Bond Fund Index

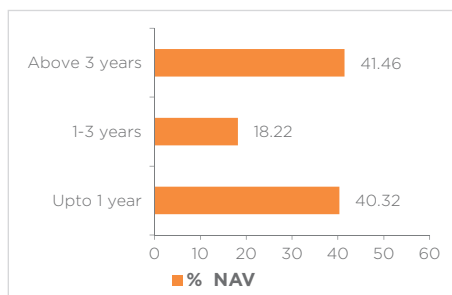
Minimum Investment Amount:

₹5,000/- and any amount thereafter

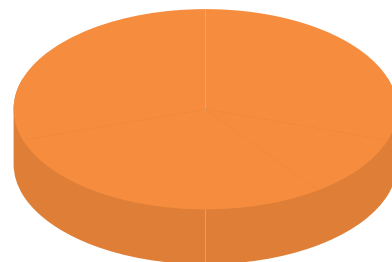
Exit Load: NIL (w.e.f. 15th January 2019)

Options Available: Growth, Dividend - Daily, Fortnightly (Payout & Reinvestment), Monthly, Bi - Monthly (once in two months), Quarterly & Periodic

Maturity Bucket:



ASSET QUALITY



AAA Equivalent

100.00%

Gsec/SDL yields have been annualized wherever applicable
Standard Deviation calculated on the basis of 1 year history of monthly data

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

PORTFOLIO (28 June 2019)

Name	Rating	Total (%)
Corporate Bond		72.61%
NABARD	AAA	10.78%
National Highways Auth of Ind	AAA	10.00%
Indian Railway Finance Corporation	AAA	9.74%
Reliance Industries	AAA	9.67%
REC	AAA	9.58%
Power Finance Corporation	AAA	8.20%
Bajaj Finance	AAA	5.32%
HDFC	AAA	3.53%
HDB Financial Services	AAA	3.05%
NTPC	AAA	1.92%
LIC Housing Finance	AAA	0.82%
Commercial Paper		8.14%
HDFC	A1+	7.18%
HDB Financial Services	A1+	0.96%
Certificate of Deposit		7.17%
Axis Bank	A1+	6.57%
ICICI Bank	A1+	0.60%
Government Bond		4.71%
7.59% GOI - 2026 G-Sec	SOV	2.11%
7.35% GOI - 2024 G-Sec	SOV	1.88%
7.27% GOI - 2026 G-Sec	SOV	0.71%
State Government Bond		3.07%
8.14% Tamil Nadu SDL - 2025	SOV	1.70%
9.01% Gujarat SDL - 2024	SOV	1.10%
8.32% Karnataka SDL - 2029	SOV	0.15%
8.37% Tamil Nadu SDL - 2028	SOV	0.09%
8.3% Gujarat SDL - 2029	SOV	0.04%
8.25% Andhra Pradesh SDL - 2023	SOV	0.001%
8.68% Gujarat SDL - 2023	SOV	0.0002%
Zero Coupon Bond		1.01%
Bajaj Finance	AAA	1.01%
Net Cash and Cash Equivalent		3.29%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate optimal returns over medium term
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 3 years and 4 years

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

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