



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 RBI has now put to rest the concern that it was failing to appreciate the required pivot to emergency conditions.

While RBI's policy measures has helped stabilize the market and ease somewhat the very tight financial conditions, more measures can be taken depending upon the efficacy of the first set. It is to be noted that India's last year's growth was already way below its assessed potential growth rate. This underscores the urgency of a meaningful response. Also, the RBI is the only agent in the system currently with the wherewithal to actually provide a sizeable response. An important dimension that remains is for a very large open market operation (OMO) bond buying program. The format globally now is evolving around monetary expansion supporting fiscal policy and India needs to do the same. Thus it is almost a given that India will also have to ramp up its fiscal stimulus in the months to come. The important necessary condition for it to do so is RBI effectively monetizing the incremental deficit.

Now that RBI's hand is revealed, market volatility should substantially lessen allowing investors to focus on the medium term. From this perspective, quality bonds especially in the front end (up to 5 years) offer immense value in our view. Spreads over repo are substantially higher than the average of the past few years and argue for immediate action from investors.

Fund Features:

Category: Medium to Long Duration

Monthly Avg AUM: ₹675.39 Crores

Inception Date: 14th July 2000

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

Standard Deviation (Annualized): 4.02%

Modified Duration: 5.76 years

Average Maturity: 7.69 years

Yield to Maturity: 6.55%

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:

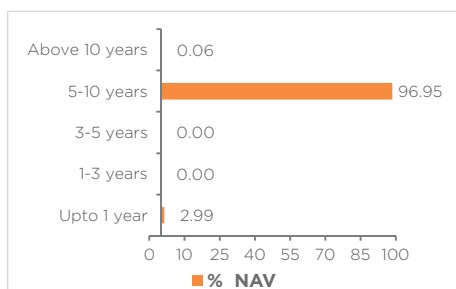
For 10% of investment: Nil

For remaining investment: 1%

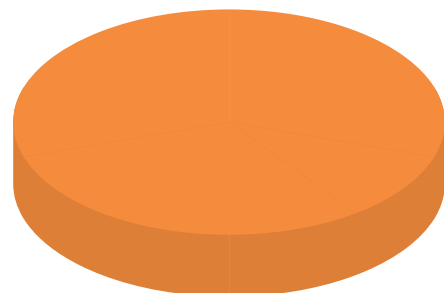
If redeemed/switched out after 365 days from the date of allotment: Nil

Options Available: Growth, Dividend - Quarterly, Half Yearly, Annual & Periodic (each with payout, reinvestment and sweep facility)

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

(31 March 2020)

Name	Rating	Total (%)
Government Bond		96.20%
6.79% - 2027 G-Sec	SOV	59.92%
7.26% - 2029 G-Sec	SOV	36.22%
7.73% - 2034 G-Sec	SOV	0.06%
Corporate Bond		0.81%
REC	AAA	0.81%
Net Cash and Cash Equivalent		2.99%
Grand Total		100.00%



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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