



IDFC BOND FUND - Short Term Plan

(Previously known as IDFC Super Saver Income Fund - Short Term Plan)

An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year and 3 years.

A Short Term Income Fund, the portfolio is mostly a mix of short duration debt and money market instruments. The average portfolio maturity will not ordinarily exceed around 2 years.

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: Short Duration

Monthly Avg AUM: ₹11,927.18 Crores

Inception Date: 14th December 2000

Fund Manager: Mr. Suyash Choudhary
(Since 11th March 2011)

Standard Deviation (Annualized):
1.69%

Modified Duration: 1.98 years

Average Maturity: 2.31 years

Yield to Maturity: 6.52%

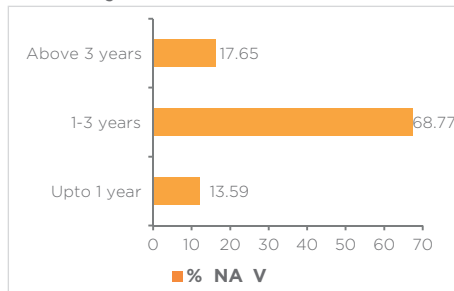
Benchmark: NIFTY AAA Short Duration Bond Index (w.e.f 11/11/2019)

Minimum Investment Amount:
₹5,000/- and any amount thereafter

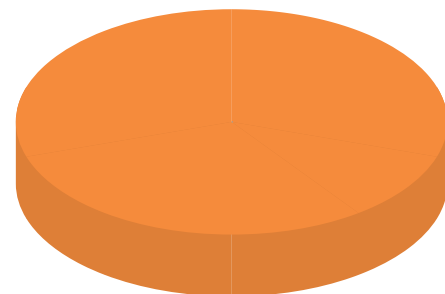
Exit Load: Nil (w.e.f. 23rd May 2016)

Options Available: Growth, Dividend - Fortnightly (Payout, Reinvestment & Sweep), Monthly, Quarterly, Annual & Periodic

Maturity Bucket:



ASSET QUALITY



AAA Equivalent
100.00%

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 (%)
Corporate Bond		96.11%
Reliance Industries	AAA	12.34%
NABARD	AAA	11.75%
HDFC	AAA	10.40%
LIC Housing Finance	AAA	9.97%
Power Finance Corporation	AAA	7.86%
REC	AAA	7.01%
National Highways Auth of Ind	AAA	7.01%
Indian Railway Finance Corporation	AAA	5.03%
Small Industries Dev Bank of India	AAA	4.64%
National Housing Bank	AAA	4.22%
Power Grid Corporation of India	AAA	3.82%
NTPC	AAA	3.56%
Bajaj Finance	AAA	2.90%
HDB Financial Services	AAA	1.87%
Larsen & Toubro	AAA	1.86%
Kotak Mahindra Prime	AAA	1.18%
Sundaram Finance	AAA	0.65%
Export Import Bank of India	AAA	0.05%
PTC		0.71%
First Business Receivables Trust^	AAA(SO)	0.71%
Certificate of Deposit		0.13%
Axis Bank	A1+	0.13%
Net Cash and Cash Equivalent		3.06%
Grand Total		100.00%

^PTC originated by Reliance Industries Limited



This product is suitable for investors who are seeking*:

- To generate optimal returns over short to medium term
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 1 year and 3 years

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

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