



IDFC GOVERNMENT SECURITIES FUND-INVESTMENT PLAN

(Government Securities Fund PF will be merged into Government Securities Fund IP w.e.f. May 7, 2018)

An open ended debt scheme investing in government securities across maturities

A dedicated gilt fund with an objective to generate optimal returns with high liquidity by investing in Government Securities.

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: Gilt

Monthly Avg AUM: ₹502.27 Crores

Inception Date: 9th March 2002

Fund Manager: Mr. Suyash Choudhary (Since 15th October 2010)

Standard Deviation (Annualized): 4.23%

Modified duration: 6.44 Years

Average Maturity: 8.95 years

Yield to Maturity: 6.59%

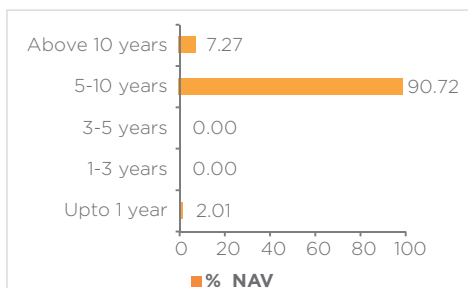
Benchmark: CRISIL Dynamic Gilt Index (w.e.f 01st February, 2019)

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

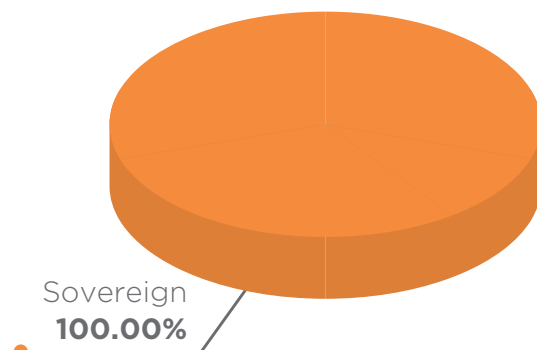
Exit Load: Nil (w.e.f. 15th July 2011)

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

Maturity Bucket:



ASSET QUALITY



PORTFOLIO (31 March 2020)

Name	Rating	Total (%)
Government Bond		97.99%
7.26% - 2029 G-Sec	SOV	83.84%
7.57% - 2033 G-Sec	SOV	7.27%
6.79% - 2027 G-Sec	SOV	6.87%
7.17% - 2028 G-Sec	SOV	0.01%
Net Cash and Cash Equivalent		2.01%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate long term optimal returns.
- Investments in Government Securities across maturities.

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

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