



## 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)

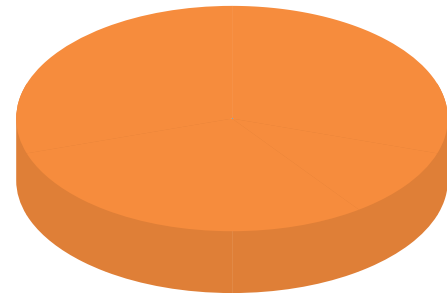
An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years and 7 years

An actively managed bond fund (with Macaulay duration between 4 to 7 years) 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

This is the second phase of global financial repression and is likely to be pronounced and sustained for developed markets. For countries like India, where long term financing needs are substantial, the saver will have to come into focus at some juncture. Meanwhile, investors are living with very low absolute yields on quality bonds with lower duration risk. Steep yield curves and wider credit risk premia are tempting avenues to increase returns. However, both these phenomena are logical pricing of the risks embedded in the system. Importantly, the magnitude of shock underway is unprecedented and the information available to assess its impact is thin. Therefore, it is very critical that investors follow a logical framework for allocation and not get pushed into taking risks that are outside their realm of appetite and / or aren't well thought out. Outside of agriculture, the macro narrative hasn't changed discerningly for the better for the rest of the economy. Hence, this isn't time to move into diluted credits despite the collapse in quality rates & it is critical to wait for an improvement in the underlying environment. In the meanwhile, one has to live with this period in the least damaging way possible. In our view this is accepting lower returns for now rather than unnaturally expanding risk appetite.

### ASSET QUALITY



AAA Equivalent  
100.00%

**Fund Features:** (Data as on 31st July'20)

**Category:** Medium to Long Duration

**Monthly Avg AUM:** ₹692.90 Crores

**Inception Date:** 14th July 2000

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

**Standard Deviation (Annualized):** 2.82%

**Modified Duration:** 6.81 years

**Average Maturity:** 9.58 years

**Macaulay Duration:** 7.01 years

**Yield to Maturity:** 6.01%

**Benchmark:** CRISIL Composite Bond Fund Index

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

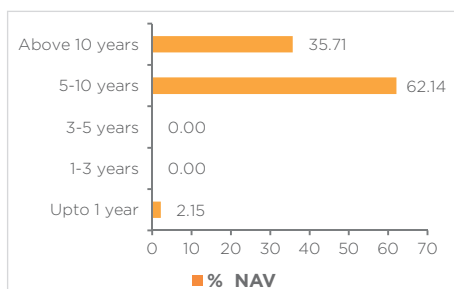
**Exit Load:** If redeemed/switched out within 365 days from the date of allotment: For 10% of investment: Nil

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:**



**PORTFOLIO**

(31 July 2020)

Name	Rating	Total (%)
<b>Government Bond</b>		<b>97.03%</b>
6.79% - 2027 G-Sec	SOV	44.53%
6.19% - 2034 G-Sec	SOV	19.85%
6.45% - 2029 G-Sec	SOV	16.32%
7.57% - 2033 G-Sec	SOV	15.80%
7.26% - 2029 G-Sec	SOV	0.47%
7.73% - 2034 G-Sec	SOV	0.06%
<b>Corporate Bond</b>		<b>0.82%</b>
REC	AAA	0.82%
<b>Net Cash and Cash Equivalent</b>		<b>2.15%</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.