



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

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.

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

Category: Gilt

Monthly Avg AUM: ₹1,451.02 Crores

Inception Date: 9th March 2002

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

Standard Deviation (Annualized): 3.07%

Modified duration: 8.86 years

Average Maturity: 13.60 years

Macaulay Duration: 9.14 years

Yield to Maturity: 6.31%

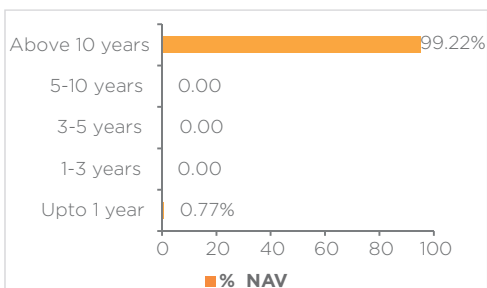
Benchmark: CRISIL Dynamic Gilt Index (w.e.f 01st February, 2019)

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

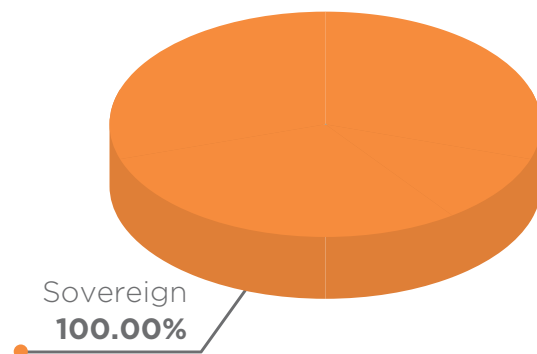
Exit Load: Nil (w.e.f. 15th July 2011)

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

Maturity Bucket:



ASSET QUALITY



PORTFOLIO (31 July 2020)

Name	Rating	Total (%)
Government Bond		99.23%
6.19% - 2034 G-Sec	SOV	58.22%
7.57% - 2033 G-Sec	SOV	41.00%
7.17% - 2028 G-Sec	SOV	0.004%
Net Cash and Cash Equivalent		0.77%
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.