



IDFC BOND FUND - Income Plan

(The fund has been repositioned to Medium to Long Term category w.e.f. July 12, 2018)

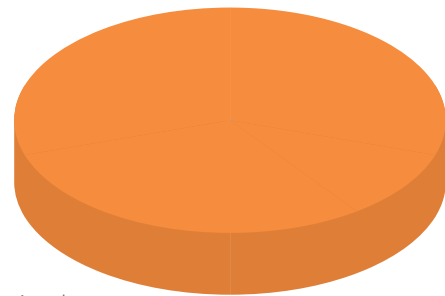
(previously known as IDFC Super Saver Income Fund – Investment Plan)
An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years and 7 years

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

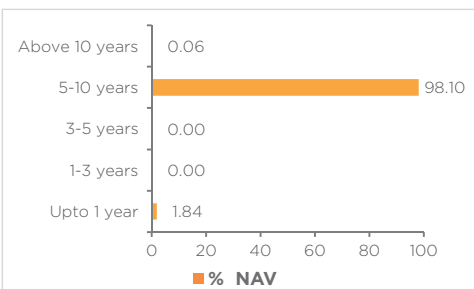
- With the market's mind relieved for now on the overnight anchor, interest with respect to front end rates should get re-established. A more fruitful approach probably is to envisage that some gentle (and hopefully non disruptive) reversals to the level of overnight rates is to be expected over the next year or so, even as the process hasn't started with the December policy. This should be viewed as a transition of monetary policy from emergency support levels currently to a more sustainable level where it is still relatively accommodative in light of the weaker trajectory of growth in the 'new normal' that may lie ahead.
- Put in the bond market's perspective, the current difference between 10 year bond yield to overnight rate is roughly around 300 bps. This will likely fall over the year ahead, although it may still be higher than the last few years' average given higher continued fiscal stress as well as likelihood of relatively accommodative monetary policy.
- Given the overnight rate is operating below the reverse repo rate, the bulk of this adjustment could be made by the very front end. While Long end rates might also normalize, the magnitude might not be similar as the front end.
- In our opinion, focus has to be on best quality AAA and sovereign / quasi sovereign. There is no macro logic whatsoever for pursuing high yield strategies.

ASSET QUALITY



AAA Equivalent
100.00%

Fund Features: (Data as on 27th November'20)
Category: Medium to Long Duration
Monthly Avg AUM: ₹699.02 Crores
Inception Date: 14th July 2000
Fund Manager: Mr. Suyash Choudhary (w.e.f. 15/10/2010)
Standard Deviation (Annualized): 4.00%
Modified Duration: 6.02 years
Average Maturity: 7.93 years
Macaulay Duration: 6.20 years
Yield to Maturity: 5.93%
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:



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 (27 November 2020)

Name	Rating	Total (%)
Government Bond		97.35%
6.45% - 2029 G-Sec	SOV	57.19%
8.24% - 2027 G-Sec	SOV	17.29%
6.79% - 2027 G-Sec	SOV	9.55%
7.17% - 2028 G-Sec	SOV	8.31%
7.26% - 2029 G-Sec	SOV	4.95%
7.73% - 2034 G-Sec	SOV	0.06%
Corporate Bond		0.81%
REC	AAA	0.81%
Net Cash and Cash Equivalent		1.84%
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.