



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 be ordinarily anchored around 2 years.

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.

Fund Features: (Data as on 27th November'20)

Category: Short Duration

Monthly Avg AUM: ₹13,400.01 Crores

Inception Date: 14th December 2000

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

Standard Deviation (Annualized): 2.01%

Modified Duration: 1.72 years

Average Maturity: 1.96 years

Macaulay Duration: 1.80 years

Yield to Maturity: 4.22%

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

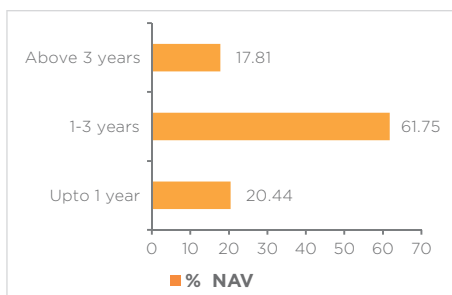
Minimum Investment Amount:

₹5,000/- and any amount thereafter

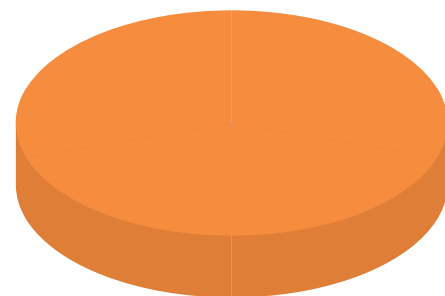
Exit Load: Nil (w.e.f. 23rd May 2016)

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 (27 November 2020)

Name	Rating	Total (%)
Corporate Bond		89.76%
Reliance Industries	AAA	11.44%
NABARD	AAA	11.42%
LIC Housing Finance	AAA	9.78%
Power Finance Corporation	AAA	9.40%
Indian Railway Finance Corporation	AAA	7.84%
HDFC	AAA	7.82%
REC	AAA	6.79%
National Housing Bank	AAA	6.46%
Small Industries Dev Bank of India	AAA	4.47%
National Highways Authority of India	AAA	3.58%
NTPC	AAA	2.55%
Power Grid Corporation of India	AAA	2.36%
Larsen & Toubro	AAA	2.20%
Indian Oil Corporation	AAA	2.19%
HDB Financial Services	AAA	1.15%
Export Import Bank of India	AAA	0.23%
Bajaj Finance	AAA	0.08%
Treasury Bill		4.33%
364 Days Tbill - 2021	SOV	2.33%
182 Days Tbill - 2021	SOV	2.00%
Certificate of Deposit		0.91%
Axis Bank	A1+	0.55%
Export Import Bank of India	A1+	0.36%
Government Bond		0.74%
5.22% - 2025 G-Sec	SOV	0.74%
PTC		0.60%
First Business Receivables Trust [^]	AAA(SO)	0.60%
Net Cash and Cash Equivalent		3.66%
Grand Total		100.00%

[^]First Business Receivables Trust- wt. avg. mat: 2.13 years
(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.