



IDFC BOND FUND - Medium Term Plan

(Previously known as IDFC Super Saver Income Fund – Medium Term Plan)
An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years and 4 years

The fund is positioned in the short term fund category and invests in a mix of debt and money market instruments. The overall average maturity of the fund will ordinarily not exceed around 4 years. MT is best suited for investors who want moderate participation.

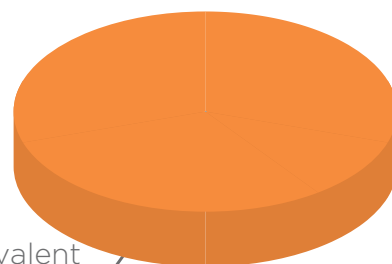
The around 4 year average maturity cap makes the fund well suited to offer lower volatility yet benefit from potential fall in interest rates.

OUTLOOK

The year 2019 should probably be counted as a forgettable year for India, given the off-a-cliff kind of growth collapse that we saw during the year. That this was accompanied with significant strains in the credit markets that claimed many an investment book, probably adds to the merits in favor of assigning this year to oblivion. The other view, of course, is that this probably counts as one of those rare years that one should take pains to remember. Experiences like this year serve to enhance one's experience tool-kit by much more than many years spent in linearity. The year almost felt like a culmination of sorts, a final manifestation of a series of things that had built up over a period of time. If this is what is meant by a cycle, then India probably witnessed the end of one such cycle this year.

2019 was a year which was stressful for our macro and credits and took us to the borderline. It was a year that did not try to blend in but instead stood out for its lack of linearity. It was also a year that could potentially lay the foundation for the best ideas and the strongest convictions to emerge. The Indian economy needs a somewhat cohesive diagnosis of its problems and a clear roadmap for both the sequencing of the solution as well as where the response can come from. This can be done, and indeed may be underway already. Fixed income investors need greater adherence to a sound set of first principles as well as a robust asset allocation framework. On their part, fund manufacturers need to be able to construct enough products that fit into such an asset allocation framework instead of every product trying to do everything.

ASSET QUALITY



AAA Equivalent
100.00%

Fund Features:

Category: Medium Duration

Monthly Avg AUM: ₹2,938.46 Crores

Inception Date: 8th July 2003

Fund Manager: Mr. Suyash Choudhary
(w.e.f. 15/09/2015)

Standard Deviation (Annualized): 2.38%

Modified Duration: 3.81 years

Average Maturity: 4.82 years

Yield to Maturity: 6.92%

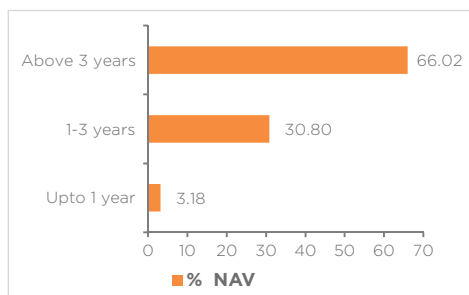
Benchmark: NIFTY AAA Medium Duration
Bond Index (w.e.f 11/11/2019)

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

Exit Load: NIL (w.e.f. 15th January 2019)

Options Available: Growth, Dividend - Daily,
Fortnightly (Payout & Reinvestment), Monthly,
Bi - Monthly (once in two months), Quarterly &
Periodic

Maturity Bucket:



PORTFOLIO (31 December 2019)

Name	Rating	Total (%)
Government Bond		59.79%
7.27% - 2026 G-Sec	SOV	30.26%
7.17% - 2028 G-Sec	SOV	14.93%
7.32% - 2024 G-Sec	SOV	14.07%
7.35% - 2024 G-Sec	SOV	0.53%
Corporate Bond		36.85%
Reliance Industries	AAA	11.40%
Power Finance Corporation	AAA	9.90%
LIC Housing Finance	AAA	8.20%
REC	AAA	3.12%
HDFC	AAA	1.96%
NABARD	AAA	1.22%
Bajaj Finance	AAA	0.86%
Indian Railway Finance Corporation	AAA	0.18%
PTC		1.34%
First Business Receivables Trust [^]	AAA(SO)	1.34%
State Government Bond		0.07%
8.37% Tamil Nadu SDL - 2028	SOV	0.07%
8.25% Andhra Pradesh SDL - 2023	SOV	0.00%
8.68% Gujarat SDL - 2023	SOV	0.00%
Net Cash and Cash Equivalent		1.95%
Grand Total		100.00%

[^]PTC originated by Reliance Industries Limited


This product is suitable for investors who are seeking*:

- To generate optimal returns over medium term
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 3 years and 4 years

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

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