



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 medium term fund category and invests in a mix of high quality debt and money market instruments, including G Secs.

Fund Features: (all data as on 29th May' 20)

Category: Medium Duration

Monthly Avg AUM: ₹2,815.71 Crores

Inception Date: 8th July 2003

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

Standard Deviation (Annualized): 2.19%

Modified Duration: 3.59 years

Average Maturity: 4.38 years

Yield to Maturity: 6.00%

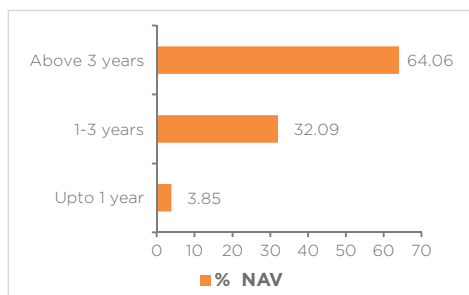
Benchmark: NIFTY AAA Medium Duration Bond Index (w.e.f 11/11/2019)

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

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

Options Available: Growth, Dividend - Daily (Reinvestment only) and Fortnightly, Monthly, Bi-monthly, Quarterly and Periodic frequency (each with payout, reinvestment and sweep facility).

Maturity Bucket:



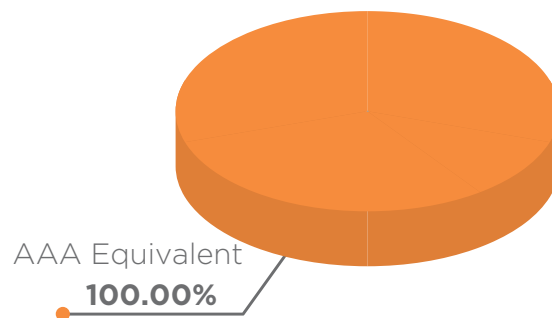
OUTLOOK

The 3 clear themes for the bond market continue:

- 1) Focus has to be on best quality AAA and sovereign / quasi sovereign. There is no macro logic whatsoever for pursuing high yield strategies. The inherent illiquidity in that segment has now been amplified while many balance sheets will possibly continue to see steady deterioration.
- 2) In our view, the best risk versus reward continues to be in the front end (upto 5 year).
- 3) While duration is attractive given the wider term spread and when compared to nominal growth rate expectations, sustained performance here is still dependent upon the unveiling of a credible financing plan from the RBI for the enhanced borrowing program of the sovereign.

Given the sizeable borrowing requirement ahead, the RBI may have to turn more proactive both on intervention and incentivization (time bound held to maturity ceiling hike for instance).

ASSET QUALITY



PORTFOLIO (29 May 2020)

Name	Rating	Total (%)
Government Bond		55.97%
6.79% - 2027 G-Sec	SOV	28.49%
7.35% - 2024 G-Sec	SOV	18.15%
7.27% - 2026 G-Sec	SOV	6.54%
6.97% - 2026 G-Sec	SOV	2.79%
Corporate Bond		39.66%
Reliance Industries	AAA	10.12%
Power Finance Corporation	AAA	9.93%
LIC Housing Finance	AAA	8.17%
REC	AAA	5.14%
HDFC	AAA	3.66%
National Housing Bank	AAA	1.74%
Indian Railway Finance Corporation	AAA	0.86%
NABARD	AAA	0.04%
PTC		1.30%
First Business Receivables Trust^	AAA(SO)	1.30%
State Government Bond		1.19%
8.25% Maharashtra SDL - 2025	SOV	0.56%
8.2% Gujarat SDL - 2025	SOV	0.56%
8.37% Tamil Nadu SDL - 2028	SOV	0.07%
8.25% Andhra Pradesh SDL - 2023	SOV	0.001%
8.68% Gujarat SDL - 2023	SOV	0.0001%
Net Cash and Cash Equivalent		1.88%
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.