



IDFC DYNAMIC BOND FUND

An open ended dynamic debt scheme investing across duration

The fund is positioned in the dynamic bond fund category to take exposure across the curve depending upon the fund manager's underlying interest rate view where we employ the majority of the portfolio. It is a wide structure and conceptually can go anywhere on the curve.

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).

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

Category: Dynamic Bond

Monthly Avg AUM: ₹2,113.77 Crores

Inception Date: 25th June 2002

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

Standard Deviation (Annualized): 3.44%

Modified Duration: 5.86 years

Average Maturity: 6.68 years

Yield to Maturity: 5.86%

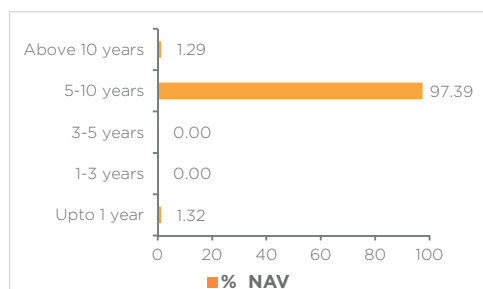
Benchmark: 50% S&P BSE 200 TRI + 50% NIFTY AAA Short Duration Bond Index (w.e.f 11/11/2019)

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

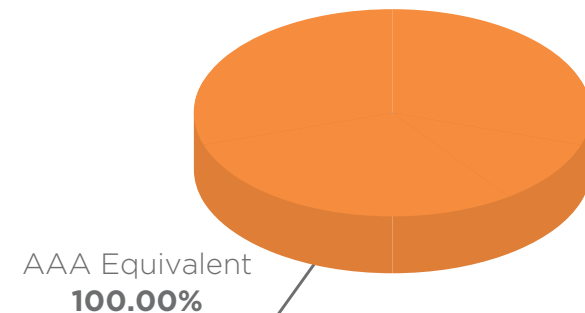
Exit Load: Nil (w.e.f. 17th October 2016)

Options Available: Growth, Dividend - Periodic, Quarterly, Half Yearly, Annual and Regular frequency (each with Reinvestment, Payout and Sweep facility)

Maturity Bucket:



ASSET QUALITY



PORTFOLIO		(29 May 2020)
Name	Rating	Total (%)
Government Bond		98.68%
7.27% - 2026 G-Sec	SOV	37.82%
6.97% - 2026 G-Sec	SOV	24.92%
6.79% - 2027 G-Sec	SOV	20.05%
6.45% - 2029 G-Sec	SOV	12.70%
8.15% - 2026 G-Sec	SOV	1.90%
6.68% - 2031 G-Sec	SOV	1.29%
8.20% - 2025 G-Sec	SOV	0.01%
7.17% - 2028 G-Sec	SOV	0.005%
Net Cash and Cash Equivalent		1.32%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate long term optimal returns by active management
- Investments in money market & debt instruments including G-Sec across duration

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