



IDFC GOVERNMENT SECURITIES FUND-INVESTMENT PLAN

(Government Securities Fund PF will be merged into Government Securities Fund IP w.e.f. May 7, 2018)

An open ended debt scheme investing in government securities across maturities

A dedicated gilt fund with an objective to generate optimal returns with high liquidity by investing in Government Securities.

OUTLOOK

It is reasonably obvious that a more widespread global easing should be forthcoming. In India too, the RBI's revealed preference will get a further leg up and conventional easing may start supporting unconventional tools already in deployment. It is likely that fiscal policy finds itself getting more restive despite the obvious constraints on the revenue side.

Given the current context, there is a greater likelihood of more steepening pressure on the yield curve. However, this statement needs some qualifications: the very front end of the government bond curve (up to 3 - 4 years) has clearly outperformed massively since the announcement of the long term repo operations from the RBI. There may be limited relative gains to be made here incrementally for real money, given the lower duration as well. However, the spread between 4 year to 7 - 8 year government bonds has, at the time of writing, widened to almost 80 bps. Subsequent spreads (longer bonds spread over 7 - 8 year bonds) are still relatively low. In our view, this makes the 7 - 8 year government bonds the "sweet-spot", with a strong likelihood that the very wide spreads on offer versus shorter end bonds will likely compress over the coming months. The longer end may struggle once the current momentum fades, also in part due to the significantly higher state loan supply expected over the year ahead. The same anticipated state loan supply makes the 10 year point on the AAA corporate curve less attractive.

Fund Features:

Category: Gilt

Monthly Avg AUM: ₹478.03 Crores

Inception Date: 9th March 2002

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

Standard Deviation (Annualized): 4.49%

Modified duration: 5.79 Years

Average Maturity: 7.67 years

Yield to Maturity: 6.62%

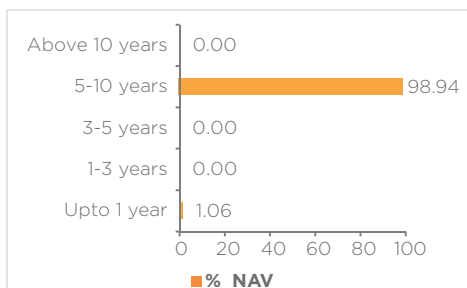
Benchmark: CRISIL Dynamic Gilt Index (w.e.f 01st February, 2019)

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

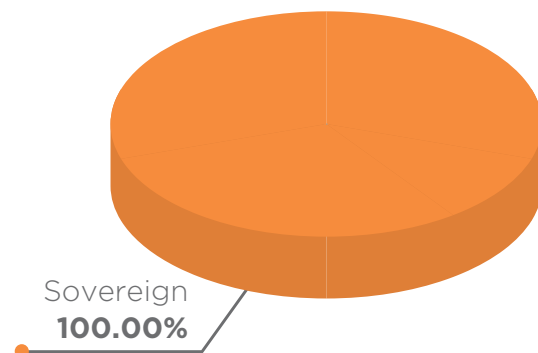
Exit Load: Nil (w.e.f. 15th July 2011)

Options Available: Growth, Dividend - Quarterly, Half Yearly, Annual, Regular & Periodic

Maturity Bucket:



ASSET QUALITY



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 (28 February 2020)

Name	Rating	Total (%)
Government Bond		98.94%
7.17% - 2028 G-Sec	SOV	82.29%
6.79% - 2027 G-Sec	SOV	16.65%
Net Cash and Cash Equivalent		1.06%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate long term optimal returns.
- Investments in Government Securities across maturities.

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

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