



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

Bonds stabilized in the later part of March'21 after a weak run since January'21 as market participants reassessed trajectory of economic recovery and corresponding reversal of RBI's accommodative stance after resumption of the second wave of Covid-19 in India lead to localized lockdowns & interruption in mobility.

The RBI in its April'21 policy kept all rates on hold as was widely expected.

The current yield curve is quite steep till 5 - 7 years and then the additional duration risk taken may start overwhelming the additional carry on offer, in our view. Hence our preference in our active duration mandates remains currently best expressed as an overweight in the 5 - 6 year part of the government bond curve; with the usual caveats on flexibility in strategy retained with us.

This also emphasizes the importance of some amount of "bar-belling" where the investor uses intermediate duration products alongside very near term (almost overnight) exposures so that while overall portfolio maturity doesn't go up, the investor is relatively protected when the commencement of the normalization process starts to put upward pressure on money market and short end rates.

Fund Features: (Data as on 31st March'21)

Category: Dynamic Bond

Monthly Avg AUM: ₹3,481.93 Crores

Inception Date: 25th June 2002

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

Standard Deviation (Annualized): 4.87%

Modified Duration: 4.55 years

Average Maturity: 5.69 years

Macaulay Duration: 4.68 years

Yield to Maturity: 6.18%

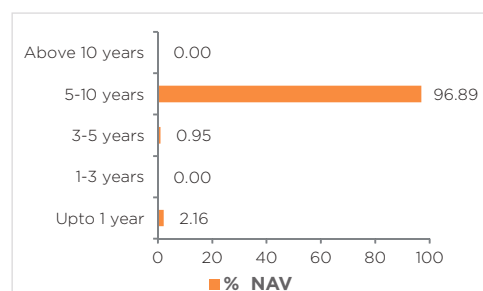
Benchmark: CRISIL Composite Bond Fund Index

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

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

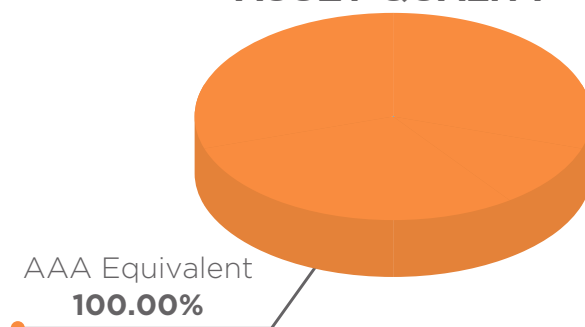
Options Available: Growth, IDCW@ - Periodic, Quarterly, Half Yearly, Annual and Regular frequency (each with Reinvestment, Payout and Sweep facility)

Maturity Bucket:



@Income Distribution cum capital withdrawal

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 (31 March 2021)

Name	Rating	Total (%)
Government Bond		97.84%
6.79% - 2027 G-Sec	SOV	40.48%
7.27% - 2026 G-Sec	SOV	22.14%
8.24% - 2027 G-Sec	SOV	14.73%
6.97% - 2026 G-Sec	SOV	14.60%
8.15% - 2026 G-Sec	SOV	4.94%
7.59% - 2026 G-Sec	SOV	0.95%
8.20% - 2025 G-Sec	SOV	0.00%
7.17% - 2028 G-Sec	SOV	0.00%
Net Cash and Cash Equivalent		2.16%
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.