



IDFC GOVERNMENT SECURITIES FUND - CONSTANT MATURITY PLAN

An open ended debt scheme investing in government securities having a constant maturity of 10 years

The fund is a mix of government bonds, state development loans (SDLs), treasury bills and/or cash management bills. The fund will predominantly have an average maturity of around 10 years.

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: Gilt Fund with 10 year constant duration

Monthly Avg AUM: ₹309.63 Crores

Inception Date: 9th March 2002

Fund Manager: Mr. Harshal Joshi (w.e.f. 15th May 2017)

Standard Deviation (Annualized): 5.18%

Modified duration: 8.71 years

Average Maturity: 6.32 years

Macaulay Duration: 6.52 years

Yield to Maturity: 6.54%

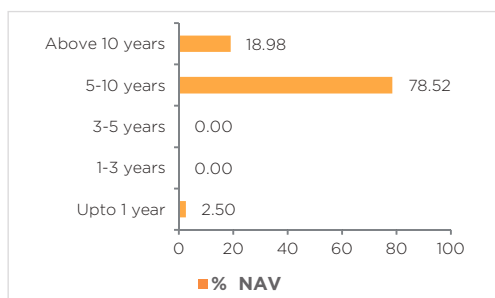
Benchmark: CRISIL 10 year Gilt Index (w.e.f. 28th May 2018)

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

Exit Load: Nil

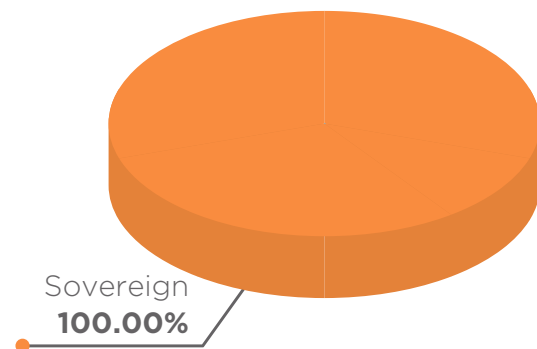
Options Available: Growth & IDCW® Option - Quarterly, Half yearly, Annual, Regular and Periodic (each with payout, reinvestment and sweep facility).

Maturity Bucket:



@Income Distribution cum capital withdrawal

ASSET QUALITY



Standard Deviation calculated on the basis of 1 year history of monthly data
Gsec/SDL yields have been annualized wherever applicable

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

PORTFOLIO		(31 March 2021)
Name	Rating	Total (%)
Government Bond		97.50%
7.26% - 2029 G-Sec	SOV	77.51%
6.19% - 2034 G-Sec	SOV	15.56%
7.73% - 2034 G-Sec	SOV	1.77%
6.68% - 2031 G-Sec	SOV	1.64%
6.79% - 2027 G-Sec	SOV	0.67%
7.17% - 2028 G-Sec	SOV	0.34%
Net Cash and Cash Equivalent		2.50%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate optimal returns over long term
 - Investments in Government Securities such that the average maturity of the portfolio is around 10 years
- *Investors should consult their financial advisors if in doubt about whether the product is suitable for them.