



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.

OUTLOOK

Our view remains one of gentle bear flattening, with the bulk of the heavy lifting being done by the very front-end rates as RBI's normalization schedule commences. This will continue to allow for positioning at various points on the yield curve where the carry obtained adjusted for price erosion due to yield rise will still make sense.

The corresponding strategy for investors may involve some amount of "bar-belling" where, alongside traditional core investments like quality roll down products, some combination of very short end (overnight funds, near term deposits) and intermediate duration strategies (focused on maturities largely in the 6 – 7-year area) may be deployed to optimize on the RBI's gradual normalization in context of an already very steep yield curve.

It is important that investors remember to weigh intermediate duration strategies with very short maturity instruments as well so that average maturity of their investment portfolios does not rise. It is also relevant to note that these strategies account for a rise in yields over the period ahead, provided these aren't disruptive over the time frame. This risk can also partly be mitigated by having sufficiently long investment horizons.

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

Category: Medium Duration

Monthly Avg AUM: ₹4,738.04 Crores

Inception Date: 8th July 2003

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

Standard Deviation (Annualized): 2.86%

Modified Duration: 3.49 years

Average Maturity: 4.24 years

Macaulay Duration: 3.60 years

Yield to Maturity: 5.21%

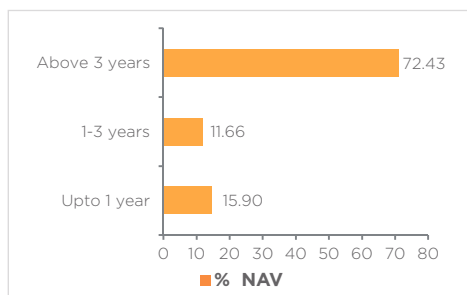
Benchmark: NIFTY AAA Medium Duration Bond Index (w.e.f 11/11/2019)

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

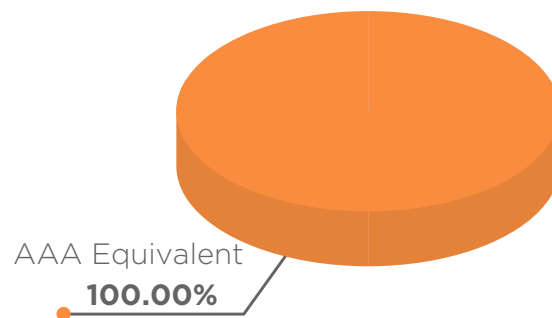
Exit Load: NIL (w.e.f. 15th January 2019)

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:



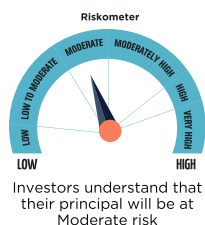
ASSET QUALITY



PORTFOLIO (31 January 2021)

Name	Rating	Total (%)
Government Bond		68.06%
6.79% - 2027 G-Sec	SOV	26.54%
5.22% - 2025 G-Sec	SOV	21.62%
8.24% - 2027 G-Sec	SOV	6.85%
6.97% - 2026 G-Sec	SOV	3.69%
7.26% - 2029 G-Sec	SOV	3.42%
5.15% - 2025 G-Sec	SOV	2.55%
8.15% - 2026 G-Sec	SOV	2.40%
8.33% - 2026 G-Sec	SOV	0.99%
Corporate Bond		19.01%
Power Finance Corporation	AAA	6.20%
Reliance Industries	AAA	5.75%
LIC Housing Finance	AAA	2.59%
HDFC	AAA	2.02%
REC	AAA	1.91%
Indian Railway Finance Corporation	AAA	0.52%
NABARD	AAA	0.02%
Treasury Bill		9.64%
182 Days Tbill - 2021	SOV	6.50%
364 Days Tbill - 2021	SOV	3.15%
PTC		0.73%
First Business Receivables Trust [^]	AAA(SO)	0.73%
State Government Bond		0.72%
8.2% Gujarat SDL - 2025	SOV	0.34%
8.25% Maharashtra SDL - 2025	SOV	0.34%
8.37% Tamil Nadu SDL - 2028	SOV	0.04%
8.25% Andhra PradeshSDL - 2023	SOV	0.001%
8.68% Gujarat SDL - 2023	SOV	0.001%
Net Cash and Cash Equivalent		1.84%
Grand Total		100.00%

[^]First Business Receivables Trust- wt. avg. mat: 2.19 years
(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.