



## 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

**Fund Features:** (Data as on 30th June'21)

**Category:** Gilt Fund with 10 year constant duration

**Monthly Avg AUM:** ₹316.95 Crores

**Inception Date:** 9th March 2002

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

**Standard Deviation (Annualized):** 4.54%

**Modified duration:** 6.16 years

**Average Maturity:** 8.16 years

**Macaulay Duration:** 6.36 years

**Yield to Maturity:** 6.43%

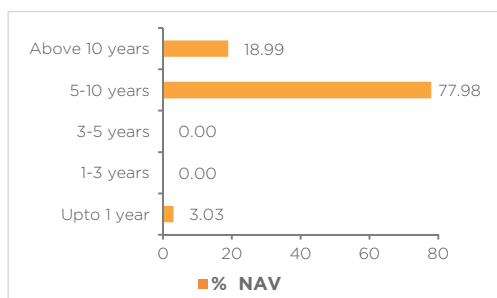
**Benchmark:** CRISIL 10 year Gilt Index (w.e.f. 28th May 2018)

**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).

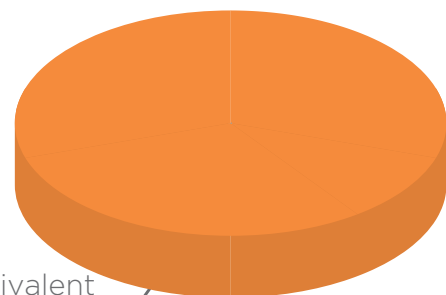
**Maturity Bucket:**



@Income Distribution cum capital withdrawal

- From an investor's standpoint, it is quite important in our view that portfolio yields be looked at somewhat dynamically.
- Thus after a 3 year bull run in bonds if the portfolio manager is creating some hedges and flexibilities that in turn are showing up as reduction in yield, then this may even be looked at as a source of comfort for investors (please refer to our note 'Hedging fixed income in volatile times', dated 22nd June'21 -<https://idfcmf.com/article/4984> for further details).
- Similarly, if corporate / credit spreads have narrowed to unsustainable levels in some cases and the manager hence decides to move to more quality assets, this could be a move to protect against future risks to spread expansion even as it entails some dilution in portfolio yields of the current portfolio.
- Thus a static analysis of portfolio yields and choosing the highest of these for every category of funds may not optimize risk versus reward, especially at cycle turning points.

### ASSET QUALITY



AAA Equivalent  
**100.00%**

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** (30 June 2021)

Name	Rating	Total (%)
<b>Government Bond</b>		<b>96.97%</b>
7.26% - 2029 G-Sec	SOV	69.90%
6.64% - 2035 G-Sec	SOV	15.93%
7.17% - 2028 G-Sec	SOV	5.11%
6.19% - 2034 G-Sec	SOV	3.06%
8.24% - 2027 G-Sec	SOV	1.20%
8.28% - 2027 G-Sec	SOV	1.10%
6.79% - 2027 G-Sec	SOV	0.66%
<b>Net Cash and Cash Equivalent</b>		<b>3.03%</b>
<b>Grand Total</b>		<b>100.00%</b>



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.