



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

When yield curves are this steep, one can no longer think only in terms of being “long or not”.

Additionally, the traditional way of thinking about risk reduction through moving to short duration money market assets may not work in an environment where it is actually the overnight rate that needs to shoulder the bulk of the readjustment ahead and hence assets most closely priced off the overnight rate may be at the most risk of readjusting.

It is for this reason that some amount of “bar-belling” (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)) alongside exposure to quality roll down products may make sense. It is relevant to note that these strategies account for a rise in yields over the period ahead, and the possible volatility can be mitigated by having reasonably long investment horizons.

Fund Features: (Data as on 28th February’21)

Category: Dynamic Bond

Monthly Avg AUM: ₹3,149.33 Crores

Inception Date: 25th June 2002

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

Standard Deviation (Annualized): 4.87%

Modified Duration: 4.94 years

Average Maturity: 6.28 years

Macaulay Duration: 5.09 years

Yield to Maturity: 6.35%

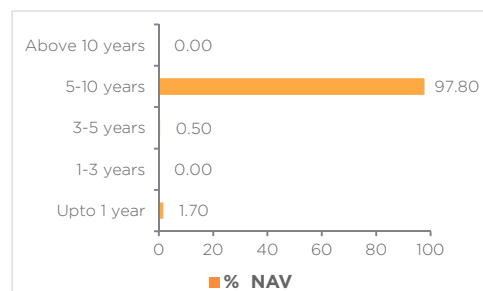
Benchmark: CRISIL Composite Bond Fund Index

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

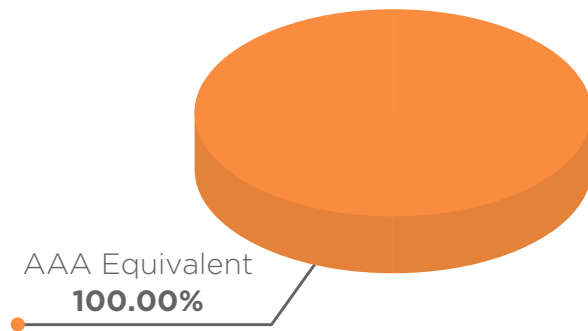
Exit Load: Nil (w.e.f. 17th October 2016)

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

Maturity Bucket:



ASSET QUALITY



PORTFOLIO (28 February 2021)

Name	Rating	Total (%)
Government Bond		98.30%
6.79% - 2027 G-Sec	SOV	47.73%
7.26% - 2029 G-Sec	SOV	15.17%
8.24% - 2027 G-Sec	SOV	14.99%
6.97% - 2026 G-Sec	SOV	11.51%
8.15% - 2026 G-Sec	SOV	7.55%
7.27% - 2026 G-Sec	SOV	0.85%
5.15% - 2025 G-Sec	SOV	0.50%
8.20% - 2025 G-Sec	SOV	0.004%
7.17% - 2028 G-Sec	SOV	0.003%
Net Cash and Cash Equivalent		1.70%
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.