



## 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

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:** Gilt Fund with 10 year constant duration

**Monthly Avg AUM:** ₹340.55 Crores

**Inception Date:** 9th March 2002

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

**Standard Deviation (Annualized):** 5.16%

**Modified duration:** 6.43 years

**Average Maturity:** 8.92 years

**Macaulay Duration:** 6.64 years

**Yield to Maturity:** 6.67%

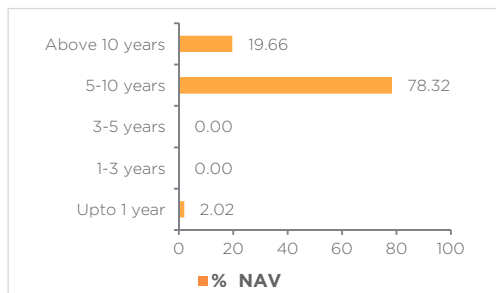
**Benchmark:** CRISIL 10 year Gilt Index (w.e.f. 28th May 2018)

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

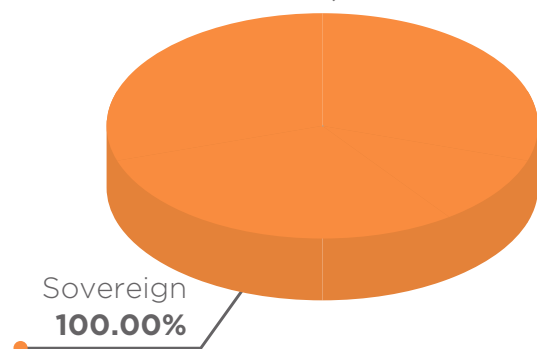
**Exit Load:** Nil

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

**Maturity Bucket:**



### 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** (28 February 2021)

Name	Rating	Total (%)
<b>Government Bond</b>		<b>97.98%</b>
7.26% - 2029 G-Sec	SOV	77.35%
6.19% - 2034 G-Sec	SOV	14.83%
6.68% - 2031 G-Sec	SOV	3.14%
7.73% - 2034 G-Sec	SOV	1.69%
6.79% - 2027 G-Sec	SOV	0.64%
7.17% - 2028 G-Sec	SOV	0.33%
<b>Net Cash and Cash Equivalent</b>		<b>2.02%</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.