



## IDFC BOND FUND - Short Term Plan

(Previously known as IDFC Super Saver Income Fund - Short Term Plan)

An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year and 3 years.

A Short Term Income Fund, the portfolio is mostly a mix of short duration debt and money market instruments. The average portfolio maturity will be ordinarily anchored around 2 years.

### OUTLOOK

- If the factors supporting India's cyclical rebound come to fruition, a lot of macro-economic headaches feared at the beginning of the year will ease. Thus some of the fiscal inflexibilities and associated risks of sovereign rating downgrades will abate, the external account will build even further buffers as capital flows remain strong, and hopefully India's appeal will percolate to global fixed income investors as well.
- Monetary policy will gradually move from the level of emergency level accommodation today to one of still high accommodation. This will likely be a slow process and will involve more discretionary adjustments to the price of liquidity rather than the quantity of it.
- Yield curves will gradually bear flatten. It is very likely that the bulk of this adjustment will be made by the very front end rates. This is not to say that long end rates won't have to adjust. Rather, the quantum of adjustment there may be of a relatively smaller magnitude when compared with rates at the very front end.
- The starting point today is one of a very steep yield curve. Thus unlike in normal times when the yield curve is quite flat, the decision on duration isn't a binary one any more. Rather, one has to examine the steepness of the curve and position at points where the carry adjusted for duration seems to be the most optimal.
- Credit spreads, including on lower rated assets, have compressed meaningfully. These reflect the chase for 'carry' in an environment of abundant liquidity and funds flow, as well as the relatively muted supply of paper as companies have belt tightened and focused on cash generation. As activity resumes over the year ahead, issuances will likely increase thereby pressuring spreads to rise.

**Fund Features:** (Data as on 31st December'20)

**Category:** Short Duration

**Monthly Avg AUM:** ₹13,830.04 Crores

**Inception Date:** 14th December 2000

**Fund Manager:** Mr. Suyash Choudhary  
(Since 11th March 2011)

**Standard Deviation (Annualized):**  
1.97%

**Modified Duration:** 1.86 years

**Average Maturity:** 2.13 years

**Macaulay Duration:** 1.94 years

**Yield to Maturity:** 4.39%

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

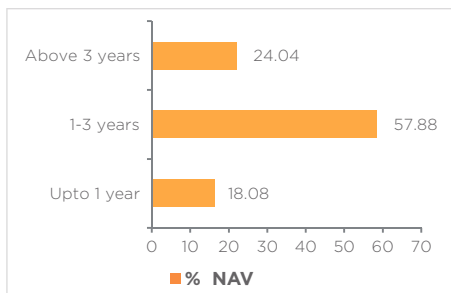
**Minimum Investment Amount:**

₹5,000/- and any amount thereafter

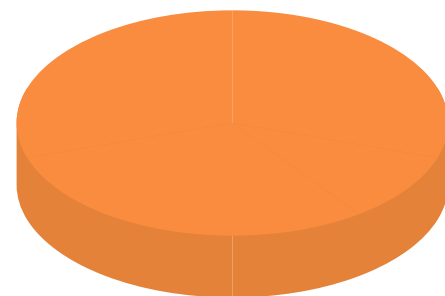
**Exit Load:** Nil (w.e.f. 23rd May 2016)

**Options Available:** Growth, Dividend - Fortnightly (Payout, Reinvestment & Sweep), Monthly, Quarterly, Annual & Periodic

### Maturity Bucket:



### ASSET QUALITY



AAA Equivalent  
**100.00%**

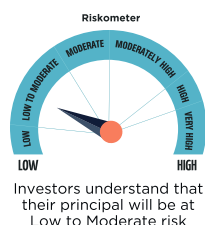
Standard Deviation calculated on the basis of 1 year history of monthly data

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

**PORTFOLIO** (31 December 2020)

Name	Rating	Total (%)
<b>Corporate Bond</b>		<b>82.99%</b>
NABARD	AAA	11.03%
Reliance Industries	AAA	10.37%
Power Finance Corporation	AAA	9.07%
LIC Housing Finance	AAA	8.56%
Indian Railway Finance Corporation	AAA	7.35%
HDFC	AAA	6.70%
REC	AAA	6.56%
National Housing Bank	AAA	6.26%
Small Industries Dev Bank of India	AAA	4.31%
National Highways Auth of Ind	AAA	3.46%
NTPC	AAA	2.46%
Power Grid Corporation of India	AAA	2.28%
Larsen & Toubro	AAA	2.13%
Indian Oil Corporation	AAA	2.11%
Export Import Bank of India	AAA	0.22%
Bajaj Finance	AAA	0.07%
HDB Financial Services	AAA	0.03%
<b>Government Bond</b>		<b>7.57%</b>
5.22% - 2025 G-Sec	SOV	4.12%
8.33% - 2026 G-Sec	SOV	1.91%
7.72% - 2025 G-Sec	SOV	1.53%
<b>Treasury Bill</b>		<b>5.41%</b>
182 Days Tbill - 2021	SOV	2.73%
364 Days Tbill - 2021	SOV	2.51%
91 Days Tbill - 2021	SOV	0.18%
<b>PTC</b>		<b>0.59%</b>
First Business Receivables Trust <sup>^</sup>	AAA(SO)	0.59%
<b>Net Cash and Cash Equivalent</b>		<b>3.44%</b>
<b>Grand Total</b>		<b>100.00%</b>

<sup>^</sup>First Business Receivables Trust- wt. avg. mat: 2.04 years  
(PTC originated by Reliance Industries Limited)



This product is suitable for investors who are seeking\*:

- To generate optimal returns over short to medium term
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 1 year and 3 years
- \*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.