



## 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

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

**Category:** Dynamic Bond

**Monthly Avg AUM:** ₹4,093.79 Crores

**Inception Date:** 25th June 2002

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

**Standard Deviation (Annualized):**  
4.29%

**Modified Duration:** 1.79 years

**Average Maturity:** 2.16 years

**Macaulay Duration:** 1.85 years

**Yield to Maturity:** 4.39%

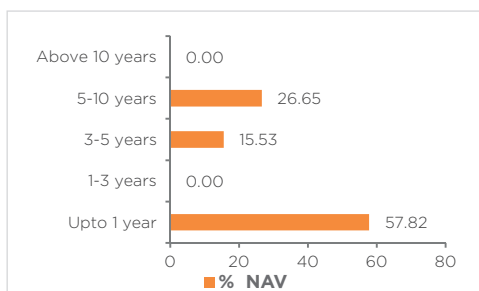
**Benchmark:** CRISIL Composite Bond Fund Index

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

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

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

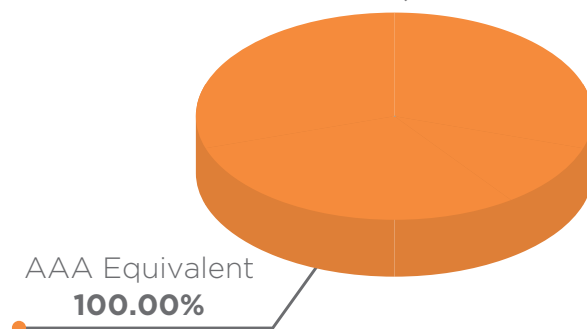
#### Maturity Bucket:



@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



Gsec/SDL yields have been annualized wherever applicable  
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** (30 June 2021)

| Name                                | Rating | Total (%)      |
|-------------------------------------|--------|----------------|
| <b>Government Bond</b>              |        | <b>42.18%</b>  |
| 6.97% - 2026 G-Sec                  | SOV    | 26.65%         |
| 5.63% - 2026 G-Sec                  | SOV    | 15.53%         |
| 8.20% - 2025 G-Sec                  | SOV    | 0.003%         |
| 7.17% - 2028 G-Sec                  | SOV    | 0.003%         |
| <b>Net Cash and Cash Equivalent</b> |        | <b>57.82%</b>  |
| <b>Grand Total</b>                  |        | <b>100.00%</b> |



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.