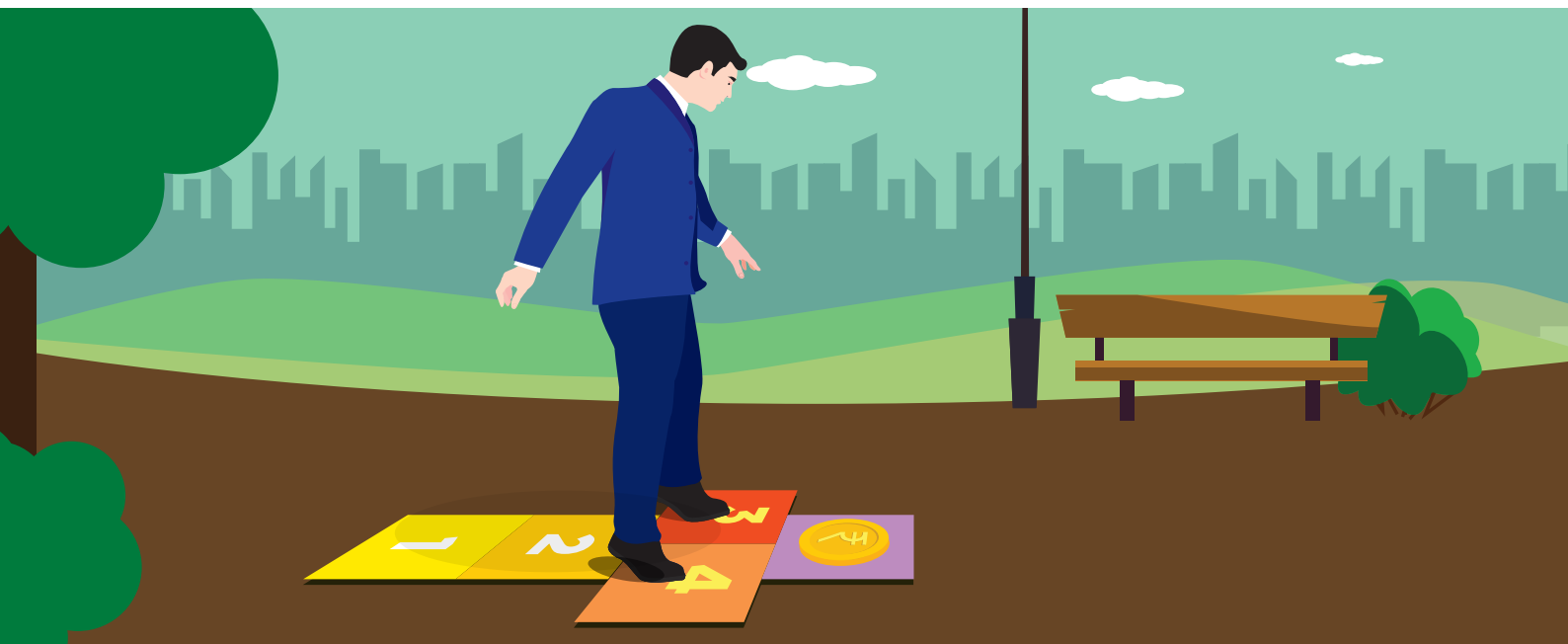


IDFC BOND FUND - MEDIUM TERM PLAN

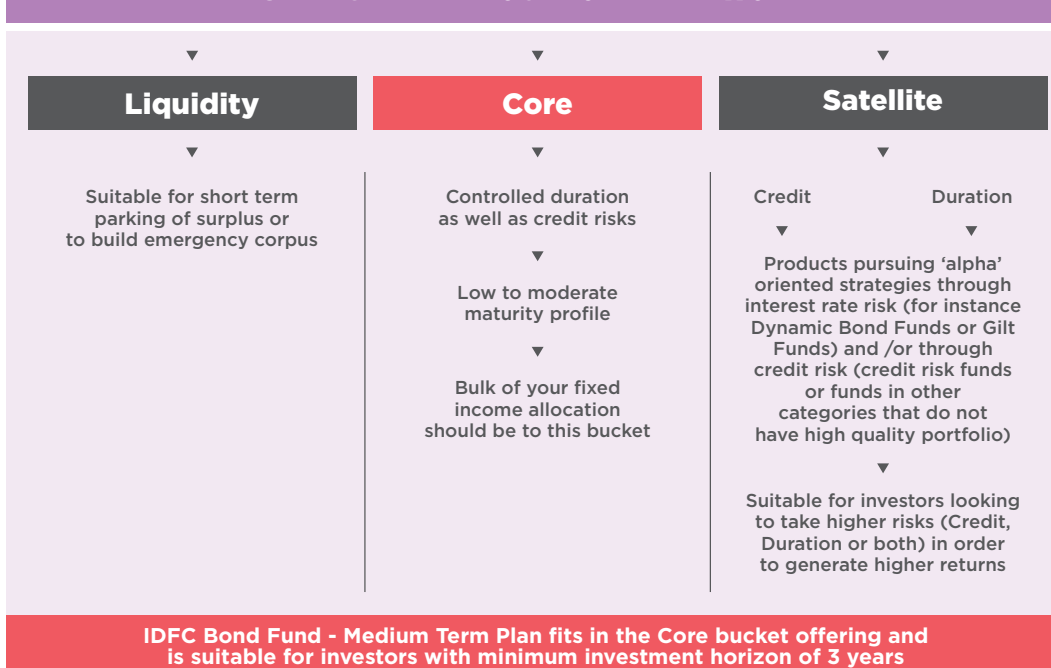
An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years and 4 years. A Scheme with Relatively High Interest Rate Risk and Relatively Low Credit Risk. (In case of anticipated adverse situation, macaulay duration of the portfolio could be between 1 year and 4 years)



- This fund emphasizes on high quality - currently 100% AAA and equivalent instruments (limit your credit risk).
- This fund is actively managed within SEBI's prescribed duration limit - Macaulay duration band of 3-4 years (limit your duration risk).
- This fund diversifies your allocation across government securities, corporate bonds, money market instruments, depending on fund manager's views.

Here is a simple 3-Lens asset allocation framework for debt mutual funds. The framework revolves around allocating across 3 three buckets: **Liquidity**, **Core**, and **Satellite**, each bucket meeting a certain need.

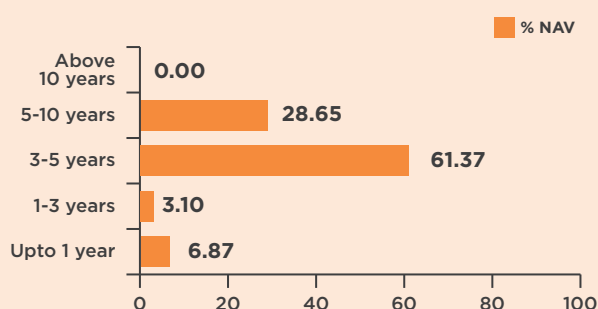
3-LENS DEBT ALLOCATION FRAMEWORK



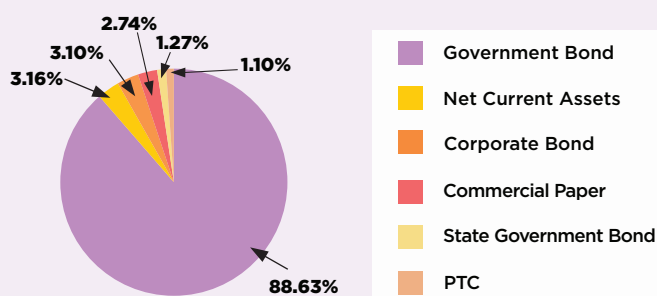
FUND FEATURES:

- Category:** Medium Duration
- Monthly Avg AUM:** ₹ 2,850.04 Crores
- Inception Date:** 8th July 2003
- Fund Manager:** Mr. Suyash Choudhary (w.e.f. 15th September 2015)
- Benchmark:** Tier 1: NIFTY Medium Duration Debt Index (w.e.f. 01/12/2021)
Tier 2: NIFTY AAA Medium Duration Bond Index
- Minimum Investment Amount:** ₹ 5,000/- and any amount thereafter
- Exit Load:** NIL (w.e.f. 15th January 2019)
- SIP Frequency:** Monthly
- Total Expense Ratio:** Regular: 1.47%
Direct: 0.76%
- Standard Deviation (Annualized):** 2.06%

MATURITY BUCKET



ASSET ALLOCATION



ASSET QUALITY



Potential Risk Class Matrix

Interest Rate Risk	Credit Risk of the scheme		
	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

A-III (A scheme with relatively high interest rate risk and relatively low credit risk)

Modified Duration¹ : 3.64 years | Average Maturity² : 4.27 years | Macaulay Duration³ : 3.75 years | Yield to Maturity⁴ : 5.83%

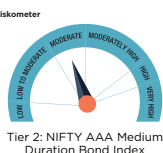
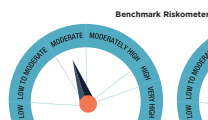
¹Modified duration is a formula that expresses the measurable change in the value of a security in response to a change in interest rates. Modified duration follows the concept that interest rates and bond prices move in opposite directions.

²Average Maturity is the weighted average of all the residual maturities of the debt securities held in the fund. Average maturity helps to determine the average time to maturity of all the debt securities held in a portfolio and is calculated in days, months or years.

³The Macaulay duration is the weighted average term to maturity of the cash flows from bonds. In other words, it is the weighted average number of years an investor must maintain a position in the bond until the present value of the bond's cash flows equals the amount paid for the bond.

⁴Yield to maturity is the total return anticipated on a bond if the bond is held until it matures. Yield to maturity is considered a long-term bond yield but it is expressed as an annual rate.

Data as on 31st December 2021.



This product is suitable for investors who are seeking*:

- To generate optimal returns over medium term.
- Investments in Debt & Money Market securities such that the Macaulay duration of the portfolio is between 3 years and 4 years.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

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