

HDFC Corporate Bond

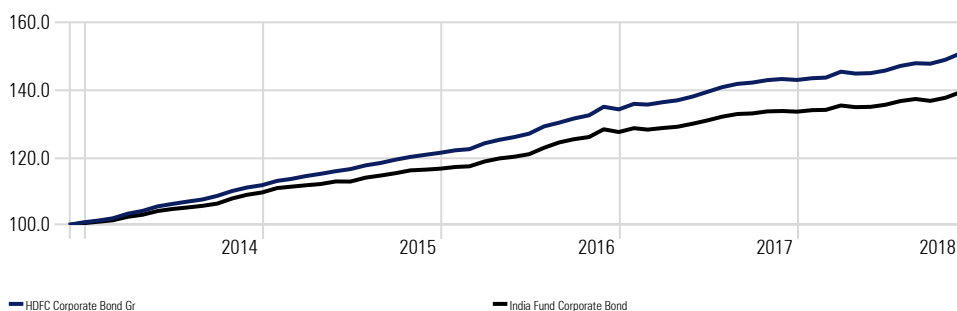


Key Information

Morningstar Category	India Fund Corporate Bond
Fund Size (INR bn)	112.7
Inception Date	6/29/2010
Annual Report Net Expense Ratio	0.38
Morningstar Rating Overall	★★★★
Manager Name	Multiple
Minimum Investment	5,000
Morningstar Analyst Rating	Bronze

Investment Growth

Time Period: 12/1/2013 to 11/30/2018



Investment Strategy

Anupam Joshi has over 10 years of experience in research and fund management. Joshi joined HDFC Mutual Fund in October 2015 and has been managing this fund since then.

The investment philosophy is to optimise returns without taking excessive duration or credit risk. Hence, manager Joshi seeks to add value through security selection, rather than making big adjustments to the fund's duration. There is a strong focus on the company management and track record, financial strength of the promoter group, and corporate governance standards. Meetings with management are followed by rigorous quantitative analysis to get a measure of the company's creditworthiness. The team studies the company's cash flow and relevant ratios – leverage, coverage and solvency

The fund company uses a proprietary model in which qualitative and quantitative inputs are used to arrive at a credit score for each issuer. This in turn used to help managers determine the exposure they can take to each issuer. Here the investment team lays more emphasis on risk control, thereby focusing on balancing safety, liquidity and return. We think the investment process is thorough and that the manager and team are at home with the process.

As a part of corporate bond category, the fund's investment mandate is to invest atleast 80% of assets in corporate bonds having AA+ and above rating. Joshi's emphasis on liquidity and risk control continues and is borne out by the fund's portfolio, where over 90% of assets are typically invested in AAA or equivalent rated securities

Considering the ongoing interest rate and macro-economic scenario, the manager is maintaining the fund's duration in the range of 1-3 years. The fund has a fairly low expense ratio, which makes its case even more compelling.

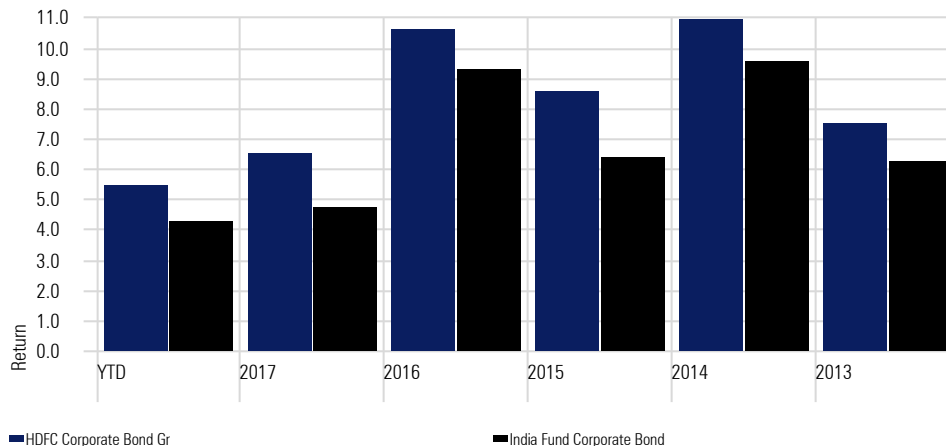
Trailing Returns

Data Point: Return Calculation Benchmark: None

	YTD	1 Year	3 Years	5 Years	10 Years
HDFC Corporate Bond Gr	5.48	5.28	7.70	8.58	—
India Fund Corporate Bond	4.29	4.13	6.18	6.97	6.83

Returns

Calculation Benchmark: None



Morningstar Style Box - HDFC Corporate Bond Gr

Morningstar Fixed Income Style Box™			Fixed-Income Stats	
<div> <div></div> <div></div> <div></div> </div>	High		Average Eff Duration	-
	Med		Average Eff Maturity	1.7
	Low		Average Coupon	8.2
			Average Price	-
<div> <div>Ltd</div> <div>Mod</div> <div>Ext</div> </div>				

HDFC Corporate Bond Gr - Top Holdings

Portfolio Date: 10/31/2018

	Position Market Value (bn)	Portfolio Weighting %
Net Current Assets	10.3	9.11
Power Finance Corporation Ltd.	6.1	5.40
ONGC Petro Additions Limited	3.7	3.32
ONGC Petro Additions Limited	3.1	2.77
Food Corporation Of India	2.8	2.45
Housing Development Finance Corporation Limited	2.5	2.22
Housing And Urban Development Corporation Ltd.	2.5	2.18
HDB Financial Services Limited	2.4	2.12
Bajaj Finance Limited	2.4	2.11
Reliance Jio Infocomm Limited	2.3	2.04