

IDFC Bond Fund- Income Plan

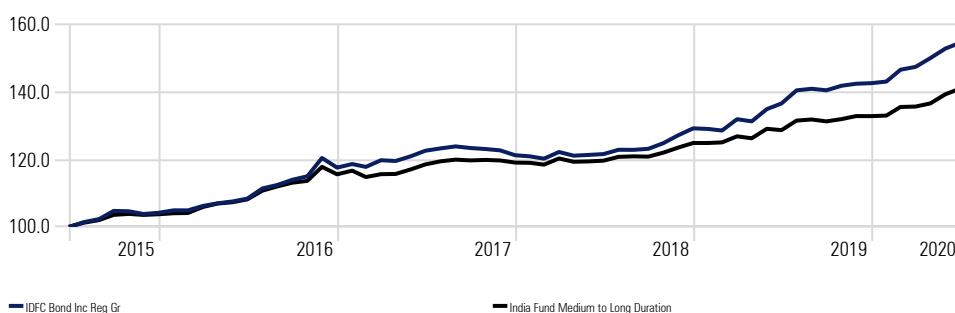


Key Information

Morningstar Category	India Fund Medium to Long Duration
Fund Size (INR bn)	6.9
Inception Date	7/14/2000
Annual Report Net Expense Ratio	1.77
Morningstar Rating Overall	★★★★★
Manager Name	Suyash Choudhary
Minimum Investment	5,000
Morningstar Analyst Rating	Neutral

Investment Growth

Time Period: 7/1/2015 to 6/30/2020



Investment Strategy

Suyash Choudhary is an accomplished and a seasoned manager. His strength lies in his in-depth understanding of the macroeconomic environment and his ability to anticipate interest-rate movements and identify attractive investment opportunities across market segments such as corporate bonds and government securities.

There continues to be an element of duration play in the strategy. Therefore, studying the macro scenario for taking interest-rate directional views forms the broader framework of the process. The interest-rate direction is determined by detailed analysis of influencing factors such as growth versus inflation, fiscal and current account deficit, private sector and government borrowings, fiscal and monetary policy view, money supply, currency market movement, and global interest-rate scenario, among others. This is complemented by an overlay of technical factors where the team examines the supply/demand dynamics to get clarity on valuations and the direction of the yield curve. Subsequently, interest-rate direction calls and anticipation of yield-curve movements form the basis of portfolio positioning in duration terms. For corporate bonds, the team lays lot of emphasis on the promoter group, its track record, and corporate governance standards. Suyash Choudhary will not lend to a company facing corporate governance issues. Additionally, he also looks at companies' competitive standing relative to peers, its practices, cash flows, liquidity profile, and business and financial risks, among others. A noteworthy aspect is that the team takes a relatively long-term view and does not pay much heed to news flows. The view once formed is applied across the funds.

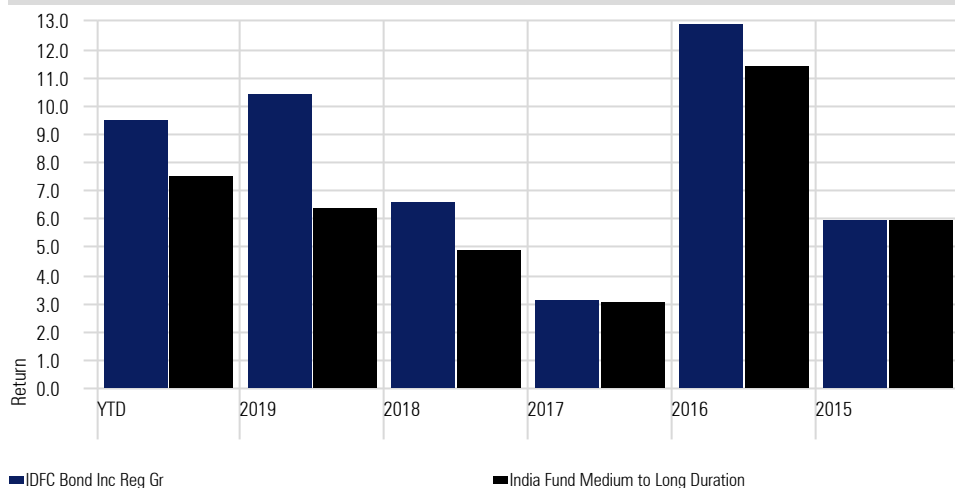
Safety and liquidity are the focus of portfolio construction. Taking credit bets is not a part of the strategy. The investment approach is fluid enough to allow investments across market segments (government securities, corporate bonds, and money market instruments).

Trailing Returns

Data Point: Return

	YTD	1 Year	3 Years	5 Years	10 Years
IDFC Bond Inc Reg Gr	9.46	11.44	8.18	9.06	8.89
India Fund Medium to Long Duration	7.49	8.79	6.13	7.15	7.46

Returns



Morningstar Style Box - IDFC Bond Inc Reg Gr

Morningstar Fixed Income Style Box™			Fixed-Income Stats	
Ltd	Mod	Ext	Average Eff Duration	-
High	■		Average Eff Maturity	6.7
Med			Average Coupon	7.3
Low			Average Price	107.3

IDFC Bond Inc Reg Gr - Top Holdings

Portfolio Date: 6/30/2020

	Position Market Value (bn)	Portfolio Weighting %
6.79% Govt Stock 2027	6.4	93.15
GOVT STOCK	0.3	4.13
RURAL ELECTRIFICATION CORPORATION LIMITED	0.1	0.83
7.26% Govt Stock 2029	0.0	0.47
7.73% Govt Stock 2034	0.0	0.06