

Fund Spotlight



IDFC Super Saver Income Fund - Investment Plan

An Open - Ended Income Fund

A high quality Income fund, investing in a mix of Govt Securities and bonds of renowned companies. Providing high interest income and benefiting from declining interest rates.

Fund characteristics

Fund name	IDFC Super Saver Income Fund - Investment Plan
Nature	Debt
Fund manager	Arjun Parthasarathy
Investment objective	Seek to generate stable returns by creating a portfolio that is invested in good quality fixed income and money market securities. However there is no assurance that the investment objective of the scheme will be realized.
Investment style	The Scheme seeks to invest in a mix of government securities and highly rated corporate bonds and aims to generate stable long-term returns through mix of accrual income and capital appreciation.
Ideal investment horizon	1 year or more
Entry load	Nil
Exit load	IDFC-SSIF-IP -Plan A :1.00% of NAV on investors who purchase/switch in and seek to redeem/switch out such units(of amount less than or equal to 1 Crore) within 1 year such from the date of effecting such purchase/switch in plan A(regular Plan). Investors opting for PEP/ Dividend reinvestment option/SWP or switch between options will not be levied an exit load. No exit load shall be applicable in case of purchase / switch ins of amounts greater than Rs. 1 Crore whether redeemed partly or fully. IDFC-SSIF-IP -Plan B : Nil IDFC-SSIF-IP -Plan C : 1.25% of NAV on investors who purchase/switch in and seek to redeem/switch out such units (of amount less than or equal to 1 Crore) within 1 Year such from the date of effecting such purchase/switch in Plan C. Investors opting for PEP / Dividend reinvestment option / SWP or switch between options will not be levied an exit load.
Options available	Growth, Dividend, Reinvestment facility is available under the dividend option.
Minimum investment amount	Plan A : (Regular Plan) Rs. 5,000 and in multiples of Re. 1 Plan B : (Institutional Plan), Rs. 1 Crores and in multiples Re. 1 Plan C : Rs.5,000 and in multiples Re. 1
Additional investment amount	Re. 1
SIP (minimum amount)	in Plan A Rs. 1,000
Inception date	14 July 2000

Our View:

- ◆ **Government Borrowing Program key to future direction in interest rates**
 - ◆ **Expect Volatility in interest rates in June driven by higher government borrowing and budget speculation.**
 - ◆ **Nevertheless most of the negatives in terms of high fiscal, high borrowing etc. have been factored in the yields and current levels look attractive.**
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- ◆ **Why do we feel so?**
 - ◆ **Secular downtrend in interest rates!**
 - Liquidity would be high due to government spending, low credit offtake & g-sec redemption. Average amount in reverse repo is over Rs120000crs.
 - Banking system will be able to absorb the additional borrowing as credit off take is low and incrementally banks to start investing the money raised in Gsecs. Banks SLR at 26%.
 - Growth outlook in India and rest of the world continues to be weak.
 - With lesser room for further fiscal measures any time soon, the RBI will have to carry out monetary easing to support the government's pro growth stance
 - World over central banks keeping policy rates at all time lows.
 - RBI will take steps to keep check on the cost of government borrowing by maintaining its stance on lower interest rates, continued intervention through open market purchases.
 - Banks too vary of assuming undue risk. Deposit growths remains higher than credit growth and this is also expected to continue. In this scenario banks are expected to increase their investment book over the next few months which would contribute to fall in government bond yields.
 - Exports growth negative for six consecutive months (Source : Bloomberg)
 - World GDP forecasts downgraded (Source : Bloomberg)
 - US unemployment rate at 9.4% (Source : Bloomberg)
 - RBI has cut rates and has indicated downside risk to growth
 - Domestic growth slowdown to last at least two more years before any signs of a sustainable recovery

Fund manager's comment

The fund reduced average maturities in recognition of interest rate uncertainties. The fund will look to increase average maturity once uncertainty passes. The fund will actively monitor the dynamic interest rate and credit spread environment to optimize performance.

Past performance is no guarantee of future results.
For Methodology of Rating Please refer Page No. 2.

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Performance (29 May 2009)

Period	IDFC-SSIF-IP Growth Returns	Benchmark Returns
Last 1 year CAGR	14.55%	8.80%
Last 2 year CAGR	12.83%	8.26%
Last 3 year CAGR	10.39%	6.71%
Last 5 year CAGR	6.72%	4.96%
Since Allotment CAGR	9.14%	-

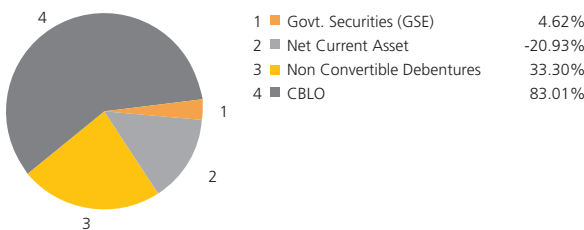
Inception date: 14 July 2000. Benchmark : Crisil Composite Bond Fund Index (CCBFI)

Past performance may or may not be sustained in future.

Dividend History (29 May 2009) (face value Rs.10/-)

Date	Nav	Freq.	Others	I & H
IDFC-SSIF-IP Plan A				
30-Sep-08	10.3256	Half Yearly	0.4076	0.438
31-Dec-08	11.9631	Quarterly	0.2935	0.3153
30-Sep-08	10.2178	Quarterly	0.2038	0.219
30-Mar-09	10.4462	Quarterly	0.3669	0.3942
30-Mar-09	10.6717	Half Yearly	0.5462	0.5869
30-Mar-09	10.9413	Annual	0.7663	0.8234

Asset Allocation (29 May 2009)



Fund Size (29 May 2009)

IDFC-SSIF-IP	520.94 Crores
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Average Maturity (29 May 2009)

IDFC-SSIF-IP	2.93 Years
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Portfolio (29 May 2009)

Name	Rating	% of NAV
CBLO		83.01
CBLO Total		
Indian Railway Finance Corp. Ltd.	AAA	10.64
Power Finance Corporation Ltd.	AAA	9.87
Export Import Bank Of India	AAA	8.03
Rural Electrification Corp Ltd	AAA	4.76
Non Convertible Debentures Total		
6.35% GOI MD 02-01-2020	SOV	4.62
Govt Securities(GSE) Total		
		4.62
Net Current Asset		-20.93
Grand Total		100.00

Methodology of Rating

IDFC Super Saver Income – Investment Plan – Plan A has been ranked as a 4 Star Fund in the category of 'Open Ended Debt – Long Term' schemes (25 Schemes) for its 1 year performance till March 31, 2009.

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Bangalore	+91-80-6611 15 04/05/06	Mumbai	+91-22-6622 60 11/29	Surat	+91-261-225 83 30
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Hyderabad	+91-40-4201 46 46/47				
Indor	+91-731-420 69 27				

Risk Factors: Mutual Funds and securities investments are subject to market risks, reinvestment risk, changes in political, economic environment and government policy and there is no assurance or guarantee that the objectives of the Schemes will be achieved. The NAV of the Schemes can go up or down depending on factors and forces affecting the Securities Market including fluctuation in interest rates, trading volumes and reinvestment risk. Past performance of the Sponsor/AMC/Mutual Fund is not necessarily indicative of the future performance of the Schemes and may not necessarily provide a basis for comparison with other investments. IDFC Super Saver Income Fund (IDFC-SSIF) is the name of the Scheme and do not in any manner indicate either the quality of the Scheme, its future prospects or returns. The Sponsor or any of its associates is not responsible or liable for any loss resulting from the operation of the Schemes beyond the corpus of the Trust of Rs.30,000/-. **Terms of Issue & Load Structure:** IDFC—SSIF: During the continuous offer the AMC calculates and publishes NAVs and offers for sale and redemption of units of the Scheme on all Business days. There is no entry/exit load for IDFC-SSIF Investment Plan (IP) Plan B. There is no entry load for IDFC-SSIF Investment Plan (IP) Plan A and Plan C. Exit Load: IDFC-SSIF Investment Plan (IP) – Plan A - 1.00% of NAV on investors who purchase/switch in and seek to redeem/switch out such units (of amount less than or equal to 1 Crore) within 1 Year such from the date of effecting such purchase/switch in Plan A (Regular Plan). Investors opting for PEP / Dividend reinvestment option / SWP or switch between options will not be levied an exit load. No exit load shall be applicable in case of purchases / switch ins of amounts greater than Rs. 1 Crore whether redeemed partly or fully. IDFC-SSIF Investment Plan (IP) – Plan C - 1.25% of NAV on investors who purchase / switch in and seek to redeem / switch out such units (amount less than or equal to Rs. 1 crore) within 1 year such from the date of effecting such purchase / switch in, Investors opting for PEP / Dividend reinvestment option / SWP or switch between options will not be levied an exit load. All Plans are available for investments by all categories of investors. **Minimum Investment:** Minimum investment amount for application in IDFC-SSIF Investment Plan (IP) – Plan A, IDFC SSIF-Short Term Plan (ST) – Plan A, Plan C and Plan D, IDFC-SSIF Medium Term (MT) – Plan A is Rs.5000. Minimum investment amount for application in IDFC-SSIF Investment Plan (IP) – Plan B is Rs.10000000. Minimum investment amount for application in IDFC SSIF-Short Term Plan (ST) – Plan B is Rs.100000. **Investment Objective:** IDFC-SSIF is an open-ended income scheme, seeking to generate stable returns with a low risk strategy by investing in good quality fixed income securities and money market instruments. However, there can be no assurance that the investment objective of the scheme will be realized. **Statutory Details:** IDFC Mutual Fund has been set up as a trust by Infrastructure Development Finance Company Limited (IDFC) (liability restricted to corpus of Trust of Rs. 30,000) with IDFC AMC Trustee Company Private Ltd. (Company with limited liabilities the trustee and IDFC Asset Management Company Private Ltd (Company with limited liability) as the investment manager. Investors in the scheme(s) are not being offered any guaranteed or assured rate of return.

Copy of Scheme Information Document and Key Information Memorandum along with application form for all the schemes may be obtained from the office of IDFC Mutual Fund, One India Bulls Centre, 841, Jupiter Mills Compound, Senapati Bapat Marg., Elphinstone Road, (West), Mumbai 400 013. Contact 1-800-226622 for details.

For details please read the Scheme Information Document (SID)/ Offer Document (OD) / Statement of Additional Information (SAI) carefully before investing.