



IDFC GOVERNMENT SECURITIES FUND-INVESTMENT PLAN

(Government Securities Fund PF will be merged into Government Securities Fund IP w.e.f. May 7, 2018)

An open ended debt scheme investing in government securities across maturities

A dedicated gilt fund with an objective to generate optimal returns with high liquidity by investing in Government Securities.

OUTLOOK

All told and taking into account recent events, it is prudent, for now, to stay with the theme of slower growth and higher market volatilities. In such a scenario, some significant adjustments need to be made to fixed income allocations away from credit and into quality fixed income. Most asset allocation has leaned heavily towards credit over the past few years. This has been consistent with one phase of a cycle and needs to change if the cycle turns. Thus slowing growth and rising volatility is almost always associated with rising credit spreads. This is already happening elsewhere in the world but has barely started in India. Also, as in the case of A and below, in some cases spreads have unjustifiably compressed in India only reflecting lack of liquidity. Thus there is significant price distortion in the lower rated part of the market which first needs to correct to earlier equilibrium and then rise further to reflect the new realities in credit markets.

Fund Features:

Category: Gilt

Monthly Avg AUM: ₹426.32 Crores

Inception Date: 9th March 2002

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

Standard Deviation (Annualized): 3.86%

Modified duration: 6.90 years

Average Maturity: 10.38 years

Yield to Maturity: 7.71%

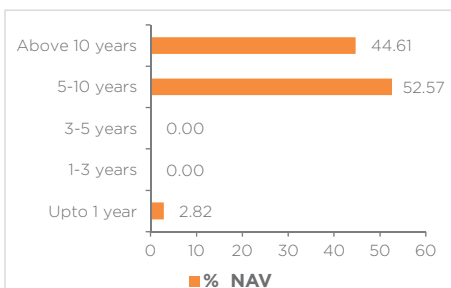
Benchmark: I-Sec Composite Index

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

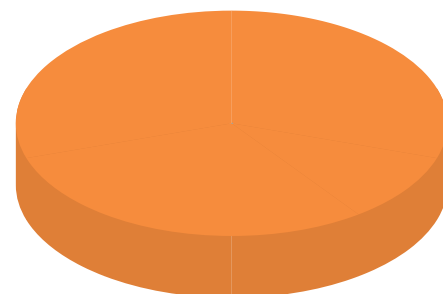
Exit Load: Nil (w.e.f. 15th July 2011)

Options Available: Growth, Dividend - Quarterly, Half Yearly, Annual, Regular & Periodic

Maturity Bucket:



ASSET QUALITY



Sovereign
100.00%

PORTFOLIO (31 December 2018)

Name	Rating	Total (%)
Government Bond		79.19%
7.17% 2028 G-Sec	SOV	34.58%
6.68% 2031 G-Sec	SOV	23.93%
7.88% 2030 G-Sec	SOV	11.03%
7.59% 2029 G-Sec	SOV	9.65%
State Government Bond		17.99%
8.5% Gujarat SDL - 2028	SOV	6.72%
8.17% Gujarat SDL - 2028	SOV	4.70%
8.05% Tamilnadu SDL - 2028	SOV	4.19%
8.47% Gujarat SDL - 2028	SOV	1.20%
8.36% Tamil Nadu SDL - 2028	SOV	1.19%
Net Cash and Cash Equivalent		2.82%
Grand Total		100.00%



This product is suitable for investors who are seeking*:

- To generate long term optimal returns.
- Investments in Government Securities across maturities.

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

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