

# MONTHLY FACTSHEET

AUGUST 2019



## Macro Economy & Event Update

- The month saw U.S. markets gain while Europe and Asia remained weak. U.S.-China trade tensions and U.S. Federal Reserve's interest rate stance were the main triggers. Upbeat economic data came to markets' support.
- U.S. markets gained as the Fed chief hinted the economy is facing challenges, which in turn led to rate-cut expectations. Initially there was optimism around U.S-China trade relations as the two countries prepared to renew talks at Shanghai. Later sentiment turned sour because of U.S. President's comments condemning China for backtracking on its promises.
- European peers were weak on trade war worries, especially after the U.S. President threatened to impose tariffs on a fresh set of Chinese imports. The European Central Bank disappointed investors by maintaining interest rate status quo.
- Asian markets followed suit and fell in the period. Over and above the global factors, Japan-South Korea trade tensions and North Korea conducting arms tests hit sentiment. Losses were limited by expectations that the U.S. Fed will cut rates at its upcoming meeting.
- Indian markets declined on concerns around the budget proposals of the finance minister. The proposal to increase tax on the super-rich was seen targeting foreign portfolio investors and expectations were that it could be rolled back. Instead, the government stuck by the decision and said the move was not against FPIs. Downgrade of India's economic growth by the Asian Development Bank and International Monetary Fund soured sentiment.
- Government's proposal to raise a part of its borrowing through bond sales in overseas market provided support to the domestic debt market over the month. The announcement in the budget eased concerns of widening fiscal deficit. Retail inflation remaining well below Reserve Bank of India's target of 4% also contributed to the upside.
- Going forward, investors will keep their eyes on the U.S.-China trade dealings as it threatens global economic growth. In the latest development, the U.S. President ordered additional 10% tariff on Chinese imports since China has been too slow to act on its promises. The U.S. Federal Reserve in its meeting cut interest rates by 25 basis points but hinted that there may not be any more cuts in the rest of the year. Back home, the progress of monsoon is crucial for the growth of the economy, thus will be keenly tracked. Bond yields will be steered by the stance the Monetary Policy Committee in its meeting is scheduled on Aug 7, 2019. Retail inflation and developments surrounding the planned sovereign bond issue will also be closely tracked.

### Trade deficit narrows to \$15.28 billion in Jun 2019

- Government data showed that India's trade deficit narrowed to \$15.28 billion in Jun 2019 from \$15.36 billion in May 2019 and \$16.60 billion in the same month of the previous year. India's trade deficit narrowed as imports fell 9.1% in Jun 2019 and exports declined 9.7% as well. Oil imports declined 13.33% to \$11.03 billion and non-oil imports dropped 7.34% to \$29.26 billion.

### Fiscal deficit for Apr 2019 to Jun 2019 stood at 61.4% of budget estimate

- Government data showed that India's fiscal deficit for the period from Apr 2019 to Jun 2019 stood at Rs. 4.32 lakh crore or 61.4% of the budget estimate compared with 68.7% of the budget estimate in the corresponding period of the previous year. The revenue deficit in the same period stood at Rs. 3.74 lakh crore or 79.4% of the budget estimate compared with 84.7% of the budget estimate in the corresponding period of the previous year. Total expenditure for the period from Apr 2019 to Jun 2019 stood at Rs. 7.22 lakh crore or 25.9% of the budget estimate compared with 29.0% of the budget estimate in the corresponding period of the previous year.

### Retail inflation surges to 3.18% in Jun 2019, food inflation grew 2.17%

- India's consumer inflation accelerated to 3.18% YoY in Jun 2019 from 3.05% in May 2019 but slowed compared with 4.92% in May 2018. Food inflation grew 2.17% in Jun 2019 compared with a growth of 1.83% in May 2019 and a growth of 2.91% in the same month of the previous year. Pulses and products inflation rose to 5.68% YoY in Jun against a rise of 2.13% in May. Meat and fish inflation rose to 9.01% YoY in Jun against a rise of 8.12% in May.

### IIP rose 3.1% YoY in May 2019 as against growth of 4.3% in Apr 2019

- India's Index of Industrial Production (IIP) growth rose 3.1% YoY in May 2019 as against upwardly revised growth of 4.3% (rise of 3.4% originally reported) in Apr 2019 and increase of 3.8% in May 2018. The mining, manufacturing and electricity sector rose 3.2%, 2.5% and 7.4% in May 2019 compared with a rise of 5.8%, 3.6% and 4.2% a year ago, respectively.

### WPI based inflation marks eases to 2.02% in Jun 2019

- India's Wholesale Price Index (WPI) - based inflation slowed down to 2.02% in Jun 2019 from 2.45% in May 2019 and 5.68% in Jun 2018. This marked 23-months low. Vegetable inflation came in at 24.7% in Jun 2019, down from 33.15% in May 2019. Inflation for fuel and power fell to -2.20% in Jun from 0.98% in the previous month. Sugar inflation came down to 4.01% in Jun as against 11.61% in May.

#### Key Economic Indicators

Indicators	Current	Previous
WPI (Jun-19)	2.02%	2.45%
IIP (May-19)	3.10%	4.30%
CPI (Jun-19)	3.18%	3.05%

Source: Thomson Reuters Eikon

## Equity Market

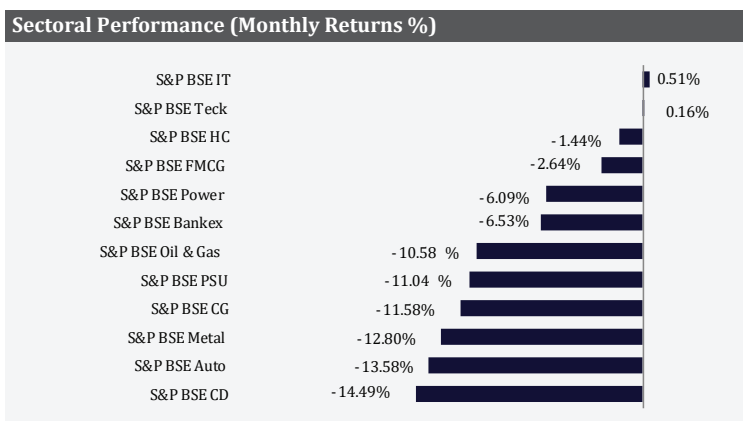
- Indian equity markets succumbed to the domestic weakness and ended the month in the red. Investors' sentiment was dampened following the outcome of the Union Budget FY 20 which defied market expectations. Lowering of economic growth forecast of India by a couple of international organisations also played spoilsport. Additionally, a mixed set of corporate earnings result was unable to generate significant positive vibes.
- On the BSE sectoral front, S&P BSE Consumer Durables was the major loser, down 14.49%, followed by S&P BSE Auto plunged 13.58%. Consumer sector headed south during the period as rural consumption lowered and rural sales make for a significant portion of the sector. Difficult market scenario has stunted small manufacturers' growth, which in turn adversely impacted growth. Auto sector that is already grappling with regulatory and policy uncertainties weakened further after government reportedly proposed to hike registration charges on new and old vehicles. Additionally, weak sales and subdued quarterly results by most auto original equipment manufacturers has been taking a toll over the sector.
- U.S. markets gained in Jul 2019 on rate-cut hopes from the U.S. Federal Reserve which was scheduled on Jul 31, 2019. The Fed chief indicated trade tensions and concerns about global growth have continued to weigh on the U.S. economic outlook. This, in turn, revived optimism over a rate cut. Economic data was positive, too, with uptick in U.S. consumer prices in Jun 2019 and first-time claims for U.S. unemployment benefits unexpectedly falling in the week to Jul 6, 2019. At the end of the month, Fed lived up to investor expectations and cut interest rates by 25 basis points. However, gains were limited because of Fed chairman's comments hinting that rates may not be cut in the rest of 2019. U.S.-China trade tensions also weighed on sentiment.
- Markets in Europe were largely weak because of concerns around U.S.-China trade war and global economic slowdown. The International Monetary Fund and Bank of England spoke about risks from trade tensions, Brexit impact and Italy's big deficit budget as threats to global growth. Investor sentiment was further dented by tensions between the U.S. and the U.K. The European Central Bank (ECB) maintaining status quo in interest rates did not fulfil market expectations for monetary easing.
- Asian counterparts were mostly down as investors had to deal with trade tensions between Japan and South Korea on top of the U.S.-China trade war worries. North Korea carrying out two arms tests within a week hit sentiment. Positive factors like renewal of U.S.-China trade talks at Shanghai were overshadowed by harsh comments from the U.S. President. The President said China was not fulfilling its promise of buying more U.S. agricultural products and threatened to impose additional tariffs on Chinese imports.
- Market sentiments are likely to be impacted by the developments on the U.S.- India trade turf. The lowering of the GDP estimates by international organisations have already attracted market attentions and investors are expected to closely monitor the GDP movement. On the global front, U.S. Fed, in its latest policy meeting, lowered key rates by 25 bps in line with market expectations, but the hawkish comments neutralised much of the positive vibes as the Fed Chief said the rate cut was not the beginning of a lengthy cutting cycle.

Domestic Indices Performance				
Indicators	31-Jul-19	28-Jun-19	Chg %	YTD%
S&P BSE Sensex	37,481	39,395	-4.86	3.92
Nifty 50	11,118	11,789	-5.69	2.35
S&P BSE 200	4,635	4,927	-5.92	-0.41
Nifty Midcap 100	15,921	17,654	-9.82	-10.93
Nifty Dividend Opportunities 50	2,513	2,669	-5.85	-2.95
S&P BSE Smallcap	12,692	14,239	-10.87	-13.70

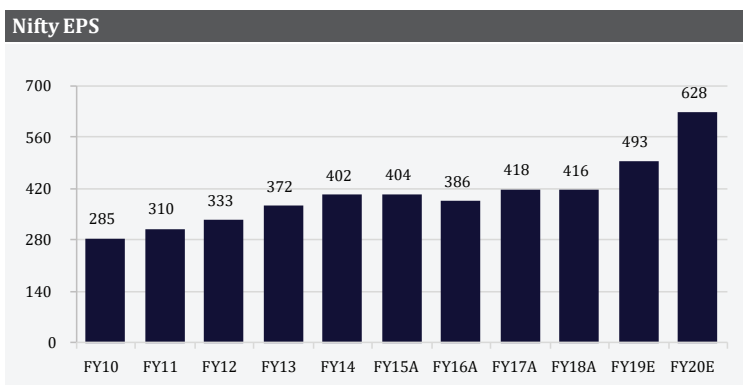
Source: Thomson Reuters Eikon

Global Indices Performance				
Global Indices	31-Jul-19	28-Jun-19	Chg %	YTD%
Dow Jones	26,864	26,600	0.99	15.16
FTSE	7,587	7,426	2.17	12.76
CAC	5,519	5,539	-0.36	16.66
Hang Seng	27,778	28,543	-2.68	7.48
SSE Composite Index	2,933	2,979	-1.56	17.59

Source: Thomson Reuters Eikon



Source: Thomson Reuters Eikon



Institutional Flows (Equity) As on July 31, 2019				
(₹ Cr)	Purchases	Sales	Net	YTD
FII Flows	99,776	112,195	-12,419	66,228
MF Flows	69,200	54,116	15,084	23,818
DII Flows	91,731	70,690	21,040	18,043

Source: NSDL, NSE & SEBI

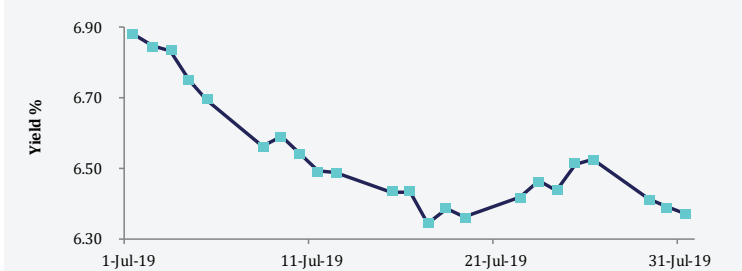
## Debt Market

- Bond yields plunged in Jul 2019 after the government in the Union Budget announced its plan for raising a proportion of its borrowing through bond sales in the overseas market in order to keep the fiscal deficit target under check. The move alleviated concerns of widening fiscal deficit of the country. Gains were extended after retail inflation for Jun 2019 continued to remain below Reserve Bank of India's medium-term target of 4% for the 11th consecutive month which increased hopes of further easing of monetary policy by the Monetary Policy Committee.
- Yield on the 10-year benchmark bond (7.26% GS 2029) plunged 51 bps to close at 6.37% compared to the previous month's close of 6.88% after trading in a range of 6.27% to 6.93%. This was the biggest monthly fall since Nov-16 when the government demonetized currency notes of high valuation in order to put a check on the circulation of black money.
- Yield on gilt securities fell across the maturities in the range of 18 bps to 53 bps. Yield on corporate bonds fell across the maturities in the range of 16 bps to 56 bps. Difference in spread between corporate bond and gilt securities expanded across the maturities by up to 17 bps barring 6 and 7-year paper which contracted 12 bps and 16 bps respectively.
- Bond yields moving ahead will be dictated as to what stance the Monetary Policy Committee adopts on its monetary policy which is scheduled on Aug 7, 2019. The upcoming retail inflation numbers will also remain in sharp focus as it will have a direct bearing on the upcoming monetary policies. The monsoons will also impact the domestic debt market sentiment as below normal monsoons can lead to an increase in inflation, hit private consumption and slowdown the growth of the rural economy. Developments surrounding the government's planned sovereign bond issue will also be closely tracked as the discussion on the same is yet to start.

## Currency and Commodity Market

- The rupee strengthened against the greenback as crude oil prices eased. Optimism over possible foreign fund inflows added to the gains. Inflows into the domestic debt market also aided market sentiment. However, strong U.S. manufacturing numbers for Jun 2019, losses in domestic equity market and greenback purchases by foreign banks capped the gains. Greenback demand from state run banks and upbeat U.S. retail sales data for Jun-19 further contributed to the downside.
- Brent crude prices fell on weak U.S and German factory orders numbers in May 2019 and weak manufacturing and service PMI data for Germany in Jun 2019. Further, fall in China's GDP data in second quarter 2019 and disappointing industrial profits data for Jun raised concerns over the commodity's demand outlook. However, the ongoing tension in the Middle East after the recent attack on oil tankers and the downing of U.S. military surveillance drone restricted further losses.

### 10-Year Benchmark Bond (07.26% GS 2029) Movement



Source: Thomson Reuters Eikon

### Spread Movement

Spreads		AAA	AA	A
31-Jul-19	1 Yr	171	251	271
	3 Yr	139	173	192
	5 Yr	130	290	216
28-Jun-19	1 Yr	162	247	214
	3 Yr	122	175	260
	5 Yr	121	202	234

Source: Thomson Reuters Eikon

Yield (%)	31-Jul-19	28-Jun-19
10 Year G-Sec	6.37	6.88
5 Year G-Sec	6.30	6.77

### Certificate of Deposit

3-Month	6.21	6.41
6-Month	6.36	6.94
9-Month	6.48	6.97
12-Month	6.86	7.16

### Commercial Papers

3-Month	6.30	7.00
6-Month	7.15	7.60
12-Month	7.55	7.90

Source: Thomson Reuters Eikon

Treasury Bill	31-Jul-19	28-Jun-19
91 Days	5.65	6.02
364 Days	5.93	6.08

Source: Thomson Reuters Eikon

### Event Calendar

Release Date	Release Date	Country
08-Aug-19	Gross Domestic Product (QoQ) (Q2) (P)	Japan
09-Aug-19	Gross Domestic Product (QoQ) (Q2) (P)	U.K.
14-Aug-19	Gross Domestic Product (QoQ) (Q2) (P)	Euro Zone
21-Aug-19	FOMC Meeting Minutes	U.S.
29-Aug-19	Gross Domestic Product Annualized (Q2) (P)	U.S.

## Investment Objective

The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

## Fund Manager Mr. Prashasta Seth

Mr. Seth has over 18 years of experience in the financial services industry. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint in JP Morgan, London and heading Irevna (a Standard & Poor's company). Mr. Seth has been managing scheme since November 03, 2016.

## Fund Details

**Date of Allotment** : October 30, 2014  
**Bloomberg Code** : IIFGRRG IN  
**Benchmark Index** : S&P BSE 200 TRI<sup>^</sup>  
**Plans Offered** : Regular & Direct  
**Options Offered** : Growth & Dividend  
**Minimum Application:**  
**New Purchase** : ₹5,000 and in multiples of ₹100 thereafter  
**Additional Purchase** : ₹1,000 and in multiples of ₹100 thereafter  
**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months  
**Quarterly SIP Option:** ₹1,500 per quarter for a minimum period of 4 quarters  
**Entry Load** : NIL  
**Exit Load** : 1% - if redeemed/switched out, on or before 12 months from the date of allotment w.e.f April 02, 2019.  
**Dematerialization** : D-Mat Option Available  
**Portfolio Turnover Ratio (based on 1 year monthly data)** : 1.26 times

**Additional Purchase** : ₹1,000 and in multiples of ₹100 thereafter

**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months

**Quarterly SIP Option:** ₹1,500 per quarter for a minimum period of 4 quarters

## NAV as on July 31, 2019

**Regular - Growth** : ₹16.0334  
**Regular - Dividend** : ₹14.1849  
**Direct - Growth** : ₹17.0137  
**Direct - Dividend** : ₹16.8398

## AUM as on Jul 31, 2019

**Net AUM** : ₹ 206.33 crore  
**Monthly Average AUM** : ₹ 206.90 crore

## Total Expense Ratio

**Regular Plan** : 2.40% p.a.  
**Direct Plan** : 0.90% p.a.

Total Expense Ratio is as on the last business day of the month.

## Volatility Measures Fund Benchmark

Std. Dev (Annualised)	15.84%	13.67%
Sharpe Ratio	0.34	0.25
Portfolio Beta	1.03	1.00
R Squared	0.80	NA
Treynor	0.02	0.01

## Portfolio as on July 31, 2019

Company Name	Industry	% to Net Assets
<b>Equity &amp; Equity Related Total</b>		
ICICI Bank Limited	Banks	8.05
HDFC Bank Limited	Banks	7.99
Procter & Gamble Health Limited	Pharmaceuticals	5.47
Infosys Limited	Software	5.44
Larsen & Toubro Limited	Construction Project	5.15
State Bank of India	Banks	4.96
Axis Bank Limited	Banks	4.77
Crompton Greaves Consumer Electricals Limited	Consumer Durables	3.74
Bajaj Finance Limited	Finance	3.66
Petronet LNG Limited	Gas	3.66
Tech Mahindra Limited	Software	3.40
IPCA Laboratories Limited	Pharmaceuticals	3.34
Muthoot Finance Limited	Finance	3.27
CreditAccess Grameen Limited	Finance	3.22
Aavas Financiers Limited	Finance	2.90
Siemens Limited	Industrial Capital Goods	2.84
Bajaj Finserv Limited	Finance	2.28
SRF Limited	Textile Products	2.19
Aarti Industries Limited	Chemicals	2.19
Asian Paints Limited	Consumer Non Durables	2.13
Cipla Limited	Pharmaceuticals	2.09
Emami Limited	Consumer Non Durables	1.55
Cholamandalam Investment and Finance Company Limited	Finance	1.50
Larsen & Toubro Infotech Limited	Software	1.46
Deepak Nitrite Limited	Chemicals	1.39
Lupin Limited	Pharmaceuticals	1.30
Balkrishna Industries Limited	Auto Ancillaries	1.29
Bharti Airtel Limited	Telecom - Services	1.20
Tata Motors Ltd DVR Shares	Auto	0.82
<b>Unlisted</b>		
Arti Surfactants Limited	Chemicals	0.03
<b>Sub Total</b>		<b>93.28</b>
TREPS**		6.85
Net Receivables / (Payables)		-0.13
<b>Portfolio Total</b>		<b>100.00</b>

## Scheme Performance

	31-Jul-18 to 31-Jul-19	PTP (₹)	31-Jul-16 to 31-Jul-19	PTP (₹)	Since Inception <sup>5</sup>	PTP (₹)
IIFL Focused Equity Fund - Reg - Growth	7.37%	10,737	9.15%	13,010	10.44%	16,032
IIFL Focused Equity Fund - Dir - Growth	9.01%	10,901	10.63%	13,548	11.83%	17,014
Benchmark*	-3.62%	9,638	9.23%	13,039	8.58%	14,789
Additional Benchmark**	0.93%	10,093	11.49%	13,866	8.29%	14,602

Past performance may or may not be sustained in future.

Different plans shall have different expense structure.

As on July 31, 2019; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; <sup>5</sup>Since Inception date is 30-Oct-2014; \*S&P BSE 200 TRI; \*\*S&P BSE Sensex TRI; Managed by the fund manager since November 03, 2016; Scheme has been in existence for more than 3 years but less than 5 years.

The performance of the scheme is benchmarked to the Total Return variant of the Index.

## SIP - If you had invested ₹10,000 every month

	31-Jul-18 to 31-Jul-19	31-Jul-16 to 31-Jul-19	Since Inception
Total Amount Invested (₹)	1,20,000	3,60,000	5,60,000
Total Value as on Jul 31,2019(₹)	1,27,295	4,07,430	7,07,817
Returns	11.52%	8.22%	10.00%
Total Value of Benchmark: S&P BSE 200 TRI (₹)	1,17,522	3,92,486	6,77,676
Benchmark: S&P BSE 200 TRI	-3.82%	5.70%	8.12%
Total Value of Additional Benchmark: S&P BSE Sensex TRI (₹)	1,21,290	4,19,606	7,13,928
Additional Benchmark: S&P BSE Sensex TRI	2.10%	10.23%	10.37%

(Inception date :30-Oct-2014) (First Installment date : 01-Dec-2014)

Source: MFI Explorer; Above returns are calculated assuming investment of ₹10,000/- on the 1st working day of every month. CAGR return are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan -Growth option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. Managed by the fund manager since November 03, 2016.

The performance of the scheme is benchmarked to the Total Return variant of the Index.

## Dividend Details

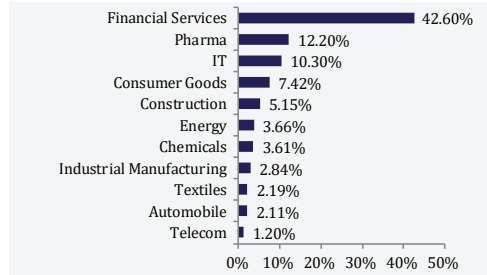
	Record Date	Face Value (₹)	Cum Dividend NAV (₹) As on Feb 15, 2017	Dividend Per Unit
Regular Plan	15-Feb-17	10	12.7777	1.50
Direct Plan	15-Feb-17	10	13.0738	0.17

## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Capital appreciation over long term;
- Investment predominantly in equity and equity related instruments.
- \* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

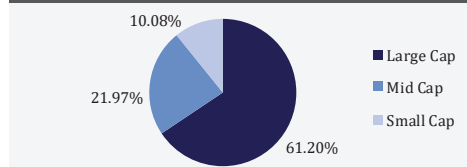
\*\*With effect from November 05, 2018, Triparty Repo has replaced CBL0s for all schemes with provisions to invest in CBL0.

## Sector Allocation<sup>^^</sup>



<sup>^^</sup>Sector allocation as per AMFI classification

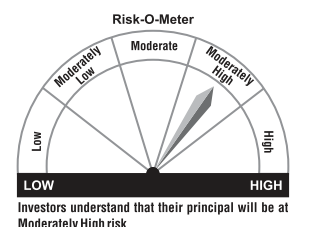
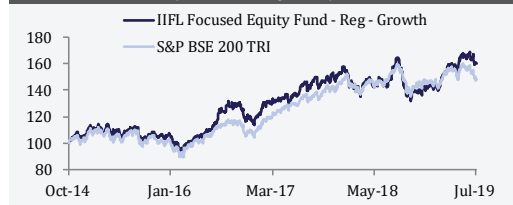
## Market Capitalisation wise Exposure<sup>^</sup>



a. Large Cap Companies: 1st -100th company in terms of full market capitalization  
b. Mid Cap Companies: 101st -250th company in terms of full market capitalization  
c. Small Cap Companies: 251st company onwards in terms of full market capitalization  
The consolidated list of stocks in terms of full market capitalization is as per the list uploaded by AMFI, in terms of SEBI circulars dated October 6, 2017 and December 4, 2017.

<sup>^</sup>As on July 31, 2019

## NAV Movement (Since Inception) Rebased to 100



Investors understand that their principal will be at Moderately High risk

## Fund Commentary

July saw Indian equities underperform both developed and emerging markets indices (MSCI India -5.7%, MSCI EM -1.7%, MSCI World DM +0.4%). Within Indian equities large cap stocks continue to outperform small and mid-caps (Nifty 50 -5.7%, NSE midcap -9.8%).

Globally, 2019 is expected to be a year of slowing growth, weaker commodity prices and steep decline in interest rates. Credit markets are clearly pointing towards worsening macro environment and higher odds of recession. Negative spreads on three-month Treasury bills vs 10-year bonds - a reliable lead indicator for US recession, widened to levels seen before the 2008 crisis. With the Federal Reserve cutting interest rates for the first time in a decade, all eyes now turn to the Reserve Bank of India's (RBI) policy meeting, with consensus expectations of aggressive rate cuts to help revive growth.

On the domestic front, hope for government reforms during the budget turned into disappointment. While the government's prudent fiscal approach deserves credit, few policy announcements hurt investor sentiment. Most important was the higher surcharge on taxable income which impacted FPIs, mostly structured as trusts investing into India. Post the announcement we saw \$ 2.5 billion of FII outflows, one of the steepest in recent years. The other announcement of increasing the minimum public shareholding from 25% to 35% is another speed breaker and could lead to around \$ 50 billion of fresh issuances from various companies, if the same is implemented.

Adding to these announcements are larger concerns over slowdown in corporate earnings. We are witnessing a clear weakness in GDP growth as both drivers - consumption & investment, are slowing down. We are witnessing weakness in consumer demand across segments, direct and indirect. Lower demand is seen across sectors such as auto & ancillaries, FMCG, consumer durables and capital goods. The slump in the auto sector, which accounts for nearly half of India's manufacturing output, has been a major factor behind the slide in economic growth to a five-year low earlier this year. Last, but not the least, the aggravation of all sectors is borne by financials, which had to battle through liquidity crisis and stifling demand amidst the crisis in the NBFC space. Demand slowdown across sectors is also a result of lower growth in household savings and income. Concerns on lower growth, higher real interest rates and subdued inflation expectations provide scope for significant monetary policy action from RBI in the coming months. We should also see improved transmission of the recent rate cuts in the next few months, in addition to the liquidity situation staying positive.

Current valuations seem to be pricing in the near-term concerns and offer a good risk-reward over the long-term. India's Bond yield-earnings Yield (BY-EY) gap has dropped sharply to levels last seen during demonetization (Dec' 2016) and market lows in Aug 2013. Historically, the average Nifty has delivered good returns for the next two years from such levels. The 1 year forward P/E for the market has come down from ~19.5x to 17.5x, closer to long term averages.

## Disclaimer

The above commentary/opinions/in house views/strategy incorporated herein is provided solely to enhance the transparency about the investment strategy / theme of the Scheme and should not be treated as endorsement of the views / opinions or as an investment advice. The above commentary should not be construed as a research report or a recommendation to buy or sell any security. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. The above commentary has been prepared on the basis of information, which is already available in publicly accessible media or developed through analysis of IIFL Mutual Fund. The information/ views / opinions provided is for informative purpose only and may have ceased to be current by the time it may reach the recipient, which should be taken into account before interpreting this commentary. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision and the stocks may or may not continue to form part of the scheme's portfolio in future. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. The statements made herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time. Neither IIFL Mutual Fund / IIFL Asset Management Ltd, its associates, directors or representatives shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

# IIFL Capital Enhancer Fund Series 1

(An Annual Interval Scheme investing in Equity and Equity Related Securities)



## Investment Objective

To achieve long term capital appreciation by investing in equity and equity related securities, with strategy of hedging the portfolio with Nifty 50 Put Option and other Equity derivatives. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.

## Fund Manager Mr. Prashasta Seth

Mr. Seth has over 17 years of experience in the financial services industry. He is an MBA from IIM Ahmedabad and B Tech from IIT Kanpur. His previous assignments include a stint in JP Morgan, London and heading Irevna (a Standard & Poor's company). Mr. Seth has been managing scheme since inception.

## Fund Details

<b>Date of Allotment</b>	: May 14, 2018
<b>Bloomberg Code</b>	: IICE1RG IN
<b>Benchmark Index</b>	: CRISIL Hybrid 35+65- Aggressive Index
<b>Plans Offered</b>	: Regular & Direct
<b>Options Offered</b>	: Growth & Dividend
<b>Entry Load</b>	: NIL
<b>Exit Load</b>	: NIL
<b>Dematerialization</b>	: D-Mat Option Available
<b>Portfolio Turnover Ratio (based on 1 year monthly data)</b>	: 0.75 times

## NAV as on July 31, 2019

<b>Regular - Growth</b>	: ₹10.0081
<b>Regular - Dividend</b>	: ₹9.6429
<b>Direct - Growth</b>	: ₹10.1322
<b>Direct - Dividend</b>	: ₹9.6493

## AUM as on July 31, 2019

<b>Net AUM</b>	: ₹ 176.28 crore
<b>Monthly Average AUM</b>	: ₹ 179.92 crore

## Total Expense Ratio

<b>Regular Plan</b>	: 1.34% p.a.
<b>Direct Plan</b>	: 0.72% p.a.

Total Expense Ratio is as on the last business day of the month.

## Volatility Measures# Fund Benchmark

<b>Std. Dev (Annualised)</b>	NA	NA
<b>Sharpe Ratio</b>	NA	NA
<b>Portfolio Beta</b>	NA	NA
<b>R Squared</b>	NA	NA
<b>Treynor</b>	NA	NA

#Since the scheme has not completed 3 years volatility measures has not been provided.

## Portfolio as on July 31, 2019

Company Name	Industry	% to Net Assets
<b>Equity &amp; Equity Related Total</b>		
HDFC Bank Limited	Banks	10.09
Reliance Industries Limited	Petroleum Products	8.74
ICICI Bank Limited	Banks	7.73
Infosys Limited	Software	6.65
Larsen & Toubro Limited	Construction Project	6.28
Tech Mahindra Limited	Software	5.48
Axis Bank Limited	Banks	4.70
State Bank of India	Banks	4.46
Bajaj Finance Limited	Finance	3.75
Kotak Mahindra Bank Limited	Banks	3.64
ITC Limited	Consumer Non Durables	3.36
NTPC Limited	Power	2.89
Asian Paints Limited	Consumer Non Durables	2.66
Tata Consultancy Services Limited	Software	2.25
Bharti Airtel Limited	Telecom - Services	2.25
Cipla Limited	Pharmaceuticals	2.13
Hero MotoCorp Limited	Auto	2.04
Hindustan Unilever Limited	Consumer Non Durables	1.68
Maruti Suzuki India Limited	Auto	1.66
Tata Steel Limited	Ferrous Metals	1.53
Bajaj Finserv Limited	Finance	1.51
Zee Entertainment Enterprises Limited	Media & Entertainment	1.27
Tata Motors Limited	Auto	1.24
Dr. Reddy's Laboratories Limited	Pharmaceuticals	0.98
Mahindra & Mahindra Limited	Auto	0.97
GAIL (India) Limited	Gas	0.54
<b>Derivatives</b>		
Nifty 50 Index 11300 Put		2.42
September 2019 Option		
<b>Sub Total</b>		<b>92.90</b>
TREPS**		5.09
Net Receivables / (Payables)		2.01
<b>Portfolio Total</b>		<b>100.00</b>

\*\*With effect from November 05, 2018, Triparty Repo has replaced CBOs for all schemes with provisions to invest in CBO.

## Dividend Details

	Record Date	Face Value (₹)	Cum Dividend NAV (₹) As on Jun 27, 2019	Dividend Per Unit
Regular Plan	26-Jun-19	10	10.0645	0.38
Direct Plan	26-Jun-19	10	10.0655	0.50

## Scheme Performance

	31-Jul-18 to 31-Jul-19	PTP (₹)	Since Inception	PTP (₹)
IIFL Capital Enhancer Fund - Series 1 - Reg - Growth	-4.02%	9,598	0.07%	10,009
IIFL Capital Enhancer Fund - Series 1 - Dir - Growth	-3.10%	9,690	1.09%	10,132
Benchmark*	2.08%	10,208	4.62%	10,563
Additional Benchmark**	0.93%	10,093	6.09%	10,744

Past performance may or may not be sustained in future.

Different plans shall have different expense structure.

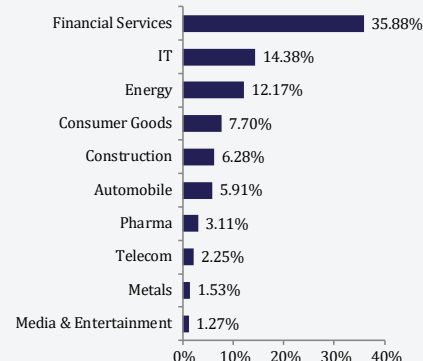
As on July 31, 2019; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; Since Inception date is 14-May-2018; \*CRISIL Hybrid 35+65- Aggressive Index; \*\* S&P BSE Sensex TRI; Managed by the fund manager since inception of the fund; Scheme has been in existence for more than 1 year but less than 3 years.

## SIP - If you had invested ₹10,000 every month

	31-Jul-18 to 31-Jul-19	Since Inception
Total Amount Invested (₹)	1,20,000	1,40,000
Total Value as on July 31, 2019(₹)	1,17,034	1,37,055
Returns	-4.57%	-3.38%
Total Value of Benchmark: CRISIL Hybrid 35+65- Aggressive Index (₹)	1,21,900	1,43,209
Benchmark: CRISIL Hybrid 35+65- Aggressive Index	2.96%	3.71%
Total Value of Additional Benchmark: S&P BSE Sensex TRI (₹)	1,21,290	1,42,891
Additional Benchmark: S&P BSE Sensex TRI	2.01%	3.34%
(Inception date :14-May-2018) (First Installment date : 01-Jun-2018)		

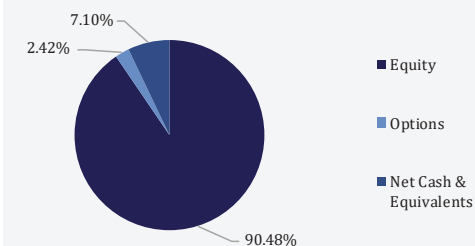
Source: MFI Explorer; Above returns are calculated assuming investment of ₹ 10,000/-on the 1st working day of every month. CAGR return are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan -Growth option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. Managed by the fund manager since inception of the fund.

## Sector Allocation^^

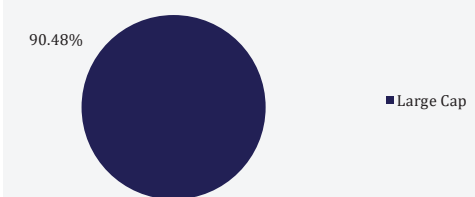


^^Sector allocation as per AMFI classification

## Asset Allocation^



## Market Capitalisation wise Exposure^



a. Large Cap Companies: 1st -100th company in terms of full market capitalization  
b. Mid Cap Companies: 101st -250th company in terms of full market capitalization  
c. Small Cap Companies : 251st company onwards in terms of full market capitalization  
The consolidated list of stocks in terms of full market capitalization is as per the list uploaded by AMFI, in terms of SEBI circulars dated October 6, 2017 and December 4, 2017.

^As on July 31, 2019

## HEDGING- UPDATE

The Scheme has invested in the equity portfolio during a period where the Nifty 50 was trading at ~10750 levels.

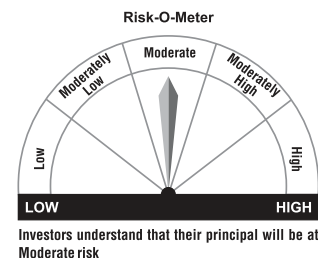
As long dated Nifty 50 puts can only be purchased at a strike price in the multiples of Rs. 100, the Scheme has partially purchased Nifty 50 Puts at 10700 and 10800 strike prices respectively.

Therefore, the annualised cost of buying the put is ~3.87%

## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Long Term Capital Growth
- Investments in equity and equity related securities with a Strategy of hedging by buying NIFTY 50 Put Option and other Equity derivatives.

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



## Disclaimer

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## Investment Objective

The investment objective of the scheme is to generate income and long term gains by investing in a range of debt and money market instruments of various maturities. The scheme will seek to flexibly manage its investment across the maturity spectrum with a view to optimize the risk return proposition for the investors.

## Fund Manager Mr. Ankur Parekh

Mr. Ankur Parekh has over 17 years of work experience in the Fixed income securities market. His previous experience include working with SBI DFHI primary Dealership firm and DBS Cholamandalam AMC. Prior to joining IIFL AMC he was associated with Reliance Capital AMC as Fund Manager - EPFO for seven years. He is commerce graduate and has done his Masters in Business Administration from Bharthihaar University, Tamilnadu. Mr Parekh has been managing the scheme since March 08, 2017.

## Fund Details

**Date of Allotment** : June 24, 2013

**Bloomberg Code** : IIFDBBIN

**Benchmark Index** : CRISIL Composite Bond Fund Index

**Plans Offered** : Regular & Direct

**Options Offered** : Growth & Dividend

**Minimum Application Amount** :

**New Purchase** : ₹10,000 and in multiples of ₹100 thereafter

**Additional Purchase** : ₹1,000 and in multiples of ₹100 thereafter

**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months

**Quarterly SIP Option** : ₹1,500 per quarter for a minimum period of 4 quarters

**Entry Load** : Nil

**Exit Load** : 1% - if redeemed/switched out, on or before 18 months from the date of allotment and Nil - if redeemed/switched out after 18 months from the date of allotment. w.e.f October 10, 2017

**Dematerialization** : D-Mat Option Available

**Asset Allocation** :

Debt Market Instruments : 0% to 100%

Money Market Instruments : 0% to 100%

Units issued by REITs & InvITs : 0% to 10%

## NAV as on July 31, 2019

**Regular Plan Growth** : ₹15.0955

**\*Regular Plan Bonus** : ₹15.0955

**Regular Quarterly Dividend** : ₹14.5670

**\*Regular Half Yearly Dividend** : ₹14.5670

**\*Regular Monthly Dividend** : ₹11.5650

**Direct Plan Growth** : ₹15.6047

**Direct Monthly Dividend** : ₹12.0190

\*Note: Bonus plan and Monthly & Half yearly Dividend payout options are discontinued no new investors can invest in the said option, existing investors remain invested in the said options.

## AUM as on Jul 31, 2019

**Net AUM** : ₹ 328.61 crore

**Monthly Average AUM** : ₹ 327.84 crore

## Total Expense Ratio

**Regular Plan** : 1.34% p.a.

**Direct Plan** : 0.69% p.a.

Total Expense Ratio is as on the last business day of the month.

## Statistical Debt Indicators

**Modified Duration** : 1.25 years

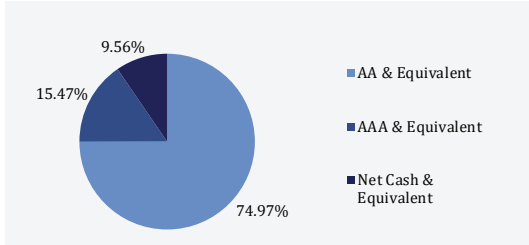
**Average Maturity** : 1.55 years

**Yield to Maturity** : 9.27%

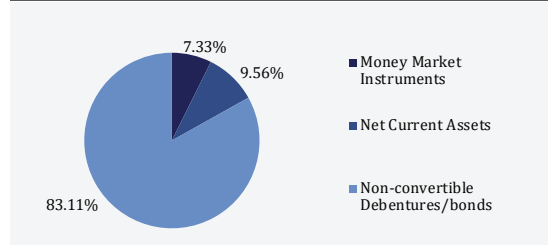
## Portfolio as on July 31, 2019

Name of the Instrument	Rating	% to Net Assets	Name of the Instrument	Rating	% to Net Assets
<b>Debt Instruments</b>			7.90% Piramal Enterprises Limited		
<b>Non-Convertible Debentures/Bonds</b>			ECL Finance Limited		
4.00% HPCL Mittal Energy Limited	ICRA AA+	8.01	8.20% Housing Development Finance Corporation Limited	CRISIL AAA	1.54
8.75% Muthoot Finance Limited	CRISIL AA	7.43	8.75% Axis Bank Limited	CRISIL AA+	1.51
8.50% Vedanta Limited	CRISIL AA	7.42	9.15% SP Jammu Udampur Highway Limited	ICRA AAA(SO)	0.55
8.25% EID Parry India Limited	CRISIL AA-	7.17	9.90% Tata Motors Limited	ICRA AA	0.31
JM Financial Credit Solution Limited	ICRA AA	6.58	9.35% IDFC First Bank Limited	ICRA AA	0.03
7.70% L & T Housing Finance	ICRA AAA	6.05	<b>Certificate of Deposit</b>		
Aditya Birla Fashion and Retail Limited	CRISIL AA	5.70	HDFC Bank Limited	ICRA A1+	7.33
9.55% Hindalco Industries Limited	CRISIL AA	4.72	<b>TREPS** / Reverse Repo</b>		
10.25% Hansdeep Industries & Trading Company Limited	CARE AA-(SO)	4.59	TREPS**		7.40
9.75% Edelweiss Housing Finance Limited	ICRA AA-	4.15	<b>Sub Total</b>		
9.15% Birla Corporation Limited	ICRA AA	3.54	Net Current Assets		2.16
8.15% Energy Efficiency Services Limited	ICRA AA-	3.02	<b>Portfolio Total</b>		
7.63% PNB Housing Finance Limited	CARE AA+	2.99			100.00
9.80% ECL Finance Limited	ICRA AA-	2.94			

## Composition by Rating ^



## Instrument Wise Composition ^



## Dividend Declared - Monthly Dividend Plan

Date	Gross Dividend (₹) (Per Unit)	Regular Plan NAV (₹) (Ex-Dividend)	Direct Plan NAV (₹) (Ex-Dividend)
30-Jul-19	0.05	11.5593	12.0128
25-Jun-19	0.05	11.4973	11.9549
28-May-19	0.05	11.5226	11.9575

## Quarterly Dividend Plan

04-Jun-15	0.4	11.4678	11.5708
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## Half Yearly Dividend Plan

04-Jun-15	0.4	11.4678	
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Dividend is gross dividend. To arrive at the net dividend payable for corporate and non-corporate investors applicable dividend distribution tax, if any, needs to be adjusted respectively. Past performance may or may not be sustained in future. After payment of dividend the NAV has fallen to the extent of payout and distribution taxes if applicable. Monthly Dividend is not assured and is subject to availability of distributable surplus.

## Scheme Performance

	31-Jul-18 to 31-Jul-19	PTP (₹)	31-Jul-16 to 31-Jul-19	PTP (₹)	31-Jul-14 to 31-Jul-19	PTP (₹)	Since Inception <sup>5</sup>	PTP (₹)
IIFL Dynamic Bond Fund - Reg - Growth	7.43%	10,743	6.72%	12,159	7.86%	14,601	6.98%	15,096
IIFL Dynamic Bond Fund - Dir - Growth	8.12%	10,812	7.35%	12,376	8.46%	15,012	7.56%	15,603
Benchmark*	12.76%	11,276	7.95%	12,585	9.37%	15,653	8.58%	16,528
Additional Benchmark**	16.64%	11,664	7.55%	12,445	9.23%	15,553	7.33%	15,400

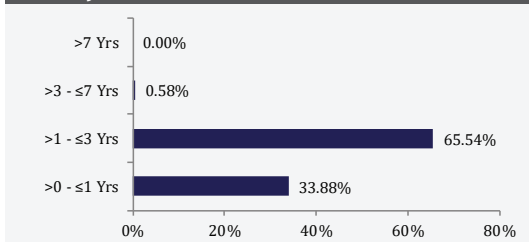
Past performance may or may not be sustained in future

Different plans shall have different expense structure

As on July 31, 2019\* Crisil Composite Bond Fund Index,\*\* Crisil 10yr Gilt Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹ 10,000 made on the inception date;

<sup>5</sup>Inception date 24-June-2013; Effective March 08 2017, Mr. Ankur Parekh has been appointed as Fund Manager of the scheme. The Scheme was managed till March 07, 2017 by Mr Ritesh Jain.

## Maturity Profile ^



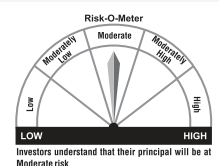
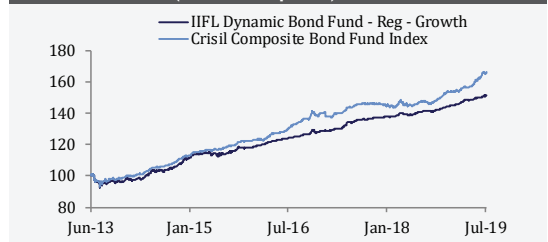
\*As on July 31, 2019

## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Income and long term gains
- Investment in a range of debt and money market instruments of various maturities
- Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

\*\*With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.

## NAV Movement (Since Inception) Rebased to 100



## Fund Commentary

- Bond yields rallied in July as 10-year benchmark securities softened by 50bps in anticipation of another rate cut. RBI in its upcoming bi-monthly monetary policy is expected to deliver fourth in a row repo rate cut of 25bps. RBI actions are intended towards tamed inflation and slowing economic growth. As the inflation remained below RBI expected levels for the medium term and core inflationary pressures seems to remain passive. A sharp global slowdown and aggressive easing by global central banks may pave the way for aggressive easing by the Reserve Bank of India (RBI). Liquidity in the system is adequate and durable which enhances the scope for optimism in yields. The union Budget announcement of borrowing with fiscal prudence is viewed as curative to crowding out effect caused due to larger borrowing by Government and ensuing higher yields. Restraining such borrowing program of government, will generate more scope for softer interest rate regime. And in turn it will allow private sector borrowing possible and sustainable to boost investments in economy. This will effectively bring back the higher growth in economy.
- On the global front the US Federal reserve has cut rates for the first time in a decade. The Fed's rate action is driven by on-going trade hostilities, increasingly weak global growth and a slowdown in manufacturing, as well as entrenched low inflation. Furthermore, rate cuts shall allow Trump administration to take an even more aggressive stance against China on trade deficits. President Trump has re-escalated trade war with threatening of another bunch of tariff hikes worth over \$300 bn of imports from China. China facing weakest economic growth over a quarter century is now strategically responding to the tariff war through devaluing yuan vs US Dollar, keeping its exports lucrative. USA has sanctioned Iran again for non-co-operation over its nuclear operations increasing the geo political tensions globally. These conditions are creating risk-off market dynamics with government bonds rallying and equities and risky assets selling off. The prices of commodities and crude are trending lower as the slowing global economy echoes muted demand. However, the ongoing tension in the Middle East after the recent attack on oil tankers and the downing of U.S. military drone restricted further losses in crude prices. In Europe, German factory orders data have remained submissive and UK's Business investment has been on a declining trend because of ongoing Brexit-related uncertainty and this is expected to continue until Brexit is resolved.
- Amidst low inflation and slowing growth, a rate cut is anticipated in bi-monthly policy meet of RBI in August 2019, however further rate actions looks to be more data dependent. The RBI softening stance is accommodative of more rate cuts but the urgency and pace of the cuts shall depend on domestic as well as global economic data. Developments surrounding the government's planned sovereign bond issue will also be closely tracked as the discussion on the same is yet to start. The monsoon seems to be correcting its course and mitigating initial deficits will be closely monitored by market participants from rural demand perspective. The global trade war between USA and China has made Asian currencies weaker including the rupee. Equity market pessimism over the FPI (Foreign Portfolio Investors) exit from the Indian stock market due to taxation issues seems critical and challenging for the revenue strapped government. In response to slowing global growth in advanced economies, the central banks have eased their monetary policy stance including USA. In this scenario of changing market conditions, we continue our view of positioning at the front-end of the curve with a defensive outlook as rate trajectory is likely to be volatile. The incremental positioning may be executed in certain pockets of yield curve if it offers value in terms of attractive spreads between low duration high carry bonds and overnight funding rates. The scheme aims to maintain relatively high running yields and moderate to low duration, to benefit out of the steep yield curve. However, any changes in the macro-economic environment is being continuously tracked for change of stance if the situation requires so.

## Disclaimer

The above commentary/opinions/in house views/strategy incorporated herein is provided solely to enhance the transparency about the investment strategy / theme of the Scheme and should not be treated as endorsement of the views / opinions or as an investment advice. The above commentary should not be construed as a research report or a recommendation to buy or sell any security. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. The above commentary has been prepared on the basis of information, which is already available in publicly accessible media or developed through analysis of IIFL Mutual Fund. The information/ views / opinions provided is for informative purpose only and may have ceased to be current by the time it may reach the recipient, which should be taken into account before interpreting this commentary. The recipient should note and understand that the information provided above may not contain all the material aspects relevant for making an investment decision and the stocks may or may not continue to form part of the scheme's portfolio in future. The decision of the Investment Manager may not always be profitable; as such decisions are based on the prevailing market conditions and the understanding of the Investment Manager. Actual market movements may vary from the anticipated trends. The statements made herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alterations to this statement as may be required from time to time. Neither IIFL Mutual Fund / IIFL Asset Management Ltd, its associates, directors or representatives shall be liable for any damages whether direct or indirect, incidental, punitive special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

## Investment Objective

To provide liquidity with reasonable returns commensurate with low risk through a portfolio of money market and debt securities with residual maturity of up to 91 days. However, there can be no assurance that the investment objective of the scheme will be achieved.

## Fund Manager Mr. Ankur Parekh

Mr. Ankur Parekh has over 17 years of work experience in the Fixed income securities market. His previous experience include working with SBI DFHI primary Dealership firm and DBS Cholamandalam AMC. Prior to joining IIFL AMC he was associated with Reliance Capital AMC as Fund Manager – EPFO for seven years. He is commerce graduate and has done his Masters in Business Administration from Bharthihar University, Tamilnadu. Mr Parekh has been managing the scheme since March 08, 2017.

## Fund Details

**Date of Allotment** : November 13, 2013  
**Benchmark Index** : CRISIL Liquid Fund Index  
**Plans Offered** : Regular & Direct  
**Options Offered** : Growth & Dividend  
**Minimum Application:**  
**New Purchase** : ₹5,000 and in multiples of ₹100 thereafter  
**Additional Purchase:** ₹1,000 and in multiples of ₹100 thereafter

**Monthly SIP Option** : ₹1,000 per month for a minimum period of 6 months

**Quarterly SIP Option** : ₹1,500 per quarter for a minimum period of 4 quarters

**Entry / Exit Load** : NIL  
**Dematerialization** : D-Mat Option Available

**Asset Allocation** :  
 Money market and debt instruments with residual maturity up to 91 days

## NAV as on July 31, 2019

**Regular Plan Growth** : ₹1489.9146  
**Regular Plan Weekly** : ₹1005.1850  
**Dividend**  
**Regular Plan Daily** : ₹1000.2804  
**Dividend**  
**Direct Plan Growth** : ₹1494.1863  
**Direct Plan Daily Dividend** : ₹1000.3254  
**Direct Plan Weekly** : ₹1005.1932  
**Dividend**

## AUM as on Jul 31, 2019

**Net AUM** : ₹ 525.57 crore  
**Monthly Average AUM** : ₹ 667.43 crore

## Total Expense Ratio

**Regular Plan** : 0.25% p.a.  
**Direct Plan** : 0.20% p.a.  
 Total Expense Ratio is as on the last business day of the month.

## Statistical Debt Indicators

**Modified Duration** : 34 days  
**Average Maturity** : 36 days  
**Yield to Maturity** : 6.22%

## Portfolio as on July 31, 2019

Name of the Instrument	Rating	% to Net Assets
<b>Money Market Instruments</b>		
<b>Certificate of Deposit</b>		
Bank of Baroda	FITCH A1+	9.50
ICICI Bank Limited	ICRA A1+	9.48
Axis Bank Limited	CRISIL A1+	9.44
Kotak Mahindra Bank Limited	CRISIL A1+	7.59
<b>Sub Total</b>		<b>36.01</b>
<b>Commercial Paper</b>		
NTPC Limited	CRISIL A1+	9.50
Small Industries Dev Bank of India	CARE A1+	9.47
Indian Railway Finance Corporation Limited	CRISIL A1+	9.43
Power Grid Corporation of India Limited	CRISIL A1+	9.40

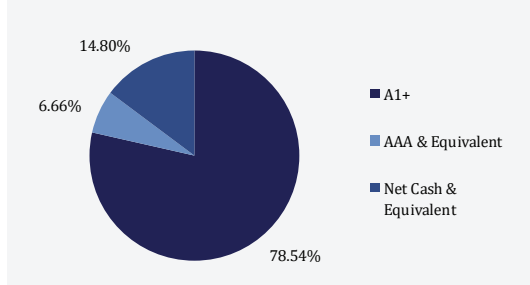
Name of the Instrument	Rating	% to Net Assets
Housing Development Finance Corporation Limited	CRISIL A1+	4.73
<b>Sub Total</b>		<b>42.53</b>
<b>Non-Convertible Debentures/Bonds</b>		
7.00% Housing Development Finance Corporation Limited	CRISIL AAA	6.66
<b>Sub Total</b>		<b>6.66</b>
<b>TREPS** / Reverse Repo</b>		
TREPS**		13.59
<b>Sub Total</b>		<b>98.79</b>
Net Receivables / (Payables)		1.21
<b>Portfolio Total</b>		<b>100.00</b>

## Scheme Performance

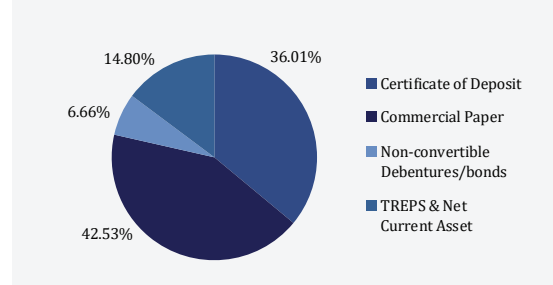
	31-Jul-18 to 31-Jul-19	PTP(₹)	31-Jul-16 to 31-Jul-19	PTP(₹)	31-Jul-14 to 31-Jul-19	PTP(₹)	Since Inception <sup>5</sup>	PTP (₹)
IIFL Liquid Fund - Reg - Growth	6.65%	10,665	6.51%	12,083	7.06%	14,068	7.23%	14,903
IIFL Liquid Fund - Dir - Growth	6.70%	10,670	6.57%	12,103	7.11%	14,100	7.28%	14,942
Benchmark*	7.61%	10,761	7.15%	12,302	7.60%	14,426	7.83%	15,385
Additional Benchmark**	7.22%	10,722	6.70%	12,148	7.23%	14,181	7.48%	15,103

Past performance may or may not be sustained in future. Different plans shall have different expense structure. As on July 31, 2019\* Crisil Liquid Fund Index,\*\* Crisil 91 Day T-Bill Index; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000 made on the inception date 13-Nov-2013; Effective March 08 2017, Mr. Ankur Parekh has been appointed as Fund Manager of the scheme. The Scheme was managed till March 07, 2017 by Mr Ritesh Jain.

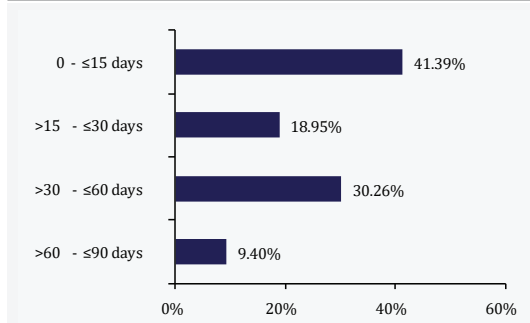
## Composition by Rating<sup>^</sup>



## Instrument Wise Composition<sup>^</sup>

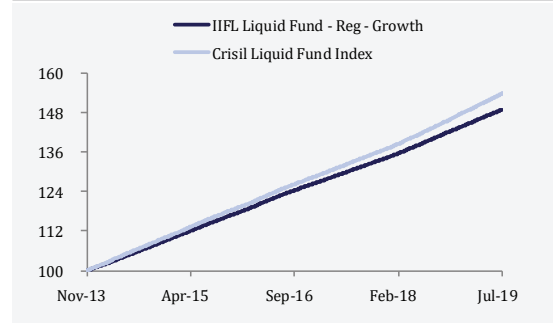


## Maturity Profile<sup>^</sup>



<sup>^</sup>As on July 31, 2019

## NAV Movement (Since Inception) Rebased to 100

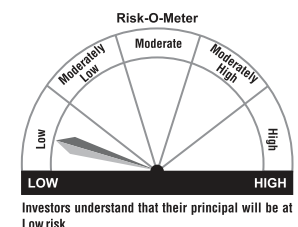


## THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING\*

- Income over short term horizon
- Investments in money market and short term debt instruments, with maturity not exceeding 91 days

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

\*\*With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.



## GLOSSARY OF TERMS

<b>FUND MANAGER</b>	An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.
<b>APPLICATION AMOUNT FOR FRESH SUBSCRIPTION</b>	This is the minimum investment amount for a new investor in a mutual fund scheme.
<b>MINIMUM ADDITIONAL AMOUNT</b>	This is the minimum investment amount for an existing investor in a mutual fund scheme.
<b>YIELD TO MATURITY</b>	The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.
<b>SIP</b>	SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests ₹ 500 every 15th of the month in an equity fund for a period of three years.
<b>NAV</b>	The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.
<b>BENCHMARK</b>	A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the Nifty, Sensex, BSE200, BSE500, 10-Year Gsec.
<b>ENTRY LOAD</b>	A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is ₹ 100 and the entry load is 1 %, the investor will enter the fund at ₹ 101.
<b>EXIT LOAD</b>	Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is deducted from the prevailing NAV at the time of redemption. For instance, if the NAV is ₹ 100 and the exit load is 1%, the redemption price would be ₹99 per unit.
<b>MODIFIED DURATION</b>	Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.
<b>STANDARD DEVIATION</b>	Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.
<b>SHARPE RATIO</b>	The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.
<b>BETA</b>	Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.
<b>AUM</b>	AUM or assets under management refers to the recent I updated cumulative market value of investments managed by a mutual fund or any investment firm.
<b>HOLDINGS</b>	The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.
<b>NATURE OF SCHEME</b>	The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.
<b>RATING PROFILE</b>	Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

**Note:** SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.