IIFL ASSET MANAGEMENT

MONTHLY FACTSHEET

JANUARY 2021

Macro Economy & Event Update

- Global equity markets closed the month on a positive note thus bringing down the curtains for 2020 which at best can be termed as a tumultuous unprecedented year. This was the year when the deadly COVID-19 pandemic wreaked havoc on the global economy and pushed it to the brink of its deepest recession since World War II. Markets across the globe subsequently tanked in late Feb 2020 and Mar 2020 but then managed to stage a dramatic rebound and most of the turnaround can be attributed to gargantuan monetary policy support and fiscal policy support provided by central banks and governments respectively.
- During the month under review global equity markets initially remained under pressure amid reports of a new variant of coronavirus strain in U.K. However, the trend reversed after the U.S. President finally signed a $2.3 trillion government spending bill. Market sentiments were further boosted after Britain and European Union reached a post-Brexit trade agreement. Meanwhile, regulators in Britain approved COVID-19 vaccine developed by AstraZeneca and the University of Oxford for emergency use which also generated positive sentiment.
- U.S. equity markets rose during the period under review after the U.S. President signed into law a $2.3 trillion pandemic aid package. However, concerns of renewed lockdowns following reports of new variant of coronavirus strain in Britain capped the gains.
- European equity markets too joined the rally after regulators in Britain approved COVID-19 vaccine developed by AstraZeneca and the University of Oxford for emergency usage. Market sentiments were further boosted after Britain and European Union reached a post-Brexit trade agreement.
- Asian equity markets mirrored other global peers after the U.S. President signed into law a $2.3 trillion pandemic aid package. A post Brexit trade agreement between Britain and European Union also contributed to the upside.
- Back home, domestic equity markets too witnessed gains with benchmark indices touching all-time highs. Market participants remained hopeful that the domino effect of foreign fund inflows and real earnings growth will continue to provide support to market sentiment moving ahead. Positive global cues in form of a Brexit trade agreement between Britain and European Union and COVID-19 vaccine roll out campaigns too boosted market sentiments.
- Moving ahead, the corporate earning numbers for the quarter ended Dec 2020 will remain in sharp focus. The upcoming union budget, policy initiatives adopted by the U.S. government and the overall COVID-19 vaccine efficacy, distribution and availability are some of the factors that will have its impact on the market sentiment.

Key Economic Indicators		
Indicators	**Current**	**Previous**
WPI (Nov-20)	1.55%	1.48%
IIP (Oct-20)	3.60%	0.50%
CPI (Nov-20)	6.93%	7.61%

Source: Refinitiv

MPC keeps interest rates on hold in its monetary policy review

- The Monetary Policy Committee (MPC) in its monetary policy review kept key policy repo rate unchanged at 4.0%. The reverse repo rate thus remained unchanged at 3.35% and the marginal standing facility rate and the bank rate also stood unchanged at 4.25%. The MPC also decided to continue with its accommodative stance as long as necessary – at least during the current financial year and into the next financial year – to revive growth of the Indian economy on a durable basis and mitigate the impact of COVID-19 pandemic on the economy, while ensuring that inflation remains within the target going forward. All the members of the MPC unanimously voted for keeping the policy repo rate unchanged and continuing with the accommodative stance on the monetary policy.

India's current account surplus moderated to US$ 15.5 billion (2.4% of GDP) in Q2 of FY21 from US$ 19.2 billion (3.8% of GDP) in Q1 of FY21

- Data from Reserve Bank of India (RBI) showed that India's current account surplus moderated to US$ 15.5 billion (2.4% of GDP) in Q2 of FY21 from US$ 19.2 billion (3.8% of GDP) in Q1 of FY21. India had a current account deficit of US$ 7.6 billion (1.1% of GDP) in the same period of the previous year. The current account surplus moderated on account of widening of the merchandise trade deficit which increased to US$ 14.8 billion in the quarter under review from US$ 10.8 billion in the preceding quarter. However, India's current account surplus rose to 3.1% of GDP in H1 of FY21 as against a deficit of 1.6% in H1 of FY20 due to a sharp contraction in the trade deficit.

India's retail inflation eased to 6.93% YoY in Nov 2020 from 7.61% in Oct 2020

- India's consumer price index based inflation eased to 6.93% YoY in Nov 2020 from 7.61% in Oct 2020 due to considerable easing in vegetable prices. Consumer Food Price Index (CFPI) eased to 9.43% YoY in Nov 2020 from 11.00% in the prior month. Vegetables and fruit inflation stood at 15.63% and 0.27% respectively.

India's Index of Industrial production up 3.6% YoY in Oct 2020

- Index of Industrial production (IIP) expanded 3.6% in Oct 2020 compared with 6.6% contraction in Oct 2019 which can be mostly attributed to rise in manufacturing and electricity generation sectors. Manufacturing and electricity generation sectors recorded a rise of 3.5% and 11.2%, respectively. Mining sector contracted 1.5% in Oct 2020.

India's WPI accelerated for the fourth straight month and touched 9-month high at 1.55% in Nov 2020

- Wholesale Price Index (WPI) based inflation accelerated for the fourth straight month and touched 9-month high at 1.55% in Nov 2020 from 1.48% in Oct 2020.

Equity Market

- Indian equity markets ended the last month of calendar year 2020 with robust gains and benchmark indices touching all-time highs. Further, the key market indices witnessed colossal losses to record-breaking gains during CY2020 as investors went on a roller-coaster ride amid the coronavirus pandemic and massive stimulus measures. The bourses got support from a massive inflow of foreign funds during the month as the lockdown-induced crash earlier in 2020 led to attractive valuations along with a global flood of liquidity and near-zero interest rates in foreign markets. Other factors which contributed to market gains include policy stance of RBI, progress on the vaccine front, consistent decline in COVID-19 cases and upbeat global cues from U.S and Europe.
- On the BSE sectoral front, all the major indices closed in the green. S&P BSE Realty was the top gainer, up 20.20%, followed by S&P BSE Metal and S&P BSE Consumer Durables, which rose 13.51% and 12.38%, respectively. Realty sector rose amid growing expectation over rise in demand in both residential and commercial real estate going ahead. Metal sector went up on hopes of uptick of steel demand in India in 2021 backed by inflow of funds across sectors and an uptick in the overall consumption.
- U.S. markets settled for the month in the green led by positive reaction to news that the U.S. President has finally signed a $2.3 trillion government spending bill that includes approximately $900 billion in coronavirus relief funds. News that U.K. regulators have approved COVID-19 vaccine developed by AstraZeneca and the University of Oxford for emergency use also generated positive sentiment. Nonetheless, gains were restricted by news of discovery of new variant of coronavirus strain in U.K.
- European markets closed in the green after witnessing initial selling pressure amid worries about a rapid surge in a new variant of the coronavirus in the U.K. and tighter lockdown measures. Meanwhile, encouraging U.K. GDP and German consumer confidence data, and news about U.S. Senate's nod to a coronavirus aid package instilled confidence among the investors. Markets soon gained momentum as the agreement between the European Union and Britain over a post-Brexit trade deal kept investor sentiment upbeat.
- Asian markets went up in line with other global peers with investors taking positive cues from news about U.S. President signing a $2.3 trillion government spending bill and a post-Brexit trade agreement between the European Union and the U.K. Nonetheless, gains were largely restricted by fears over the coronavirus mutation that was first identified in Britain. Renewed concerns over the U.S.- China tension also kept investors wary.
- After witnessing a high volatility in 2020, investors will be hoping early roll-out of the COVID-19 vaccine and normalization of activities in 2021. Another key driver for markets will be the revival in earnings to sustain premium valuations, as the government can set the roadmap for sustained growth in the upcoming Union Budget early this year. Geopolitical situation will be closely tracked by the market participants with a new U.S. President set to take charge of the White House. Sentiment will also depend upon investment trend of foreign institutional investors, movement in rupee and brent crude.

Domestic Indices Performance

Indicators	31-Dec-20	27-Nov-20	Chg %	YTD%
S&P BSE Sensex	47,751	44,150	8.16	15.75
Nifty 50	13,982	12,969	7.81	14.90
S&P BSE 200	5,907	5,481	7.78	16.31
Nifty Midcap 100	20,843	19,715	5.72	21.87
Nifty Dividend Opportunities 50	2,857	2,650	7.84	12.62
S&P BSE Smallcap	18,098	16,875	7.25	32.11

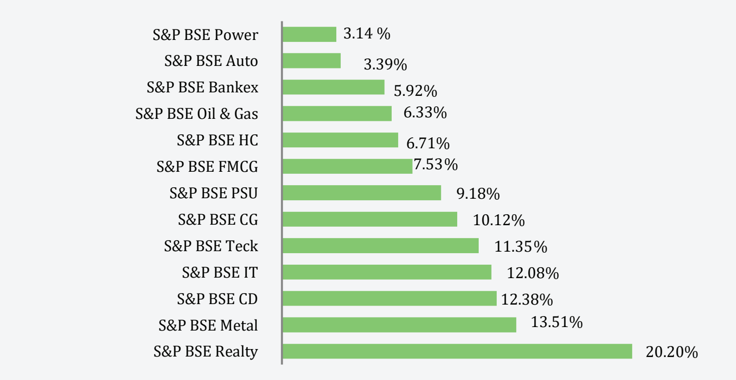
Source: Refinitiv

Global Indices Performance

Global Indices	31-Dec-20	30-Nov-20	Chg %	YTD%
Dow Jones	30,606	29,639	3.27	7.25
FTSE	6,461	6,266	3.10	-14.34
CAC	5,551	5,519	0.60	-7.14
Hang Seng	27,231	26,341	3.38	-3.40
SSE Composite Index	3,473	3,392	2.40	13.87

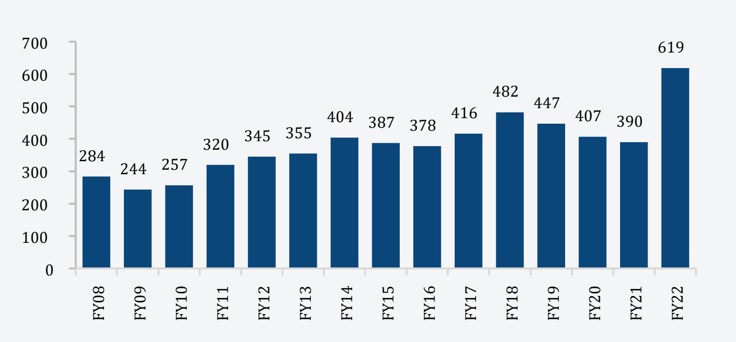
Source: Refinitiv

Sectoral Performance (Monthly Returns %)



Source: Refinitiv

Nifty EPS



Institutional Flows (Equity) As on December 31, 2020

(₹ Cr)	Purchases	Sales	Net	YTD
FPI Flows	255,918	193,903	62,016	170,260
MF Flows*	32,997	52,370	-19,373	-46,995
DII Flows	84,740	122,033	-37,294	-34,553

Source:NSDL,NSE & SEBI; * As on December 31, 2020

Debt Market

- Bond yields were almost unchanged after moving in a range during the month. Initially, yield movement was triggered by monetary policy review meeting that remained status quo. Later, broadly the overall focus of market participants remained on the announcement of special open market operations (OMO), which addressed concerns about illiquidity and smooth absorption of government borrowing in the current financial year. Bond yields rose as participant's awaited early announcement of OMO, which were neutralised soon after the auction.

- Yield on gilt securities fell across the maturities in the range of 2 to 13 bps, barring 1-, 5, 11-, 12-, 14- & 15- year papers which increased in the range of 2 to 44 bps. Yield on corporate bonds fell across the maturities by up to 12 bps, leaving 2- & 3-year papers that increased 9 & 12 bps, respectively. Difference in spread between corporate bond and gilt securities expanded on 2- to 4-year and 6-year maturities by up to 14 bps and contracted across the remaining maturities in the range of 3 bps to 47 bps.

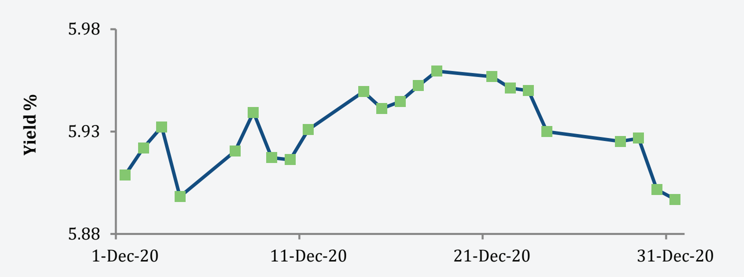
- Bond yields moving ahead will be dictated as to how the RBI goes about in conducting the OMOs and the amount of government securities they are able to absorb. Market participants are expecting consistent OMOs during Jan to Mar 2021 period. The retail inflation numbers will also remain in sharp focus which at present are near to 7% levels. The development surrounding the COVID-19 pandemic will also be closely tracked as the availability of a vaccine across all pockets of the country will kick-start the recovery of the domestic economy. On the global front, crude oil prices, movement of the rupee against the greenback, stance adopted by major global central banks on their respective monetary policies and transaction trends by foreign portfolio investors will also have its impact on the bond yield trajectory.

Currency and Commodity Market

- The Indian rupee rose against the U.S. dollar amid broad decline in dollar index and continuous foreign inflows into domestic equity market. The rupee gained further following dollar sales by foreign banks and exporters. However, gains were capped following diminishing risk appetite in the region after new COVID-19 virus-related lockdowns in the U.K. and likely intervention by Reserve Bank of India (RBI) to buy greenback through state-run banks.

- Brent crude prices rose above $50 a barrel for the first time since Mar 2020 as optimism over COVID-19 vaccine developments fuelled expectations of a faster economic recovery which improved the demand outlook of the commodity. Oil prices found additional support from data by Energy Information Administration showing U.S. crude inventories fell by 562,000 barrels in the week ended Dec 18, 2020 to 499.5 million barrels. However, tighter lockdowns in Europe amid concerns over COVID-19 pandemic and forecasts of a slower demand recovery capped the gains.

10-Year Benchmark Bond (05.77% GS 2030) Movement



Source: Refinitiv

Spread Movement				
Spreads		AAA	AA	A
31-Dec-20	1 Yr	92	334	320
	3 Yr	95	253	406
	5 Yr	113	299	334
27-Nov-20	1 Yr	140	317	263
	3 Yr	82	289	315
	5 Yr	125	318	215

Source: Refinitiv

Yield (%)	31-Dec-20	27-Nov-20
10 Year G-Sec	5.89	5.91
5 Year G-Sec	5.10	5.08
Certificate of Deposit		
3-Month	3.00	3.22
6-Month	3.70	3.41
9-Month	3.49	3.41
12-Month	3.78	3.57
Commercial Papers		
3-Month	3.28	3.15
6-Month	3.80	3.70
12-Month	4.15	4.00

Source: Refinitiv

Treasury Bill	31-Dec-20	27-Nov-20
91 Days	3.01	2.89
364 Days	3.42	3.33

Source: Refinitiv

Event Calendar		
Release Date	Release Date	Country
08-Jan-21	Nonfarm Payrolls(Dec)	U.S.
20-Jan-21	People's Bank of China Monetary Policy Review	China
21-Jan-21	Bank of Japan Monetary Policy Review	Japan
21-Jan-21	European Central Bank Monetary Policy Review	Euro Zone
27-Jan-21	U.S. Federal Reserve Monetary Policy Review	U.S.

Source: FXSTREET

IIFL Focused Equity Fund (Formerly known as IIFL India Growth Fund)

(An open ended equity scheme investing in maximum 30 multicap stocks)

IIFL ASSET MANAGEMENT

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. Mayur Patel

Mr. Mayur Patel has 14 years of work experience including investment management and research experience of more than 10 years. Prior to joining IIFL, he managed equity portfolios of DSP BlackRock Equity Savings Fund and MIP Fund at DSP BlackRock Investment Managers (a joint venture between BlackRock and the DSP Group in India). Mr. Patel joined DSP BlackRock in 2013 as an Equity Analyst responsible for origination and dissemination of ideas across energy, industrials and utilities sectors. Earlier he was associated with Spark Capital as Lead Analyst, Energy in their Institutional Equities division and has also worked with Tata Motors and CRISIL. He is a Chartered Accountant and a CFA charter holder.

Fund Details

Date of Allotment : October 30, 2014
Bloomberg Code : IIFGRRG IN
Benchmark Index : S&P BSE 200 TRI^
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) : 0.59 times

^Effective January 01, 2019 the benchmark of the scheme is changed from Nifty 50 TRI to BSE 200 TRI.

NAV as on December 31, 2020

Regular - Growth : ₹22.5267
Regular - Dividend : ₹19.9301
Direct - Growth : ₹24.3834
Direct - Dividend : ₹24.1345

AUM as on December 31, 2020

Net AUM : ₹ 1352.72 crore
Monthly Average AUM : ₹ 1287.57 crore

Total Expense Ratio

Regular Plan : 2.14% p.a.
Direct Plan : 0.90% p.a.

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

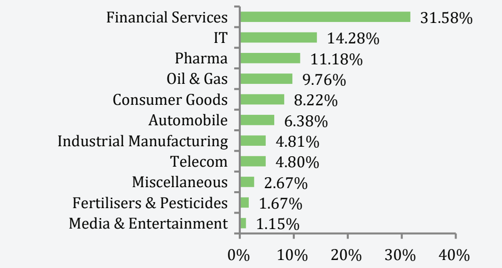
Volatility Measures

	Fund	Benchmark
Std. Dev (Annualised)	19.92%	18.06%
Sharpe Ratio	0.59	0.48
Portfolio Beta	1.03	1.00
R Squared	0.88	NA
Treynor	0.12	0.09

Portfolio as on December 31, 2020

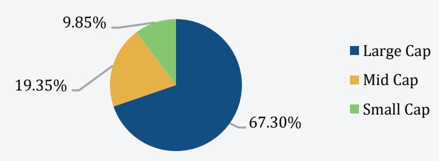
Company Name	Sector	% to Net Assets
Equity & Equity Related Total		
ICICI Bank Limited	Financial Services	9.76
HDFC Bank Limited	Financial Services	5.97
Infosys Limited	IT	5.71
Bajaj Finance Limited	Financial Services	5.28
Bharti Airtel Limited	Telecom	4.80
Crompton Greaves Consumer Electricals Limited	Consumer Goods	4.61
Axis Bank Limited	Financial Services	4.52
Mahindra & Mahindra Limited	Automobile	4.19
Larsen & Toubro Infotech Limited	IT	4.14
Dr. Reddy's Laboratories Limited	Pharma	3.84
Divi's Laboratories Limited	Pharma	3.49
Procter & Gamble Health Limited	Pharma	3.27
SRF Limited	Industrial Manufacturing	3.21
Reliance Industries Limited	Oil & Gas	3.15
Cyient Limited	IT	2.83
Bharat Petroleum Corporation Limited	Oil & Gas	2.69
Apollo Tricoat Tubes Limited	Miscellaneous	2.67
Mahanagar Gas Limited	Oil & Gas	2.46
Asian Paints Limited	Consumer Goods	2.34
Muthoot Finance Limited	Financial Services	2.31
Balkrishna Industries Limited	Automobile	2.19
Aavas Financiers Limited	Financial Services	1.94
ICICI Lombard General Insurance Company Limited	Financial Services	1.80
Coromandel International Limited	Fertilisers & Pesticides	1.67
EPL Limited	Industrial Manufacturing	1.60
Tata Elxsi Limited	IT	1.60
Petronet LNG Limited	Oil & Gas	1.46
Britannia Industries Limited	Consumer Goods	1.27
INOX Leisure Limited	Media & Entertainment	1.15
Abbott India Limited	Pharma	0.58
Sub Total		
TREPS[##]		2.74
Net Receivables / (Payables)		0.76
Portfolio Total		**100.00**

Sector Allocation^^



^^Sector allocation as per AMFI classification

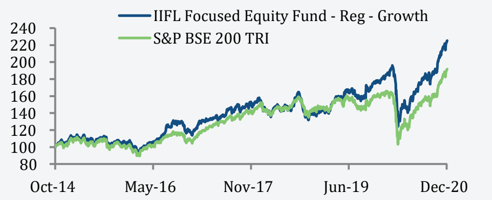
Market Capitalisation wise Exposure^



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 December 31, 2020

NAV Movement (Since Inception) Rebased to 100



Scheme Performance

	31-Dec-19 to 31-Dec-20	PTP (₹)	31-Dec-17 to 31-Dec-20	PTP (₹)	31-Dec-15 to 31-Dec-20	PTP (₹)	Since Inception[$]	PTP (₹)
IIFL Focused Equity Fund - Reg - Growth	23.76%	12,383	13.64%	14,691	15.95%	20,975	14.05%	22,521
IIFL Focused Equity Fund - Dir - Growth	25.45%	12,553	15.32%	15,354	17.46%	22,379	15.53%	24,387
Benchmark*	17.87%	11,792	9.45%	13,121	13.27%	18,658	11.11%	19,166
Additional Benchmark**	17.11%	11,716	13.22%	14,528	14.25%	19,480	10.84%	18,881

Past performance may or may not be sustained in future.
Different plans shall have different expense structure.
As on December 31, 2020 ; Point to Point (PTP) returns in ₹ is based on standard investment of ₹10,000; [$]Since Inception date is 30-Oct-2014; *S&P BSE 200 TRI; **S&P BSE Sensex TRI; Managed by the fund manager since November 11, 2019.
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-Dec-19 to 31-Dec-20	31-Dec-17 to 31-Dec-20	31-Dec-15 to 31-Dec-20	Since Inception
Total Amount Invested (₹)	1,20,000	3,60,000	6,00,000	7,30,000
Total Value as on Dec 31, 2020(₹)	1,57,533	511314	9,49,076	12,19,629
Returns	62.63%	24.14%	18.39%	16.71%
Total Value of Benchmark: S&P BSE 200 TRI (₹)	1,56,895	464,645	8,61,568	10,98,059
Benchmark: S&P BSE 200 TRI	61.50%	17.28%	14.44%	13.27%
Total Value of Benchmark: S&P BSE Sensex TRI (₹)	1,57,121	4,76,534	9,01,288	11,43,005
Additional Benchmark: S&P BSE Sensex TRI	61.90%	19.07%	16.27%	14.59%
(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 11, 2019.
The performance of the scheme is benchmarked to the Total Return variant of the Index.

Dividend Details

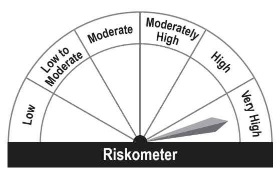
	Record Date	Face Value (₹)	Cum Dividend NAV (₹) As on Feb 15, 2017	Dividend Per Unit
Regular Plan	15-Feb-17	10	12.7777	1.50
Direct Plan	15-Feb-17	10	13.0738	0.17

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, Tripartу Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.



Investors understand that their principal will be at Very High Risk

Fund Commentary

Levels of broader indices closing:

Nifty: 13,982 (+7.7% MoM)

S&P BSE Sensex: 47,751 (+8.2% MoM)

Over the month, all sectoral indices closed in green with Nifty Realty (+20.2%) and Nifty IT (+11.4%) leading the pack. For the calendar year 2020, Nifty Pharma (+60.6%) and Nifty IT (+54.9%) were the highest value generating sectors.

Dear Investor,

The year 2020 turned out to be a year with extraordinary challenges for global economies with IMF estimating contraction in global economy of over 4%. Despite the pandemic related challenges, the massive fiscal packages, ultra-supportive monetary policies and a glimmer of hope of a vaccine have helped the financial assets to witness a V-shaped recovery to close the year in green zone. While market sentiments over the last couple of months were uncertain of a visible economic recovery path, now the global economic turnaround appears a factor of "when", rather than "if".

Indian equities closed the year with record market highs, Nifty TRI yielded 16.1% returns in the calendar year. The sharp recovery in the Indian equities were supported by all-time high foreign inflows (INR terms) which were keenly investing at attractive valuations and the possibility of sharp earnings growth over the next few years. Further, favourable measures by RBI, declining COVID cases over the second half of the year and upbeat recovery in global markets upheld the investor sentiments.

COVID and the global recovery

Barring some disruptions in Europe, green shoots of a broad-based global recovery are gradually becoming more visible as economic activities largely continue their pace. While cases of rising infection and identification of new strain in Europe have raised some concerns, central banks stay committed with their asset purchase program. Positive trial results from vaccine for COVID have paved path for the largest vaccination campaign in the world history. Closing the year on a positive note, European Union and the UK agreed to a trade deal helping to avoid tariffs and quota restrictions on goods in the geographies.

As economic recoveries continue to beat expectations, even the vaccine dependent sectors (travel, hospitality) are now witnessing positive activity. We expect continued monetary policy support along with demand-led improvement in commodity prices including Crude, which touched $50 per barrel for the first time since Mar '20, may support faster economic recovery.

Indian Equity Markets

After the pandemic, multiple factors have led to surprise recovery across sectors and has bade well for the markets. With historically high FII inflows (net buying of INR 1,70,260 Cr) during the year supporting positive sentiments for the earnings recovery of Indian equities, we believe Q3FY20 may further witness earnings upgrades for FY21-22 as most of the Nifty constituents are reporting improvement in top line on a QoQ basis. The corporate profit to GDP ratio had slumped from a peak of 3.8% in FY12 to 1.7% in FY20 due to weak profitability for financials was a key reason. With the expected peaking of the provisioning cycle, we expect the ratio to improve over the next couple of years. While domestic markets look towards the upcoming budget, overall vaccine efficacy and global cues shall be key watchful events.

Indian economy: Road to gradual recovery

While the markets cherished with foreign inflows, largely led by near zero interest rates in developed economies, leading economic indicators have been incrementally showing recovery. In the last month of the calendar year, improving average peak power (+8% YoY) along with Petrol & LPG demand (+10.4% YoY) signified improving manufacturing activity. Rural growth has continued to be resilient with Tractor volumes have mostly stayed ahead of the automotive pack. Further, GST collections have stayed over INR 1 Lakh Crore mark for two consecutive months, Oct' 20 and Nov '20. Index of Industrial Production (IIP) also grew by 3.6% for the month of Oct '20, largely led by improvement in electricity and manufacturing. Going ahead, recovery in demand and consumption shall pave path for need of capital investments and the further trajectory for the economic recovery.

We believe the economic recovery has been relatively private-driven, hence is sustainable. As sub-2% fiscal support from the government has been favourable for the sovereign debt profile and COVID-situation remain largely under control, a cyclical upswing in capex intensive sectors can be expected in the next fiscal. While concerns over CPI inflation remain, we believe initial 'high' inflation in a recovery cycle bodes well for the economy. A sustained high inflation over a longer period of time, especially if it remains above RBI's policy target of 2-6%, may require intervention from RBI for liquidity reduction.

Our portfolio and thinking going forward

The overall macro in India is pointing towards a cyclical upturn in the economy. With a combination of manageable inflation and all-time low interest rates, cyclical sectors are poised for a turnaround. Commodity prices rising and declining US dollar will enable this cyclical recovery.

As we move forward, we expect the weight of the cyclical quadrant will rise in the portfolio as we aim to find quality companies on the cusp of recovery. For example, financials, autos, business services and infrastructure sectors are just some of the sectors that we see a cyclical rebound because of this macro backdrop. Lastly, we are positive on the financial sector, as banks and NBFCs come out of this COVID crisis, stronger and better. We expect quality financials to do quite well on asset quality and growth over the next few years.

As mentioned earlier, our goal is to own a collection of quality businesses in the country. Most of stocks in your portfolio meet this criterion. Majority of the securities in the portfolio we own have durable business moats, experienced managements, low leverage and prudent capital allocation. We are constantly trying to scout for businesses that meet the criterion mentioned above.

Note

$Mr. Mayur Patel, has been designated as Fund Manager for IIFL Focused Equity Fund and Mr. Prashasta Seth ceases to be Fund Manager for IIFL Focused Equity Fund w.e.f Nov 11, 2019

Disclaimer

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 Bharthihar University, Tamilnadu. Mr Parekh has been managing the scheme since March 08, 2017.

Fund Details

Date of Allotment	: June 24, 2013
Bloomberg Code	: IIFDBDBIN
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	: Nil^

^The revised exit load as mentioned above shall be applicable on a prospective basis and will be applicable to all investments made on or after July 6, 2020 ("effective date").

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 December 31, 2020

Regular Plan Growth	: ₹16.8025
#Regular Plan Bonus	: ₹16.8025
Regular Quarterly Dividend	: ₹16.2144
#Regular Half Yearly Dividend	: ₹16.2144
#Regular Monthly Dividend	: ₹11.9750
Direct Plan Growth	: ₹17.5190
Direct Monthly Dividend	: ₹12.5915

#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 December 31, 2020

Net AUM	: ₹ 707.46 crore
Monthly Average AUM	: ₹ 681.41 crore

Total Expense Ratio

Regular Plan	: 1.07% p.a.
Direct Plan	: 0.57% p.a.

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

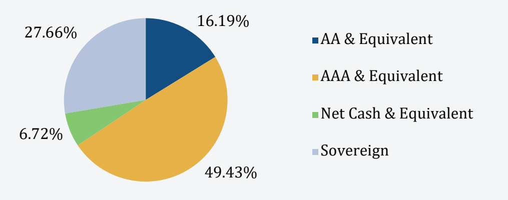
Statistical Debt Indicators

Macaulay Duration	: 2.17 years
Modified Duration	: 2.25 years
Average Maturity	: 2.85 years
Yield to Maturity	: 5.05%

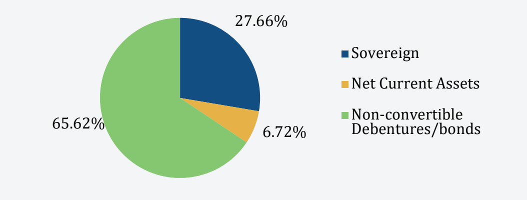
Portfolio as on December 31, 2020

Name of the Instrument	Rating	% to Net Assets
Debt Instruments		
Sovereign Securities		**27.66**
9.15% Government of India	SOVEREIGN	8.13
6.18% Government of India	SOVEREIGN	7.42
7.32% Government of India	SOVEREIGN	6.89
7.35% Government of India	SOVEREIGN	1.54
5.75% State Government Securities	SOVEREIGN	1.45
5.6% State Government Securities	SOVEREIGN	1.44
8.4% Government of India	SOVEREIGN	0.79
Non-Convertible Debentures/Bonds		**65.62**
6.72% Power Finance Corporation Limited	CRISIL AAA	7.01
8.75% Axis Bank Limited	CRISIL AA+	6.55
8.9% State Bank of India	CRISIL AAA	6.26
Embassy Office Park REIT	CRISIL AAA	5.06
7.12% REC Limited	CRISIL AAA	4.60
9.15% ICICI Bank Limited	ICRA AA+	4.49
6.4% National Bank For Agriculture and Rural Development	ICRA AAA	4.43
7.25% Embassy Office Park REIT	CRISIL AAA	3.60
Tata Capital Housing Finance Limited	CRISIL AAA	3.58
7.2% Sikka Ports and Terminals Limited	CRISIL AAA	2.97
8.95% Jamnagar Utilities & Power Private Limited	CRISIL AAA	2.30
7.75% LIC Housing Finance Limited	CRISIL AAA	2.27
6.92% REC Limited	CRISIL AAA	2.22
6.99% Housing Development Finance Corporation Limited	CRISIL AAA	2.22
8.4% India Grid Trust InvIT Fund	CRISIL AAA	2.17
8.55% ICICI Bank Limited	ICRA AA+	1.47
9.2% ICICI Bank Limited	ICRA AA+	1.47
8.15% State Bank of India	CRISIL AA+	1.46
8.85% HDFC Bank Limited	CRISIL AA+	0.74
8.85% India Grid Trust InvIT Fund	CRISIL AAA	0.74
9.35% IDFC First Bank Limited	ICRA AA	0.01
TREPS## / Reverse Repo		
TREPS##		4.30
Net Current Assets		2.42
Portfolio Total		**100.00**

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)
29-Dec-20	0.05	12.0155	12.6311
24-Nov-20	0.05	12.0051	12.6115
27-Oct-20	0.05	11.9269	12.5221
Quarterly Dividend Plan			
04-Jun-15	0.4	11.4678	11.5708
Half Yearly Dividend Plan			
04-Jun-15	0.4	11.4678	

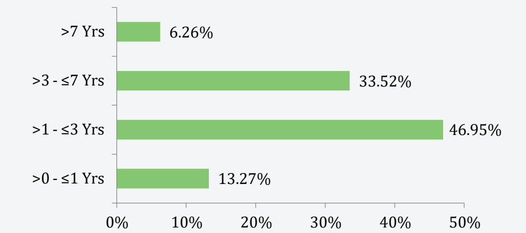
Dividend is gross dividend.To arrive at the net dividend payable for corporate and non-corporate investors applicable dividend distribution tax, if any, needs to be adjusted respectively. Past performance may or may not be sustained in future. After payment of dividend the NAV has fallen to the extent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

Scheme Performance

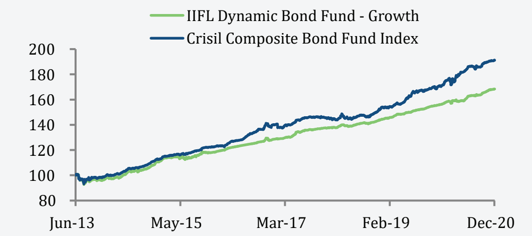
	31-Dec-19 to 31-Dec-20	PTP (₹)	31-Dec-17 to 31-Dec-20	PTP (₹)	31-Dec-15 to 31-Dec-20	PTP (₹)	Since Inception$	PTP (₹)
IIFL Dynamic Bond Fund - Reg - Growth	8.14%	10,816	7.00%	12,257	7.26%	14,202	7.14%	16,804
IIFL Dynamic Bond Fund - Dir - Growth	8.78%	10,881	7.68%	12,493	7.89%	14,625	7.73%	17,513
Benchmark*	12.25%	11,229	9.59%	13,172	9.25%	15,571	8.93%	19,036
Additional Benchmark**	9.23%	10,926	8.55%	12,799	8.01%	14,706	7.20%	16,875

Past performance may or may not be sustained in future
Different plans shall have different expense structure
As on December 31, 2020* 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; $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^



NAV Movement (Since Inception) Rebased to 100



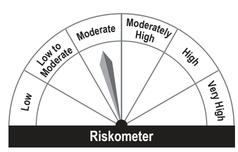
^As on December 31, 2020

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.



Investors understand that their principal will be at Moderate Risk

Fund Commentary

During the month of November system liquidity surplus remained in excess of Rs 5 trn. The surplus improved due to likely FX intervention by RBI, and a reduction in CRR balance. Owing to the comfortable liquidity conditions, average overnight rates remain low at around 2.80%. Meanwhile, short-term money market rates continue to be well supported by mutual funds. 3M CPs are currently trading around 3-3.20%, while in the secondary market, 3M CP rates were even quoted at 2.95-3.10%. In near term system liquidity surplus is likely to improve as inflows from government spending, redemptions, and coupons are likely to offset auction-related outflows and CIC leakages. Liquidity conditions shall further be supported by RBI's FX intervention on the back of risk-on sentiment. Bond markets traded in a narrow range as investors remained cautious ahead of 2QFY21 GDP reading and MPC meet in first week of December. While yields at the long end have been supported by special OMOs, bond markets remain rangebound owing to elevated inflation and normalizing economic activity, which will make it challenging for the MPC members to continue with the accommodative stance. Overall, the old 10-year benchmark (5.77% GS 2030) ended at 5.91%, even though the shorter end of the curve saw a rally of 4-6 bps given the abundant liquidity surplus. The short end of the corporate bond yield curve continues to rally on the back of demand from mutual funds. Yields at the long end (10-year bond) also moderated by 8 bps, in contrast to a rise of 2-3 bps in 10-year G-Sec yield, owing to a favorable spread. The 10-year corporate bond yield is currently around 6.51%. The MPC as widely expected kept the repo rate unchanged at 4% while maintaining the policy corridor at 65bp, with reverse repo at 3.35%. It reiterated its accommodative stance to continue till it is necessary - at least during the current financial year and into the next financial year. MPCs mentioned its objective is to support growth while ensuring that financial stability is maintained and preserved at all times. The MPC also revised up its inflation projections and growth projections.

Corporate bond yields broadly tracked the movements in G-Sec yield and witnessed some profit booking, due to narrow spreads over G-Sec. Yields of the generic AAA 3-year corporate bond rose by 3 bps during the month but settled on bullish note to end ~ 4.70%. We expect that OMOs in G-Sec and SDLs should provide the needed respite to the bond markets.

October CPI inflation rose to 7.6% as against 7.34% in September amid unseasonal rain led spike in vegetable and pulses prices. Core CPI inched up to 5.8% from 5.4% in September reflecting lockdown-related in elasticities of demand and supply. At the same time, IIP growth marked at 0.2% in September positively for the first time after March 2020. The trend is however encouraging for October and a gradual normalization in economic activity is expected, although recovery may remain uneven. It is expected that October to mark the inflation peak, and if current food price trends persist, November and December should see some cooling off in inflation pressures. The MPC noted that there is some evidence of price pressures spreading and the inflation outlook has turned adverse relative to expectations in the last two months. However, the same is on account of supply-side bottlenecks and large margins being charged to the consumer. MPC expects the Government to cool down price pressure by proactive supply management strategies to break the inflation spiral being fuelled by supply chain disruptions, excessive margins and indirect taxes. Also, MPC feels the signs of recovery are far from being broad-based and are dependent on sustained policy support.

India's GDP growth contracted to a better-than-expected -7.5% y-o-y in Q2 FY21, a sharp rebound from the lockdown-induced decline of -23.9% in Q2. The rebound was led by fixed investment (on the demand side) and agriculture and industrial GVA growth (on the supply side). Real GDP in 2QFY21 contracted at a slower pace led by easing of lockdown restrictions. Economic activity normalization has continued into 3QFY21, supported by pent-up and festive demand. Several high frequency indicators saw a robust positive growth, fuelling expectations of a V-shaped economic recovery. The RBI staff estimated in its monthly bulletin that if economic activity retained the momentum seen in October over the next two months, GDP growth may turn positive in 3QFY21. The recovery in rural demand is expected to strengthen further, while urban demand is also gaining momentum as unlocking spurs activity and employment, especially of labour displaced by COVID-19. Fiscal stimulus is increasingly moving beyond being supportive of consumption and liquidity to supporting growth-generating investment. The risk or headwinds to growth would emanate from a second wave of pandemic.

On the global front with new COVID waves and US political changes the Fed minutes suggest that the Committee may soon enhance guidance on asset purchases. There is a high risk of economic setbacks and the need for further policy support. In the weakening eurozone, ECB minutes painted a grim outlook, pointing to growth outlook as 'bumpier than previously projected'. Some ECB members were uneasy at the prospect of ultra-loose monetary policy and higher stimulus, expressing concerns over side-effects and diminishing returns in the current environment. And highlighted weakening of structural deficits and damage to the long-term sustainability of public finances in case governments are not prudent. China's economy has a good comeback, driven by pent-up demand world over, a catch-up in production, a surge in exports of medical and work from-home products, and stimulus in both China and other major economies. However, it is unlikely to rush to roll out fresh stimulus measures and boost credit growth as it did in H1. In Japan, the overall picture of a rebound from April-June, when it declared a state of emergency that restricted economic activity, is unchanged. The level of economic activity is still far below where it was prior to the pandemic. In India, reduced pandemic fears have led to increased mobility, especially with the onset of the festive season, contributing to a faster recovery. Despite this improvement, there is a risk of a flare-up in infection rates during the festive season and the upcoming Bihar elections. Also, the labour market and balance sheets (of both corporate and banks) remain weak. Overall, GDP growth is to remain in negative territory for next few quarters.

Going forward, the inflation-growth trajectory would shape the policy rate outcome but at this juncture it appears that the MPC would stay put in FY21. With inflation running high the elbow room to reduce policy rates might be closing down. The RBI is thus likely to walk the unconventional path to keep rates benign rather than the conventional route of tweaking policy rates to support economic agents as well as the governments' (increased) borrowing program, for it to sail through smoothly at these rates. we expect the RBI to maintain interest rates benign in 2021 as well such that the borrowing program for the Centre & the State sail through smoothly without disrupting the rates. Thus, liquidity measures and use of instruments such as the OMOs/special OMOs should continue in the ensuing months as well so as to absorb increased government paper supply. All in all, from debt market perspective, even as the risks from higher inflation and increased fiscal deficit would continue to linger on, the liquidity measures of the RBI would continue to shape the sovereign yield curve. 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-quality superior bonds and moderate 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

IIFL Liquid Fund

(An Open Ended Liquid Scheme)

IIFL ASSET MANAGEMENT

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	: NIL
Exit Load$	:

Investor exit upon subscription	Exit load as a % of redemption proceeds
Day 1	0.0070%
Day 2	0.0065%
Day 3	0.0060%
Day 4	0.0055%
Day 5	0.0050%
Day 6	0.0045%
Day 7 onwards	0.0000%

$The revised exit load as mentioned above shall be applicable on a prospective basis to all fresh investments (purchase or switch-ins) made on or after October 20, 2019 (Effective Date). Redemption/Switch out of units would be done on First in First out basis. Please refer addendum notice dated Oct 18, 2019 for more details.

Dematerialization	: D-Mat Option Available
Asset Allocation	:
Money market and debt instruments with residual maturity up to 91 days	: 0% to 100%

NAV as on December 31, 2020

Regular Plan Growth	: ₹1573.4329
Regular Plan Weekly Dividend	: ₹1005.1474
Regular Plan Daily Dividend:	₹1000.0701
Direct Plan Growth	: ₹1579.0634
Direct Plan Dividend	: ₹1000.0427
Direct Plan Weekly Dividend	: ₹1005.1462

AUM As on December 31, 2020

Net AUM	: ₹ 166.81 crore
Monthly Average AUM	: ₹ 131.18 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

Macaulay Duration	: 7 days
Modified Duration	: 7 days
Average Maturity	: 7 days
Yield to Maturity	: 2.78%

Portfolio as on December 31, 2020

Name of the Instrument	Rating	% to Net Assets
Money Market Instruments		
Treasury Bill		
91 Days Tbill	SOVEREIGN	14.97%
182 Days Tbill	SOVEREIGN	14.95%
Sub Total		**29.92%**

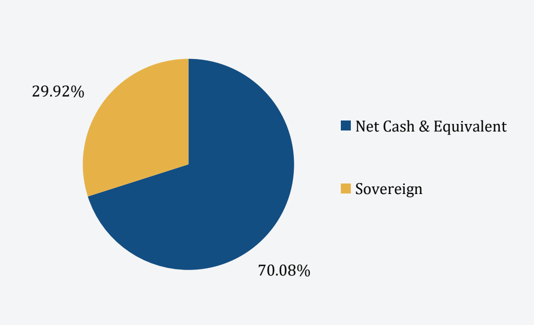
Name of the Instrument	Rating	% to Net Assets
TREPS## / Reverse Repo		
TREPS##		67.17%
Sub Total		**67.17%**
Net Receivables / (Payables)		**2.91%**
Portfolio Total		**100.00%**

Scheme Performance

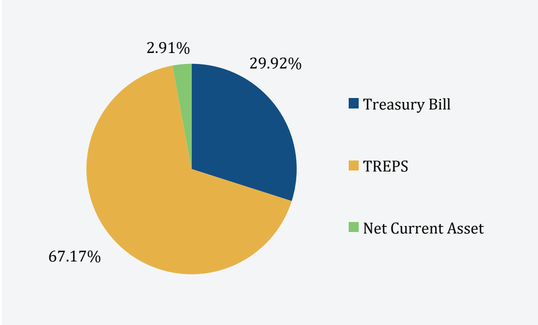
	31-Dec-19 to 31-Dec-20	PTP(₹)	31-Dec-17 to 31-Dec-20	PTP(₹)	31-Dec-15 to 31-Dec-20	PTP(₹)	Since Inception$	PTP (₹)
IIFL Liquid Fund - Reg - Growth	3.42%	10,343	5.38%	11,704	5.90%	13,323	6.56%	15,738
IIFL Liquid Fund - Dir - Growth	3.47%	10,348	5.44%	11,724	5.95%	13,355	6.61%	15,790
Benchmark*	4.60%	10,461	6.34%	12,027	6.63%	13,790	7.26%	16,491
Additional Benchmark**	4.50%	10,450	5.98%	11,907	6.25%	13,543	6.96%	16,160

Past performance may or may not be sustained in future. Different plans shall have different expense structure. As on December 31, 2020* 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.

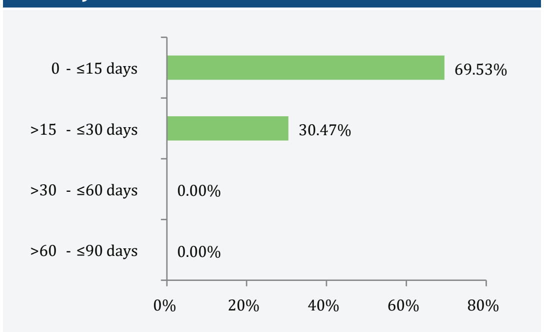
Composition by Rating^



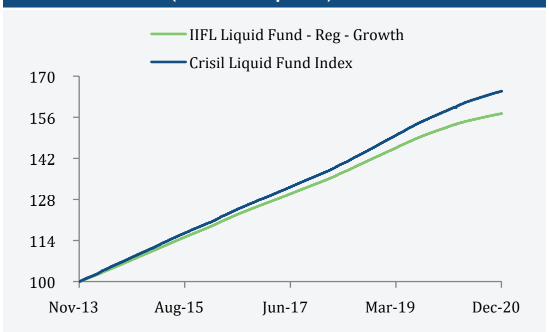
Instrument Wise Composition^



Maturity Profile^



NAV Movement (Since Inception) Rebased to 100



^As on December 31, 2020

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

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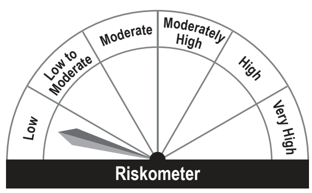
##With effect from November 05, 2018, Triparty Repo has replaced CBLOs for all schemes with provisions to invest in CBLO.



Investors understand that their principal will be at Low Risk

GLOSSARY OF TERMS

FUND MANAGER	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.
APPLICATION AMOUNT FOR FRESH SUBSCRIPTION	This is the minimum investment amount for a new investor in a mutual fund scheme.
MINIMUM ADDITIONAL AMOUNT	This is the minimum investment amount for an existing investor in a mutual fund scheme.
YIELD TO MATURITY	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.
SIP	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.
NAV	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.
BENCHMARK	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.
ENTRY LOAD	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.
EXIT LOAD	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.
MODIFIED DURATION	Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.
STANDARD DEVIATION	Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, its means its range of performance is wide, implying greater volatility.
SHARPE RATIO	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.
BETA	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.
AUM	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.
HOLDINGS	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.
NATURE OF SCHEME	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.
RATING PROFILE	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.