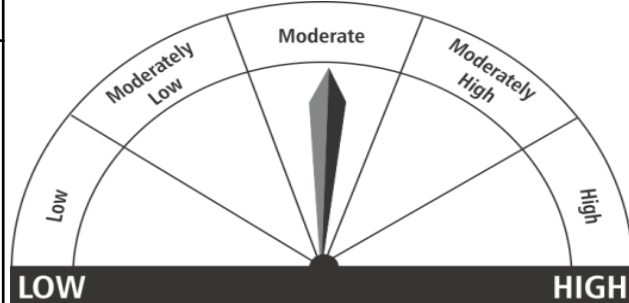


IIFL Dynamic Bond Fund

An open ended Income Fund

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 understand that the principal will be at moderate risk

“Investors should consult their Financial Advisor, if in doubt whether the product is suitable for them”



ASSET MANAGEMENT

Introduction to Dynamic Bond Fund

What is a Dynamic Bond Fund ?

Dynamic Bond Fund is an actively managed portfolio of good credit quality debt and money market instruments so as to Provide reasonable returns and liquidity to the investors.

Dynamic bond funds, give fund managers the flexibility to change the duration of the bond as well as the composition of the portfolio as and when needed, thus giving them more room in a changing interest rate scenario.

▪ Scenario 1:

If the interest rates are expected to go down in the near future, the fund would invest more in longer term bonds:

- When positioned thus, any subsequent decline in interest rates would lead to capital appreciation (bond prices inversely related to interest rate movement in the market) over and above the coupon or interest earned on the instruments.

▪ Scenario 2:

If the interest rates are expected to go up in the near future, the fund would invest more in shorter term bonds:

- When positioned thus, any subsequent rise in interest rates would give the fund the ability to reinvest at a higher interest rate.



Advantages of Dynamic Bond Fund

Actively
Managed

Actively manages portfolio duration so as to provide higher returns from various fixed income securities

Flexibility

The fund has the flexibility to move into short-term instruments such as commercial paper and certificate of deposits (CDs), or long-term instruments, such as corporate bonds and gilt securities, depending on interest rate outlook

Handle
Uncertainties

Dynamic bond funds are well-suited to ride the volatility in the interest rate curve and therefore are ideal for those who don't want to take a call on interest rate movements

Dual benefit
product

A dynamic bond is not just an accrual product but can also benefit from capital appreciation if interest rates decline

No
Restrictions

The fund can invest across all classes of debt and money market instruments with no cap or floor on maturity, duration or instrument type concentrations



Why IIFL Dynamic Bond Fund – Our Competitive Advantage

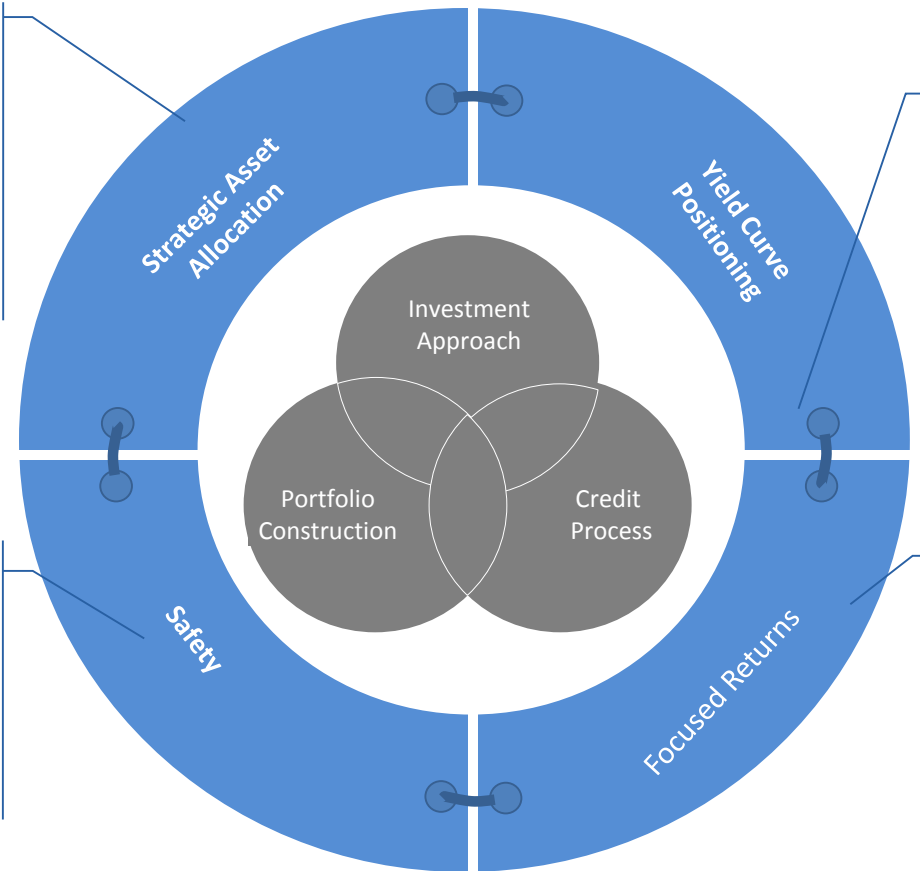
A Total Return Bond Fund for investors

Strategic Asset Allocation

- Investment in high accrual short term papers
- Investment in medium to long term Gsec and PSU bonds to bank on capital appreciation from falling interest rates

Safety

- Investments in Government bonds , highly rated PSU bonds and bonds of other distinguished companies



Yield Curve Positioning

- The fund will attempt to capture the best of duration play, interest rate movements and credit spreads to take benefit from both yield and spread compression

Focused Returns

- Looks to generate returns by both interest accruals and capital appreciation



Levels of Various Fixed Income Asset Classes

Asset Class	29-Jul-16	30-Jun-16	Change
Gilts (%)			
5 Yr Gsec	7.03	7.38	-0.35
10 Yr Gsec	7.10	7.44	-0.34
Corporate Bonds (%)			
1 Yr AAA PSU	7.37	7.75	-0.38
3 Yr AAA PSU	7.54	7.94	-0.40
5 Yr AAA PSU	7.64	8.05	-0.41
10 Yr AAA PSU	7.83	8.22	-0.39
Currency			
USD/INR	67.00	67.53	-0.53
Other Key Rates (%)			
Inflation (WPI) *	1.62	0.79	0.83
Inflation (CPI)*	6.07	5.77	0.30

* As per latest data

Source: Bloomberg, ccilndia ,Internal source

Scheme Details

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.
Type	An Open ended Income Scheme
Benchmark	CRISIL Composite Bond Fund Index.
Fund Manager	Mr. Mohit Mehra Mr. Mehra , aged 28 years , is MBA (Information Technology) & MBA-(Global –Investment Banking and Wealth Management). He has 5 Year experience including portfolio advisory & analysis of Fixed income, equity, real estate, Business Analysis (Accounting ,Trading and Risk Management Application Developments) etc. Prior to joining IIFL ,he was associated with Parsons Brinckerhoff International INC.at Doha. Mr. Mehra has been Managing the current Fund since 1-Apr-2016.
Plans Offered	Regular Plan and Direct Plan
Options Offered	(Under each plan): Dividend & Growth
Load Structure	EXIT Load –NIL,EXIT Load for SIP -NIL
Expense Ratio	Regular Plan-0.94% p.a. Direct Plan – 0.44% p.a.
Asset allocation	Debt Market Instruments: 0%-100%, Money Market Instruments 0%-100%
Minimum Application Amount	Rs. 10,000 and in multiples of Rs. 100 thereafter. If Systematic Investment Plan (SIP) availed Monthly option - Rs. 1000 per month for a minimum period of six months. Quarterly Option – Rs.1500 per quarter for a minimum period of four quarters

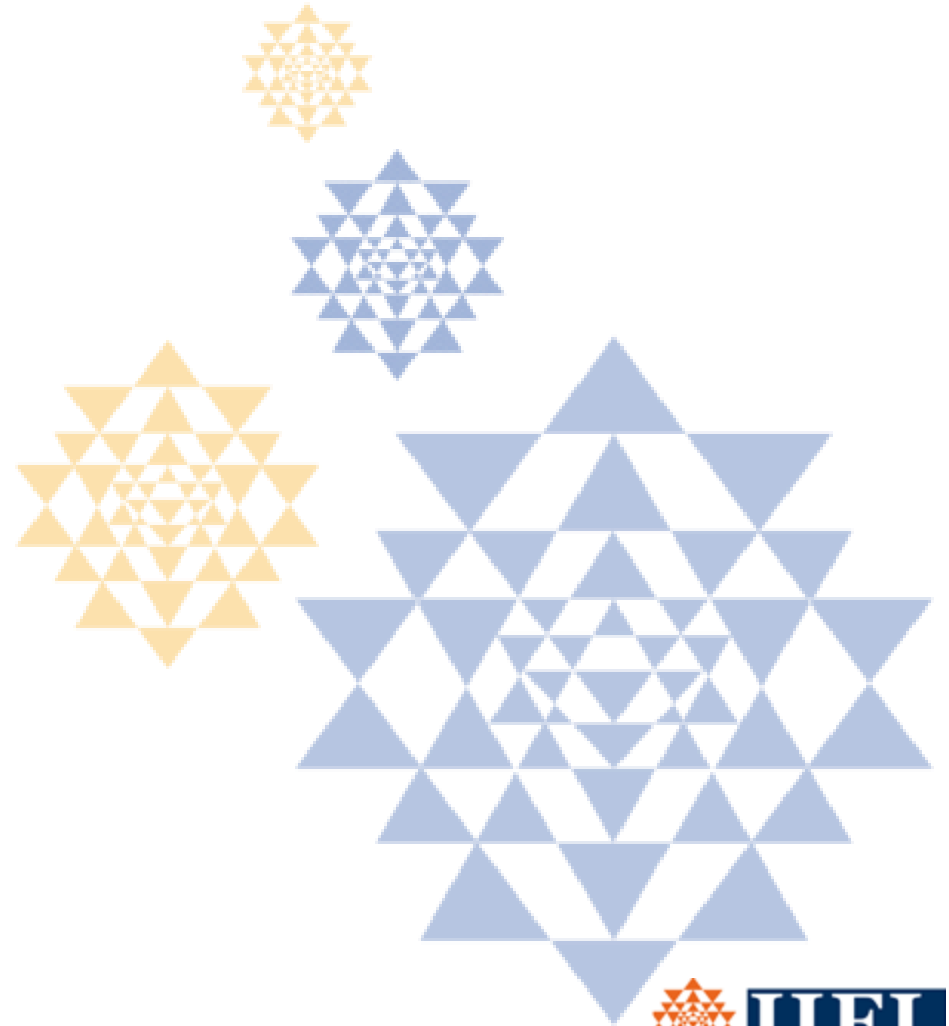


Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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- CIN Number U74900MH2010PLC201113



Thank You



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