

# HDFC Floating Rate Debt Fund

[An open ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps / derivatives) A Relatively High Interest Rate Risk and Moderate Credit Risk]

CATEGORY OF SCHEME: FLOATER FUND

## KEY FACTS

### INVESTMENT OBJECTIVE

To generate income/capital appreciation through investment in a portfolio comprising substantially of floating rate debt, fixed rate debt instruments swapped for floating rate returns and money market instruments.

There is no assurance that the investment objective of the Scheme will be realized.

### FUND MANAGER \*

**Shobhit Mehrotra** (since October 23, 2007)

Total Experience: Over 30 years

**Vikash Agarwal** (since July 1, 2020)

Total Experience: Over 16 years

### INCEPTION DATE (Date of Allotment)

October 23, 2007

### NAV (AS ON JUNE 30, 2022)

### NAV PER UNIT (₹)

Regular Plan - Growth Option	39.6385
Regular Plan - Daily IDCW Reinvestment Option	10.0580
Regular Plan - Weekly IDCW Option	10.0173
Regular Plan - Monthly IDCW Option	10.1352
Direct Plan - Growth Option	40.1582
Direct Plan - Daily IDCW Reinvestment Option	10.0615
Direct Plan - Weekly IDCW Option	10.0210
Direct Plan - Monthly IDCW Option	10.1393

### ASSETS UNDER MANAGEMENT <sup>9</sup>

### (₹) IN CRORE

As on June 30, 2022	16,399.17
Average for Month of June 2022	17,191.35

### QUANTITATIVE DATA

Average Maturity *	3.85 years
Macaulay Duration *	1.13 year
Modified Duration *	0.94 year
Yield to Maturity *	6.60%

\*Calculated on amount invested in debt securities (including accrued interest), deployment of funds in TREPS and Reverse Repo and net receivable / payable.

### TOTAL EXPENSE RATIO (As on June 30, 2022)

Including Additional Expenses and Goods and Service Tax on Management Fees

Regular: 0.48%      Direct: 0.26%

**#BENCHMARK INDEX:** NIFTY Low Duration Debt Index (Total Returns Index)

**##ADDL. BENCHMARK INDEX:** CRISIL 10 year Gilt Index

### EXIT LOAD

Nil

### PLANS & OPTIONS

Regular Plan, Direct Plan. Under both the Plans: Growth & Income Distribution cum Capital Withdrawal (IDCW) Option. The (Daily) IDCW Option offers only Re-investment of Income Distribution cum Capital Withdrawal (IDCW) Option. The (Weekly and Monthly) IDCW Option offers following Sub-Options: Payout of Income Distribution cum Capital Withdrawal (IDCW) Option; and Re-investment of Income Distribution cum Capital Withdrawal (IDCW) Option.

### MINIMUM APPLICATION AMOUNT

Purchase : ₹ 5,000 and any amount thereafter.  
Additional Purchase : ₹ 1 and any amount thereafter.

₹ Dedicated Fund Manager for Overseas Investments: Mr. Priya Ranjan (since May 01, 2022) (Total Experience: Over 15 years).

9 Includes investments made by the schemes of HDFC Mutual Fund aggregating to ₹ 86.18 Crores.

## SIP PERFORMANCE ^ - Regular Plan - Growth Option

	Since Inception SIP	10 year SIP	5 year SIP	3 year SIP	1 year SIP
Total Amount Invested (₹ '000)	1,770.00	1,200.00	600.00	360.00	120.00
Mkt Value As on June 30, 2022 (₹ '000)	3,182.77	1,726.94	697.35	386.89	121.36
Returns (%)	7.54	7.08	5.96	4.75	2.13
Benchmark Returns (%) #	N.A.	N.A.	N.A.	N.A.	N.A.
Additional Benchmark Returns (%) ##	5.85	5.48	3.57	0.44	-4.60

Assuming ₹ 10,000 invested systematically on the first Business Day of every month over a period of time. CAGR returns 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.

## PERFORMANCE ^ - Regular Plan - Growth Option

Date	Period	Scheme Returns (%)	Benchmark Returns (%)#	Additional Benchmark Returns (%) ##	Value of ₹ 10,000 invested		
					Scheme (₹)	Benchmark (₹)#	Additional Benchmark (₹)##
Jun 30, 21	Last 1 Year	3.10	3.60	-3.64	10,310	10,360	9,636
Jun 28, 19	Last 3 Years	6.18	5.41	3.70	11,975	11,717	11,154
Jun 30, 17	Last 5 Years	6.61	6.18	4.13	13,774	13,499	12,244
Jun 29, 12	Last 10 Years	7.75	7.44	6.27	21,115	20,513	18,387
Oct 23, 07	Since Inception	7.78	7.82	6.18	30,070	30,248	24,123

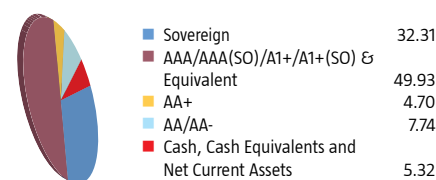
Returns greater than 1 year period are compounded annualized (CAGR). Since inception returns are calculated on ₹ 13,1821 (allotment price). For performance of other schemes managed by Shobhit Mehrotra & Vikas Agarwal, please refer page 77. Different plans viz. Regular Plan and Direct Plan have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged in the Regular Plan. For Riskometer of the Schemes and Benchmark's, refer page 86 to 91. For Performance of Direct Plan, refer page no. 79.

**^Past performance may or may not be sustained in the future.** Since Inception Date = Date of First allotment in the Scheme / Plan. Load is not taken into consideration for computation of performance.

### Portfolio Classification by Asset Class (%)



### Portfolio Classification by Rating Class (%)



### This product is suitable for investors who are seeking ~

- income over short term
- to generate income / capital appreciation through investment in a portfolio comprising substantially of floating rate debt, fixed rate debt instruments swapped for floating rate returns and money market instruments

### Riskometer As on June 30, 2022 (current risk as per latest month end portfolio)



Investors understand that their principal will be at moderate risk

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

### Potential Risk Class (Maximum risk the Scheme can take)

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		<b>B-III</b>	

**B-III - A Scheme with Relatively High Interest Rate Risk and Moderate Credit Risk.**

This scheme has exposure to floating rate instruments and / or interest rate derivatives. The duration of these instruments is linked to the interest rate reset period. The interest rate risk in a floating rate instrument or in a fixed rate instrument hedged with derivatives is likely to be lesser than that in an equivalent maturity fixed rate instrument. Under some market circumstances the volatility may be of an order greater than what may ordinarily be expected considering only its duration. Hence investors are recommended to consider the unadjusted portfolio maturity of the scheme as well and exercise adequate due diligence when deciding to make their investments.

Face Value per Unit: ₹ 10 unless otherwise specified, CD - Certificate of Deposit; CP - Commercial Papers. Data is as of June 30, 2022 unless otherwise specified.

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PORTFOLIO			Issuer	Rating	% to NAV
<b>DEBT &amp; DEBT RELATED</b>			Tata Motors Finance Ltd.	CRISIL - AA-	0.91
<b>GOVERNMENT SECURITIES (CENTRAL/STATE)</b>			Bajaj Housing Finance Ltd.	CRISIL - AAA	0.80
• GOI 2034	Sovereign	13.84	Motilal Oswal Finvest Limited	CRISIL - AA	0.76
• GOI 2028	Sovereign	5.62	LIC Housing Finance Ltd.	CRISIL - AAA	0.62
• Floating Rate GOI 2033	Sovereign	5.19	Jamnagar Utilities & Power Pvt. Ltd. (erstwhile Reliance Utilities & Power Pvt. Ltd.)	CRISIL - AAA	0.61
7.72 GOI 2025	Sovereign	1.02	First Business Receivables Trust (PTC banked by receivables from Reliance Corporate IT Park Limited)	CRISIL - AAA(SO)	0.58
6.58% Gujarat SDL - Mat 310327	Sovereign	0.59	IndInfraVIT Trust	CRISIL - AAA	0.39
7.59 GOI 2026	Sovereign	0.43	Tata Capital Ltd.	CRISIL - AAA	0.39
7.89% Gujarat SDL - Mat 150525	Sovereign	0.31	Tata Motors Finance Solutions Ltd.	CARE - AA-	0.36
6.97 GOI 2026	Sovereign	0.15	Manappuram Finance Ltd.	CARE - AA	0.31
8.63% Kerala SDL - Mat 060323	Sovereign	0.06	Vedanta Ltd.	CRISIL - AA	0.31
5.15 GOI 2025	Sovereign	0.03	Bajaj Finance Ltd.	CRISIL - AAA	0.30
8.64% Andhra Pradesh SDL - Mat 060323	Sovereign	0.03	Cholamandalam Investment & Finance	ICRA - AA+	0.30
8.65% Karnataka SDL - Mat 200323	Sovereign	0.03	Hindustan Petroleum Corp. Ltd.	CRISIL - AAA	0.30
<b>Sub Total</b>		<b>27.30</b>	Housing and Urban Development Corporation Ltd.	CARE - AAA	0.30
<b>T-BILLS</b>			John Deere Financial India Pvt. Ltd.	CRISIL - AAA	0.15
• 182 days Tbill ISD 260522 Mat 241122	Sovereign	3.82	Flometallic India Pvt Ltd.	CRISIL - AA+	0.09
182 days Tbill Mat 011222	Sovereign	1.19	Sub Total		55.47
<b>Sub Total</b>		<b>5.01</b>	<b>Credit Exposure (Perpetual Bonds)</b>		
<b>CREDIT EXPOSURE (NON PERPETUAL)</b>			TMF Holdings Ltd. (Subsidiary of Tata Motors Ltd.) (Perpetual)	CRISIL - AA-	0.85
• Power Finance Corporation Ltd.	CRISIL - AAA	6.84	Union Bank of India (AT1, BASEL III, Perpetual)	BRICKWORKS - AA	0.32
• Housing Development Fin. Corp. Ltd.₹	CRISIL - AAA	5.92	<b>Sub Total</b>		<b>1.17</b>
• REC Limited.	CARE - AAA / CRISIL - AAA	5.64	<b>Total</b>		<b>88.95</b>
• Muthoot Finance Ltd.	CRISIL - AA+	4.31	<b>MONEY MARKET INSTRUMENTS</b>		
• National Bank for Agri & Rural Dev.	CRISIL - AAA / ICRA - AAA	3.94	<b>CP</b>		
Embassy Office Parks REIT	CRISIL - AAA	3.18	• Panatone Finvest Ltd.	CRISIL - A1+	3.23
TMF Holdings Ltd. (Subsidiary of Tata Motors Ltd.)	CRISIL - AA-	3.00	L&T Metro Rail (Hyderabad) Ltd	CRISIL - A1+	1.48
National Housing Bank	CRISIL - AAA	2.76	Tata Teleservices Ltd.	CRISIL - A1+	1.02
Reliance Industries Ltd.	CRISIL - AAA	1.81	<b>Sub Total</b>		<b>5.73</b>
Sikka Port and Terminal Ltd. (erstwhile Reliance Ports and Terminals Ltd.)	CARE - AAA / CRISIL - AAA	1.77	Cash, Cash Equivalents and Net Current Assets		5.32
Fullerton India Home Finance Company Ltd.	CRISIL - AAA	1.36	<b>Grand Total</b>		<b>100.00</b>
NTPC Limited	CRISIL - AAA	1.33	<b>• Top Ten Holdings, ₹ Sponsor</b>		
TATA Capital Housing Finance Ltd.	CRISIL - AAA	1.19	Outstanding exposure in derivative instruments Interest Rate Swap	(₹ in Crore)	2,770.00
L&T Finance Limited	CRISIL - AAA	1.07			
Sundaram Home Finance Limited	ICRA - AAA	1.04			
Larsen and Toubro Ltd.	CRISIL - AAA	0.99			
Grasim Industries Ltd.	CRISIL - AAA	0.92			
Hinduja Leyland Finance Ltd.	CARE - AA-	0.92			