



# Quantum Liquid Fund

An Open ended Liquid Scheme

As on 31<sup>st</sup> December 2010

## Scheme Feature

Nature of Scheme	Open-ended Liquid Scheme
Investment Objective	The primary investment objective of the Scheme is to provide optimal returns with low to moderate levels of risk and high liquidity through judicious investments in money market and debt instruments.
Fund Manager	Mr. Arvind Chari (Since April, 24 2007)
Fund Manager Total Experience	8 yrs.
Inception Date (Date of Allotment)	April 7, 2006
Expense Ratio	0.45%
Investment Options	Growth, Daily Dividend Reinvestment & Monthly Dividend Payout.
Minimum Application Amount (Under each Option)	<b>Growth option</b> - ₹ 5,000/- and in multiples of ₹ 1/- thereafter, Additional Investment - ₹ 500/- and in multiples of ₹ 1/- thereafter/50 units. <b>Monthly Dividend Payout option</b> - ₹ 10,000/- and in multiples of ₹ 1/- thereafter, Additional Investment - ₹ 500/- and in multiples of ₹ 1/- thereafter/ 50 units. <b>Daily Dividend Re-investment option</b> - ₹ 1,00,000/- and in multiples of ₹ 1/- thereafter, Additional Investment - ₹ 500/- and in multiples of ₹ 1/- thereafter/ 50 units
Lock-in Period	NIL
Net Asset Value (NAV)	Every Business Day
Benchmark Index	Crisil Liquid Fund Index

## Weighted Average Maturity

At the end of the month 40 Days  
Average during the month 34 Days

**Modified Duration 37 Days**

## NAV December 31, 2010

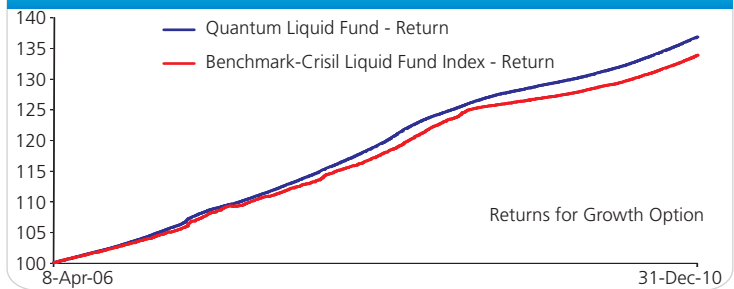
	(₹./Unit)
Growth Option	13.6940
Monthly Dividend Payout Option	10.0092
Daily Dividend Reinvestment Option	10.0000

## Performance as on December 31, 2010

Period	Returns - Growth Option (%) <sup>^</sup>	Returns Benchmark (%) #
7 days *	0.1404%	0.1479%
15 days *	0.2966%	0.3068%
30 days *	0.6120%	0.6291%
3 month *	1.7597%	1.7086%
6 month *	3.3470%	3.1396%
Last 1 Year *	5.6131%	5.1197%
Last 3 Year **	6.6299%	6.1220%
Since Inception **	6.8576%	6.3640%

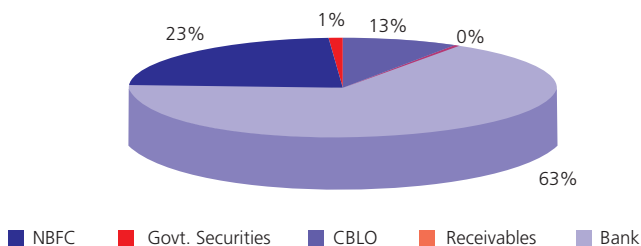
\* Absolute Returns \*\* Compounded Annualised Returns <sup>^</sup> Past Performance may or may not be sustained in the future and may not necessarily provide a basis for comparison with other investments. Performance of the Dividend option for the investor would be net of the dividend distribution tax, as applicable. Date of Inception - April 07, 2006 # Benchmark Index - Crisil Liquid Fund Index Since inception returns are calculated on NAV of ₹ 10 invested at inception.

## Performance as on December 31, 2010



<sup>^</sup> Past Performance May Or May Not Be Sustained In The Future

## Asset Allocation Pattern (% of Net Assets)



## Fund Size December 2010

	*Average AuM (₹ in Crores)	#Absolute AuM (₹ in Crores)
Growth option	15.03	13.55
Daily Dividend Reinvestment Option	7.89	7.53
Monthly Dividend Payout Option	0.94	0.89
<b>Total</b>	<b>23.86</b>	<b>21.97</b>

\*Cumulative Daily AuM/No of days in the month #AuM as on December 31, 2010

## Portfolio

Name of Investment	Rating	Duration in Days	Market Value In Lakhs	% to Net Asset
<b>(A) Listed/awaiting listing on Stock Exchanges</b>				
<b>(B) Privately Placed/Unlisted</b>				
<b>Non Convertible Debentures</b>				
8.3% SREI Equipment Finance Pvt. Ltd NCD (MD 28/01/2011)	PR1+	91	300.00	13.65
<b>Total</b>			<b>300.00</b>	<b>13.65</b>
<b>MONEY MARKET INSTRUMENTS</b>				
<b>a) Certificate of Deposits</b>				
Central Bank of India CD (MD 21/02/2011)	PR1+	88	494.46	22.50
State Bank of India CD (MD 25/03/2011)	P1+	87	490.04	22.30
ING Vysya Bank CD (MD 11/01/2011)	P1+	90	399.21	18.17
<b>Total</b>			<b>1,383.71</b>	<b>62.98</b>

Name of Investment	Rating	Duration in Days	Market Value In Lakhs	% to Net Asset
<b>b) Commercial Paper</b>				
Kotak Mahindra Prime Ltd CP (MD 21/02/2011)	P1+	90	197.63	8.99
<b>c) Treasury Bill</b>				
91 Days TBill (MD 14/01/2011)	Sovereign	91	24.94	1.14
<b>Total (a+b+c)</b>			<b>1,606.28</b>	<b>73.11</b>
<b>d) OTHERS</b>				
CBLO*			284.90	12.97
Net Receivable / (Payables)			6.02	0.27
<b>Total</b>			<b>290.93</b>	<b>13.24</b>
<b>Grand Total</b>			<b>2,197.21</b>	<b>100.00</b>

\* Cash & cash Equivalents



# Quantum Liquid Fund

An Open ended Liquid Scheme

As on 31<sup>st</sup> December 2010

## Load Structure

### Entry Load

N.A.\*

\*In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and 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.

### Exit Load

NIL

## Dividend History - Monthly Dividend payout option

Record Date	Dividend per unit (₹)
25-Oct-10	0.03906331
25-Nov-10	0.04412376
27-Dec-10	0.04814028

## The indicative Asset Allocation

Instruments	Indicative allocations (% of total assets)	Risk Profile
Money Market Instruments and other short term debt instruments (*) having maximum re-pricing tenor of not more than 91 days in maturity (**)	100%	Low to Medium

(\*) Debt instruments may include investments in securitised debt instruments upto 40% of the Net Assets of the Scheme.

(\*\*) Maximum re-pricing tenor of 91 days would be reckoned as under: -

i. For a fixed rate asset, the remaining tenor is 91 days or less.

ii. For a floating rate asset, the interest reset frequency is 91 days or less.

iii. For a fixed rate/floating rate asset where the principal is paid in a staggered and/or on amortizing basis (e.g. securitized papers), the average maturity of such an asset is 91 days or less.

iv. For a portfolio using Interest Rate Derivatives,

a) the composite floating rate asset (underlying fixed rate asset and Interest Rate Swap, paying fixed and receiving floating) has interest reset frequency up to 91 days.

b) If Interest Rate Swaps (receiving fixed and paying floating), have been used to convert a floating rate asset into a fixed rate asset, the fixed leg of the Interest Rate Swap having remaining tenor upto 91 days.

c) For a portfolio using Forward Rate Agreements, the summation of the beginning and end dates of the period covered is 91 days or less.

To read about the Fund Manager's views on the macro factors that influenced markets last month, visit - [www.QuantumAMC.com/FundManager/Debt.aspx](http://www.QuantumAMC.com/FundManager/Debt.aspx)

## Disclaimer

**Investment Objective:** The primary investment objective of Quantum Liquid Fund (QLF) is to provide optimal returns with low to moderate levels of risk and high liquidity through judicious investments in money market and debt instruments. **Asset Allocation:** QLF will invest in Money Market Instruments and other short term debt instruments having maximum repricing tenor of not more than 91 days in maturity. **Terms of Issue:** QLF is an open-ended Liquid Scheme offering Growth, Daily Dividend Re-investment and Monthly Dividend Payout Options. The units can be subscribed /redeemed at the applicable NAV, subject to applicable load, on all business days. **Entry Load:** N.A. **Exit Load:** Nil. **Risk Factors:** **All Mutual Funds and securities investments are subject to market risks including uncertainty of dividend distributions and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities markets and there is no assurance or guarantee that the objectives of the scheme will be achieved. Quantum Liquid Fund, is the name of the scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or returns.** **Scheme specific risk:** Changes in interest rate may affect the Scheme's NAV. QLF proposes to invest the portfolio in debt and money market instruments. The Investor may lose money over short or long period due to fluctuation in Scheme's NAV in response to factors such as economic and political developments, changes in interest rates and market movement and over longer periods during market downturns. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments of the QLF. **Statutory Details:** Quantum Mutual Fund (the Fund) has been constituted as a Trust under the Indian Trusts Act, 1882. **Sponsors:** Quantum Advisors Private Limited. (liability of Sponsor limited to ₹ 1,00,000/-) **Trustee:** Quantum Trustee Company Private Limited. **Investment Manager:** Quantum Asset Management Company Private Limited (AMC). The Sponsor, Trustee and the Investment Manager are incorporated under the Companies Act, 1956. The past performance of the Sponsor / AMC / Fund has no bearing on the expected performance of the scheme. **Mutual Funds investments are subject to market risks. Please read the Scheme Information Document(s) / Key Information Memorandum(s) / Statement of Additional Information / Addendums carefully before investing. Scheme Information Document(s) /Key Information Memorandum(s)/ Statement of Additional Information can be obtained at any of our Investor Service Centers or at the office of the AMC 505, Regent Chambers, 5th Floor, Nariman Point, Mumbai - 400 021 or on AMC website [www.QuantumAMC.Com/www.QuantumMF.com](http://www.QuantumAMC.Com/www.QuantumMF.com)**