

Portfolio Published on 19th October 2020

QUANTUM LIQUID FUND					
(An Open Ended Liquid Scheme)					
Fact Sheet as on 16-Oct-2020					
Fund Size as on (Rs. in crores) 16-Oct-2020		Absolute AUM			
DIRECT PLAN GROWTH OPTION		414.9076			
DIRECT PLAN DAILY DIVIDEND OPTION		11.6265			
DIRECT PLAN MONTHLY DIVIDEND OPTION		2.1515			
REGULAR PLAN GROWTH OPTION		46.7412			
REGULAR PLAN DAILY DIVIDEND OPTION		4.2561			
REGULAR PLAN MONTHLY DIVIDEND OPTION		0.0149			
Total		479.6978			
Net Asset Value as on 16-Oct-2020		(Rs./Unit)			
DIRECT PLAN GROWTH OPTION		27.4086			
DIRECT PLAN DAILY DIVIDEND OPTION		10.0065			
DIRECT PLAN MONTHLY DIVIDEND OPTION		10.0269			
REGULAR PLAN GROWTH OPTION		27.3456			
REGULAR PLAN DAILY DIVIDEND OPTION		10.0010			
REGULAR PLAN MONTHLY DIVIDEND OPTION		10.0237			
Weighted Average Maturity (days)		No of days			
At the end of the week		36			
Modified Duration		34			
Sr.No.	Name of Instrument	Rating	Residual Maturity (in days)	Market Value (Rs Lakhs)	% to Net Asset
DEBT INSTRUMENTS					
a	Listed/awaiting listing on Stock Exchanges			NIL	NIL
b	Privately Placed/Unlisted			NIL	NIL
c	Securitized Debt Instruments			NIL	NIL
Total of Debt instruments				NIL	NIL
MONEY MARKET INSTRUMENTS					
a	Commercial Papers (CP)				
1	NTPC Ltd CP (MD 23/10/2020)	CRISIL A1+	7	2,498.70	5.21%
2	Export Import Bank of India CP (MD 13/11/2020)	CRISIL A1+	28	2,494.12	5.20%
3	National Bank For Agri & Rural CP (MD 17/11/2020)	ICRA A1+	32	2,493.25	5.20%
Total of CP				7,486.07	15.61%
b	Certificate of Deposits (CD)			NIL	NIL
Total of CD				NIL	NIL
c	Treasury Bills (T-bill)				
1	91 Days Tbill (MD 17/12/2020)	Sovereign	62	5,470.93	11.40%
2	182 Days Tbill (MD 10/12/2020)	Sovereign	55	4,479.12	9.34%
3	91 Days Tbill (MD 29/10/2020)	Sovereign	13	3,995.80	8.33%
4	182 Days Tbill (MD 12/11/2020)	Sovereign	27	3,990.95	8.32%
5	182 Days Tbill (MD 26/11/2020)	Sovereign	41	3,487.92	7.27%
6	91 Days Tbill (MD 14/01/2021)	Sovereign	90	3,472.85	7.24%
7	182 Days Tbill (MD 19/11/2020)	Sovereign	34	2,991.45	6.24%
8	91 Days Tbill (MD 10/12/2020)	Sovereign	55	2,986.08	6.22%
9	182 Days Tbill (MD 22/10/2020)	Sovereign	6	2,498.90	5.21%
10	91 Days Tbill (MD 22/10/2020)	Sovereign	6	999.56	2.08%
11	91 Days Tbill (MD 26/11/2020)	Sovereign	41	996.55	2.08%
Total of T-Bills				35,370.11	73.73%
d	TREPS *			5,092.39	10.62%
Total of Money Market Instruments				47,948.57	99.96%
Net Receivable / (Payable)				21.22	0.04%
Grand Total				47,969.79	100.00%

* Cash & cash Equivalents

Quantum Liquid Fund

The Rise and Fall of Bond Yield

Bond market started on a positive note following the supportive measures announced by the RBI its monetary policy on preceding Friday. The RBI doubled the size of weekly OMO/Twist to Rs. 200 billion. It also announced unconventional OMO in State Development Loan (SDLs) to support the state government borrowing program. To start with the RBI announced to purchase Rs. 100 bn worth of SDLs and stated that it will increase the size of OMOs going ahead depending on the market response.

Bond markets cheered as bond yields continued to come down following the policy announcement. However, towards the end of the week the central government announced to borrow additional Rs. 1.1 trillion to meet the shortfall in GST compensation cess to be paid to States. As per the revised borrowing calendar the additional borrowing is concentrated in 3-5 years maturity bonds. This led to surge in yields for the shorter maturity bonds. The 5 year government bond yield jumped by about 11 basis points while the yield on longer maturity changed marginally.

The 10 year benchmark government bond closed the week at yield of 5.93% compare to previous week's closing of 5.94%.

In near term market will take cues from RBI's market operations in center and state government securities. We expect yields to remain range bound, oscillating around 6% in near term.

Liquidity keeping rates low

Liquidity condition remained in high surplus. The amount under reverse repo continue to remain above Rs. 5 trillion.

Treasury bills yields of 2-3 months maturities came down to 3.15%-3.20% from the range of 3.20%-3.25% a week earlier.

We are of the view that the RBI will maintain surplus liquidity conditions until we get a sustained revival in economic activity. Abundant liquidity and potential rate cuts will likely keep yields on short term treasury bills and PSU papers suppressed near reverse repo rate.

Portfolio Outlook

Quantum Liquid Fund (QLF)

Given the low overnight rates and excess liquidity situation, returns from liquid funds will remain muted. However, we still advise investors to not hunt for returns from this category and always prioritize safety and liquidity over returns while investing in liquid funds.

In Quantum Liquid Fund we have not taken any exposure in private sector companies and invested only in government securities, treasury bills and highest quality instruments issued by public sector undertakings (PSU) which are shortlisted under our proprietary credit research and review process.

As on 16th October 2020, the average maturity of Quantum Liquid Fund is about 36 days.

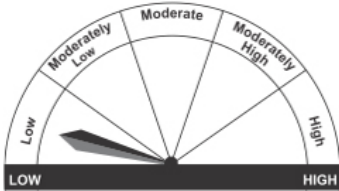
Credit Exposures:

With the QLF and QDBF portfolios continuing to comprise of G-secs, T-bills and PSU securities, hence credit risk remains minimal.

Please [click here](#) to access the weekly portfolio disclosures of Quantum Liquid Fund

Data Source: RBI

PRODUCT LABEL

Name of the Scheme	This product is suitable for investors who are seeking*	Riskometer
Quantum Liquid Fund (An Open Ended Liquid Scheme)	<ul style="list-style-type: none"> • Income over the short term • Investments in debt / money market instruments 	 <p>Investors understand that their principal will be at Low risk</p>
<p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>		

Disclaimer, Statutory Details & Risk Factors:

The views expressed here in this article are for general information and reading purpose only and do not constitute any guidelines and recommendations on any course of action to be followed by the reader. Quantum AMC / Quantum Mutual Fund is not guaranteeing / offering / communicating any indicative yield on investments made in the scheme(s). The views are not meant to serve as a professional guide / investment advice / intended to be an offer or solicitation for the purchase or sale of any financial product or instrument or mutual fund units for the reader. The article has been prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and views given are fair and reasonable as on date. Readers of this article should rely on information/data arising out of their own investigations and advised to seek independent professional advice and arrive at an informed decision before making any investments.

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

Please visit – www.QuantumAMC.com to read scheme specific risk factors. Investors in the Scheme(s) are not being offered a guaranteed or assured rate of return and there can be no assurance that the schemes objective will be achieved and the NAV of the scheme(s) may go up and down depending upon the factors and forces affecting securities market. Investment in mutual fund units involves investment risk such as trading volumes, settlement risk, liquidity risk, default risk including possible loss of capital. Past performance of the sponsor / AMC / Mutual Fund does not indicate the future performance of the Scheme(s). **Statutory Details:** Quantum Mutual Fund (the Fund) has been constituted as a Trust under the Indian Trusts Act, 1882. **Sponsor:** Quantum Advisors Private Limited. (liability of Sponsor limited to Rs. 1,00,000/-) **Trustee:** Quantum Trustee Company Private Limited. **Investment Manager:** Quantum Asset Management Company Private Limited. The Sponsor, Trustee and Investment Manager are incorporated under the Companies Act, 1956.