

QUANTUM LIQUID FUND

An Open Ended Liquid Scheme

Fact Sheet as on 09-July-2021

Fund Size as on (Rs. in crores) 09-July-2021	Absolute AUM
DIRECT PLAN GROWTH OPTION	517.7353
DIRECT PLAN DAILY IDCW	11.6453
DIRECT PLAN MONTHLY IDCW	1.4893
REGULAR PLAN GROWTH OPTION	21.2712
REGULAR PLAN DAILY IDCW	4.2256
REGULAR PLAN MONTHLY IDCW	0.0583
Total	556.4250

Net Asset Value as on 09-July-2021 (Rs./Unit)

Net Asset Value as on 09-July-2021	NAV
DIRECT PLAN GROWTH OPTION	28.0246
DIRECT PLAN DAILY IDCW	10.0060
DIRECT PLAN MONTHLY IDCW	10.0200
REGULAR PLAN GROWTH OPTION	27.9398
REGULAR PLAN DAILY IDCW	10.0010
REGULAR PLAN MONTHLY IDCW	10.0166

Weighted Average Maturity (days)

	No of days
At the end of the week	32
Modified Duration	30

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 24/08/2021)	ICRA A1+	46	3,983.33	7.16%
2. Indian Oil Corporation Ltd CP (MD 16/07/2021)	ICRA A1+	7	2,498.60	4.49%
3. National Bank For Agri & Rural CP (MD 20/07/2021)	ICRA A1+	11	2,497.68	4.49%
Total of CP			8,979.61	16.14%
B. Certificate of Deposits (CD)				
Total of CD			NIL	NIL
C. Treasury Bills (T-bill)				
1. 91 Days Tbill (MD 22/07/2021)	Sovereign	13	7,491.69	13.46%
2. 91 Days Tbill (MD 29/07/2021)	Sovereign	20	7,486.55	13.45%
3. 91 Days Tbill (MD 26/08/2021)	Sovereign	48	6,969.84	12.53%
4. 91 Days Tbill (MD 15/07/2021)	Sovereign	6	4,997.64	8.98%
5. 91 Days Tbill (MD 05/08/2021)	Sovereign	27	4,489.27	8.07%
6. 91 Days Tbill (MD 23/09/2021)	Sovereign	76	3,972.49	7.14%
7. 91 Days Tbill (MD 13/08/2021)	Sovereign	35	2,492.20	4.48%
8. 91 Days Tbill (MD 02/09/2021)	Sovereign	55	2,487.60	4.47%
9. 91 Days Tbill (MD 30/09/2021)	Sovereign	83	1,488.73	2.68%
10. 91 Days Tbill (MD 07/10/2021)	Sovereign	90	1,487.63	2.67%
Total of T-Bills			43,363.64	77.93%
D. TREPS *			3,284.22	5.90%
Total of Money Market Instruments			55,627.47	99.97%
Net Receivable/(payable)			15.02	0.03%
Grand Total			55,642.49	100.00%

*Cash & cash Equivalents

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Bond market witnessed increased volatility in the last week. Bond yields rose sharply in the early parts following crude oil prices which spiked to over USD 78 per barrel after the OPEC meeting on supply increase ended without any decision. However, in the later part, yields followed the slide in crude oil prices and came off from the peak by the week end.

Reversal in bond yields was also fueled by comments from the RBI governor Das referring inflation surge as transitory and emphasizing need to support growth at this juncture. US treasury yields also came down in the later part of the week. It dipped below 1.26% for brief period before closing the week at 1.36%.

On weekly closing basis, most part of the Indian sovereign yield curve ended flat. While the 10-Year benchmark bond moved up by 12 basis points in the run-up to the auction of new 10-Year benchmark security. It closed the week at 6.19% vs 6.07% in the previous week. The cutoff yield (coupon for the new paper) for the new 10-Year benchmark bond came at 6.10%.

Money market yields remained almost flat during the week. The 3-Months treasury bill yield remained between 3.37%-3.42%. We expect the RBI to maintain system liquidity in large surplus in foreseeable future. Thus short term money market rates may remain close to reverse repo rate which is currently at 3.35%.

Although most of the industrial commodities have softened somewhat in the last few weeks, crude oil prices continue to move higher. The Brent crude oil price is holding above USD 75 per barrel now. Inflation is picking up globally forcing many central banks to move towards policy normalization/tightening. In India, CPI inflation is expected to average around the RBI's upper threshold of 6% in FY22. This could prompt the RBI to change its tone in the August monetary policy.

We expect the RBI will acknowledge the inflation risks and change its forward guidance. It may start the policy normalization by October or December policy review. Bond yields will likely move higher from current levels. However, some parts of the yield curve have already moved up a lot and at current valuations are pricing most the policy normalization risk.

Portfolio Outlook

Quantum Liquid Fund (QLF)

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.

Credit Exposures:

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

Data Source: RBI

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Product Labeling

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 termInvestments in debt / money market instruments	 <p>Investors understand that their principal will be at Low Risk</p>

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

The Risk Level of the Scheme in the Risk O Meter is based on the portfolio of the scheme as on June 30, 2021.

Disclaimer, Statutory Details & Risk Factors:

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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.