

QUANTUM LIQUID FUND

An Open Ended Liquid Scheme

Fact Sheet as on 25-June-2021

Fund Size as on (Rs. in crores) 25-June-2021	Absolute AUM
DIRECT PLAN GROWTH OPTION	509.2420
DIRECT PLAN DAILY IDCW	11.6587
DIRECT PLAN MONTHLY IDCW	1.6932
REGULAR PLAN GROWTH OPTION	21.9093
REGULAR PLAN DAILY IDCW	4.2210
REGULAR PLAN MONTHLY IDCW	0.0579
Total	548.7821

Net Asset Value as on 25-June-2021 (Rs./Unit)

Net Asset Value as on 25-June-2021	NAV
DIRECT PLAN GROWTH OPTION	27.9905
DIRECT PLAN DAILY IDCW	10.0060
DIRECT PLAN MONTHLY IDCW	10.0078
REGULAR PLAN GROWTH OPTION	27.9068
REGULAR PLAN DAILY IDCW	10.0010
REGULAR PLAN MONTHLY IDCW	10.0048

Weighted Average Maturity (days)

No of days

At the end of the week	37
Modified Duration	36

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+	60	4,972.55	9.06%
2. Indian Oil Corporation Ltd CP (MD 16/07/2021)	ICRA A1+	21	2,495.37	4.55%
3. National Bank For Agri & Rural CP (MD 20/07/2021)	ICRA A1+	25	2,494.40	4.55%
Total of CP			9,962.32	18.16%
B. Certificate of Deposits (CD)				
			NIL	NIL
Total of CD			NIL	NIL
C. Treasury Bills (T-bill)				
1. 91 Days Tbill (MD 29/07/2021)	Sovereign	34	9,969.94	18.17%
2. 91 Days Tbill (MD 22/07/2021)	Sovereign	27	7,482.30	13.63%
3. 91 Days Tbill (MD 26/08/2021)	Sovereign	62	6,960.79	12.68%
4. 91 Days Tbill (MD 15/07/2021)	Sovereign	20	4,991.44	9.10%
5. 91 Days Tbill (MD 05/08/2021)	Sovereign	41	4,483.54	8.17%
6. 91 Days Tbill (MD 08/07/2021)	Sovereign	13	2,497.29	4.55%
7. 91 Days Tbill (MD 13/08/2021)	Sovereign	49	2,488.99	4.54%
8. 91 Days Tbill (MD 23/09/2021)	Sovereign	90	2,479.46	4.52%
Total of T-Bills			41,353.75	75.36%
D. TREPS *				
			3,529.99	6.43%
Total of Money Market Instruments			54,846.06	99.95%
Net Receivable/(payable)			32.14	0.05%
Grand Total			54,878.20	100.00%

*Cash & cash Equivalents

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Indian bond market continued its bearish run which started after the CPI inflation print of 6.3% for the month of May 2021. The persistent surge in crude oil prices and rising global inflation added to the prevailing negative sentiments.

Bond yields at the short and the ultra-long maturities, moved higher for the second week in a row on fears of faster normalization of liquidity and policy rates. While the 10-Year bond yield remained anchored near 6% due to heavy intervention by the RBI. 3-Year Gsec yield has moved up by about 31 basis points in the last two weeks while the 10-Year Gsec yield rose by mere 2 basis points from 6.01% to 6.03%.

The RBI continued to intervene heavily in the 10-Year point of the yield curve which is keeping 10-Year yield low despite negative market sentiment. It bought over Rs. 267bn worth of 10-Year bond under the third tranche of G-SAP 1.0. It once again cancelled the entire notified amount of Rs. 140 billion in the 10-Year benchmark in the weekly debt auction, signaling its discomfort with the market yield levels.

Money market rates remained flat during the week. The 3-months treasury bill yield remained between 3.35%-3.40%. 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.

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 May 31, 2021.

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.