

QUANTUM LIQUID FUND

An Open Ended Liquid Scheme

Fact Sheet as on 09-Sept-2021

Fund Size as on (Rs. in crores) 09-Sept-2021	Absolute AUM
DIRECT PLAN GROWTH OPTION	507.6251
DIRECT PLAN DAILY IDCW	10.7958
DIRECT PLAN MONTHLY IDCW	1.9502
REGULAR PLAN GROWTH OPTION	19.1451
REGULAR PLAN DAILY IDCW	0.8029
REGULAR PLAN MONTHLY IDCW	0.0573
Total	540.3764

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

Net Asset Value as on 09-Sept-2021	NAV
DIRECT PLAN GROWTH OPTION	28.1813
DIRECT PLAN DAILY IDCW	10.0071
DIRECT PLAN MONTHLY IDCW	10.0223
REGULAR PLAN GROWTH OPTION	28.0913
REGULAR PLAN DAILY IDCW	10.0010
REGULAR PLAN MONTHLY IDCW	10.0188

Weighted Average Maturity (days)

	No of days
At the end of the week	44.59
Modified Duration	43.46

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. IRFC LTD CP (MD 22/10/2021)	CRISIL A1+	43	4,483.29	8.30%
2. National Bank For Agri & Rural CP (MD 22/11/2021)	ICRA A1+	74	2,483.56	4.60%
Total of CP			6,963.13	12.90%
B. Certificate of Deposits (CD)				
Total of CD			NIL	NIL
C. Treasury Bills (T-bill)				
1. 182 Days Tbill (MD 12/11/2021)	Sovereign	64	7,955.38	14.72%
2. 91 Days Tbill (MD 14/10/2021)	Sovereign	35	7,478.14	13.84%
3. 182 Days Tbill (MD 25/11/2021)	Sovereign	77	6,456.03	11.95%
4. 91 Days Tbill (MD 07/10/2021)	Sovereign	28	4,988.10	9.23%
5. 91 Days Tbill (MD 28/10/2021)	Sovereign	49	4,481.06	8.29%
6. 91 Days Tbill (MD 02/12/2021)	Sovereign	84	3,970.39	7.35%
7. 91 Days Tbill (MD 23/09/2021)	Sovereign	14	1,498.33	2.77%
8. 91 Days Tbill (MD 30/09/2021)	Sovereign	21	1,497.40	2.77%
Total of T-Bills			38,324.83	70.92%
D. TREPS *			3,735.89	6.91%
Total of Money Market Instruments			49,027.57	90.73%
Net Receivable/(payable)			5,010.07	9.27%
Grand Total			54,037.64	100.00%

*Cash & cash Equivalents

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In absence of any major cue, the bond market was stuck in a narrow range during the last week. On closing basis yields moved up marginally as the benchmark 10-Year Gsec closed at 6.18% vs 6.16% in the previous week.

Money market and short end bond yields remained well anchored at lower levels owing to historically high liquidity surplus. The 3 months treasury bill rate remained close to 3.28%.

Given RBI's bond and foreign exchange purchases, the core liquidity surplus in banking system is likely to remain above Rs. 10 trillion in coming months. It would continue to put a lid on the short-term rates in near term. However, further increase in Variable Rate Reverse Repo Auction (VRRR) may lead to marginal increase in overnight to short-term rates.

As the market factors in a change in the policy stance going ahead, we should expect an increase in bond yields, particularly in the short to medium term segment. The above 10-year segment of the bond market will also rise but it has already priced in inflation risks and we do not expect a large increase in yields in that space for now.

Fiscal deficit for April-July 2021 came in at 21.3% of the full year budget target. Tax collections have been significantly higher than budget estimates, while expenditure has been below trend during April-July 2021. If this trend sustains, there is a possibility of a significant reduction in the government's borrowing program. Long-term bonds would gain more in case of borrowing cut.

We are closely monitoring the incoming data on covid-19 infections to determine the pace of policy normalization. Daily new cases of Covid-19 have shown a sharp rebound in last few days. Any large increase in COVID cases would put the normalization plan on hold and pull down bond yields across the curve.

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 priorities 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 August 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.