

PRESS RELEASE

## Mirae Asset launches Mirae Asset Corporate Bond Fund

(An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds)

NFO opens on February 24, 2021; closes March 9, 2021

### **Mumbai, February 24, 2021:**

Mirae Asset Investment Managers India, one of the fastest-growing fund houses in the country today announced the launch of 'Mirae Asset Corporate Bond Fund', an open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. The NFO will open for subscription on February 24, 2021 and will close on March 9, 2021. The fund will be benchmarked with the Nifty Corporate Bond Index and will be managed by Mr. Mahendra Jajoo, CIO – Fixed Income.

### Key features:

- Fund will predominantly invest in Corporate Bonds rated AA+ and above, with some exposure to Government Securities and T-Bills
- The fund will investment across the yield curve but target Modified Duration will be within range of 2-5 years based on interest rate outlook
- The fund will follow an active portfolio management based on flexible interest rate strategy.
- Fund does not prefer investing in lower rated papers (AA and below) and perpetual bonds at the moment and focus will be to create a high quality portfolio based on our credit assessment process
- This category has the potential for better risk adjusted returns compared to other debt fund categories and traditional fixed income instruments. Also debt funds benefit from taxation benefits if holding period is more than 3 years

"In the present environment, investors are looking for both returns and liquidity in their portfolios. [Mirae Asset Corporate Bond Fund](#) aims to generate income with moderate risk while remaining focused on high quality and liquidity. Since investments will be in corporate papers, the focus will be on our risk management process. Mirae Asset due to its strong credit process was not exposed to most stressed asset cases, and endeavour will be to provide a stable investment experience to our investors. This fund is suitable for investors looking for an investment horizon of over three years and we believe investors can look at SIP way of investments in this fund," said Mr. Swarup Mohanty, CEO, Mirae Asset Investment Managers (India) Pvt. Ltd.

"The AAA bond yield curve has steepened during the year. Credit spreads are tightening and current yields present attractive investment opportunities in the AAA bond segment. The short term average yields are above their long term average. This indicates that spreads are still attractive to take advantage. Benefit of improving rating prospects for high quality corporates in an improving economy and likely widening of spreads with higher credit pick up in coming months may provide investors a good entry point to [invest in Corporate Bond Funds](#) with a 3 year time horizon" said Mr. Mahendra Jajoo, CIO – Fixed Income, Mirae Asset Investment Managers (India) Pvt. Ltd.

The minimum initial investment in the scheme will be Rs. 5,000/- and in multiples of Rs. 1/- thereafter. There is no exit load in the fund.

## PRODUCT LABELLING

Mirae Asset Corporate Bond Fund is suitable for investor who are seeking:\*

- To generate income over Medium to long term
- Investments predominantly in high quality corporate bonds

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.



*Source: Internal*

*Mutual Fund investments are subject to market risks, read all scheme related documents carefully.*

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