

# Mirae Asset Short Term Fund (MASTF)

(Short Duration Fund - An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years (please refer to page no. 29 of SID))

## PRODUCT UPDATE September 2021

### MARKET SNIPPET

The central banks are keeping their options open and proceeding on policy reversal with great caution due to concerns on COVID-19 delta variant and another possible wave. Inflation in US is expected to be high due to approaching winter and high crude prices. With this yield curve are expected to be flattened across the world. Belying market apprehension, MPC maintained the accommodative stance and kept key policy rates unchanged. With a tolerable inflation trajectory (as inflation is expected to ease to below 5% for the month of Sept), the policy design to continue contributing to growth revival while retaining flexibility to calibrate monetary policy as situation evolves is highly commendable.

### YIELD REACTION

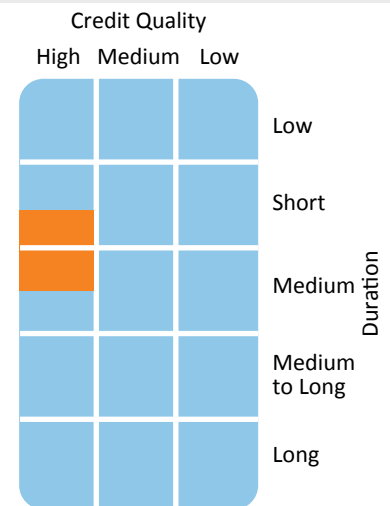
During the Month, yields across the curve increased gradually. There has been ~50bps move since the markets started factoring in RBI's move.

RBI has not continued with GSAP in its policy which may put pressure on bond yields in 2nd half of the year even though net supplies may be lower as compared to H1. Shorter end yields will raise faster than longer end, as liquidity normalization picks up pace, indicating a flatter yield curve.

### DEBT RATIOS

	Sep' 2021	Aug' 2021
Weighted Average Maturity	1.80 Years	1.83 Years
Modified duration	1.56 Years	1.62 Years
Macaulay duration	1.64 Years	1.69 Years
Yield to Maturity	4.62%	4.47%

### STYLE BOX



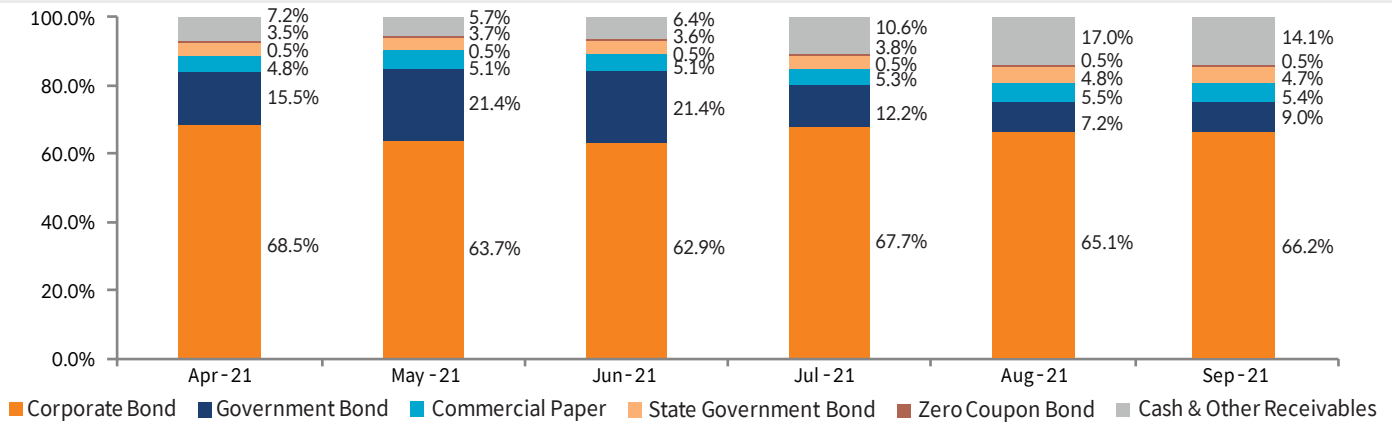
We endeavour to maintain the high credit quality and duration will change based on interest rate outlook

### PORTFOLIO APPROACH

- Fund is maintaining duration between 1.75 years to 2.25 years range from start of the year and this strategy has worked in favor of fund.
- Fund has reduced its allocation in 3-5 years maturity papers
- Fund plans to increase allocation SDL and Corporate Bonds, it intent to improve yields by investing in high yielding Corporate Bonds and SDL.
- Fund manager will monitor the spreads and look for opportunity to invest in high yields.
- Fund Risk score remains same 1.77 to 1.79, it remains in Low to Moderate risk category.

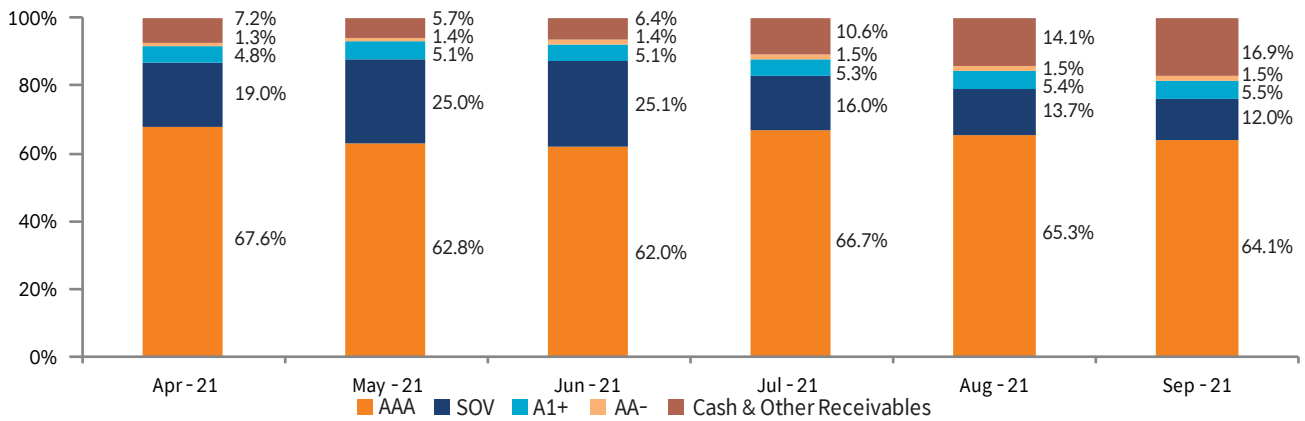
Instrument Type	In	Out
G-sec	0.44%	2.25%
Corporate Bonds	3.69%	5.28%

## ASSET TYPE ALLOCATION



Fund has increased its allocation in 14 years G-sec and 2 years Corporate Bond.

## RATING ALLOCATION



Fund has ensured investment majorly in high quality papers.

## IDEAL INVESTOR PROFILE



**Goal:**  
Aim for Income



**Investment Time Horizon:**  
1-3 Years



**Risk Profile:**  
Moderately low

## INVESTMENT FRAMEWORK



Primarily invest in short duration (1-3 year) debt and money market instruments



Predominantly invest in highly rated instruments



Endeavour to manage portfolio in line with yield curve

## WHY INVEST IN MIRAE ASSET SHORT TERM FUND?



Fund strategy is to take duration call based on interest rate view.



Fund have not invested in any low-quality paper, hence, it has not been impacted either by poor credit scenario or by change in regulation of perpetual bonds.

Source for Fund data in all debt product guides: Internal, data as on 30<sup>th</sup> September 2021.

Source for Market Outlook: Internal views and Bloomberg as on 30<sup>th</sup> September 2021.

## INVESTMENT DETAILS



**Allotment Date:**  
16<sup>th</sup> March, 2018



**Plans and options:** Regular Plan and Direct Plan with Growth and Payout of income Distribution cum Capital Withdrawal option/Reinvestment of income Distribution cum Capital Withdrawal option^.



**Benchmark:** CRISIL Short Term Bond Fund Index



**Fund Managers:**  
Mr. Mahendra Jajoo  
(since 16<sup>th</sup> March, 2018)  
Mr. Amit Modani  
(since July 06, 2021)



**SIP Amount:** Minimum of ₹1,000/- (multiples of ₹1/- thereafter), minimum 5 installments for monthly and 3 for quarterly frequency



**Minimum Investment Amount:** ₹5,000/- and in multiples of 1/- thereafter. Minimum Additional Application Amount: ₹1,000/- per application and in multiples of ₹1/- thereafter.



**Monthly Average AUM as on September 30, 2021**  
(₹Cr.): ₹675.34

^Pursuant to Notice cum addendum dated March 27, 2021 the nomenclature of dividend option has been changed w.e.f. April 01, 2021.

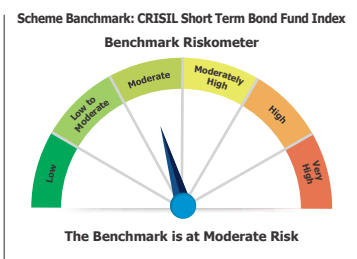
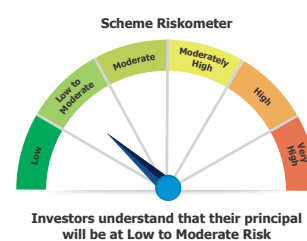
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## PRODUCT LABELLING

Mirae Asset Short Term Fund is suitable for investors who are seeking\*

- Optimal returns over short term
- Investment in an actively managed diversified portfolio of debt and money market instruments including REITs & InvITs

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



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

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