

Portfolio Published as on 15 October 2018

QUANTUM LIQUID FUND
(An Open Ended Liquid Scheme)

Fact Sheet as on 12-Oct-18

Fund Size as on (Rs. in crores) 12-Oct-18	Absolute AUM
DIRECT PLAN GROWTH OPTION	130.9362
DIRECT PLAN DAILY DIVIDEND OPTION	31.3835
DIRECT PLAN MONTHLY DIVIDEND OPTION	5.6457
REGULAR PLAN GROWTH OPTION	3.2117
REGULAR PLAN DAILY DIVIDEND OPTION	3.0571
REGULAR PLAN MONTHLY DIVIDEND OPTION	0.0947
Total	174.3289

Net Asset Value as on 12-Oct-18	(Rs./Unit)
DIRECT PLAN GROWTH OPTION	24.7066
DIRECT PLAN DAILY DIVIDEND OPTION	10.0094
DIRECT PLAN MONTHLY DIVIDEND OPTION	10.0405
REGULAR PLAN GROWTH OPTION	24.6863
REGULAR PLAN DAILY DIVIDEND OPTION	10.0042
REGULAR PLAN MONTHLY DIVIDEND OPTION	10.0405

Weighted Average Maturity (days)	No of days
At the end of the week	37
Modified Duration	35

Sr.No.	Name of Instrument	Rating	Residual Maturity (in days)	Market Value (Rs Lakhs)	% to Net Asset
	DEBT INSTRUMENTS				
	A) Listed/awaiting listing on Stock Exchanges				
i)	Non-Convertible debentures / Bonds			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 24/12/2018)	CRISIL A1+	73	1,479.02	8.48%
2	Indian Oil Corporation Ltd CP (MD 15/11/2018)	CRISIL A1+	34	993.78	5.70%
3	Power Grid Corporation Ltd CP (MD 29/11/2018)	CRISIL A1+	48	991.16	5.69%
4	Rural Electrification Corp Ltd CP (MD 03/12/2018)	CRISIL A1+	52	990.25	5.68%
5	National Bank For Agri & Rural CP (MD 31/10/2018)	CRISIL A1+	19	498.32	2.86%
6	National Bank For Agri & Rural CP (MD 05/11/2018)	CRISIL A1+	24	497.82	2.86%
	Total of Commercial Paper			5,450.35	31.27%
b)	Treasury Bills (T-bill)				
1	91 Days Tbill (MD 01/11/2018)	Sovereign	20	1,993.11	11.43%
2	91 Days Tbill (MD 15/11/2018)	Sovereign	34	1,988.13	11.40%
3	91 Days Tbill (MD 14/12/2018)	Sovereign	63	1,483.10	8.51%
4	91 Days Tbill (MD 22/11/2018)	Sovereign	41	992.75	5.69%
5	91 Days Tbill (MD 29/11/2018)	Sovereign	48	991.51	5.69%
6	91 Days Tbill (MD 03/01/2019)	Sovereign	83	984.82	5.65%
7	91 Days Tbill (MD 25/10/2018)	Sovereign	13	498.93	2.86%
	Total of T-Bills			8,932.35	51.23%
c)	Collateralised Borrowing & Lending Obligation (CBLO) *			3,006.90	17.25%
	Total of Money Market Instruments			17,389.60	99.75%
	Net Receivable / (Payable)			43.28	0.25%
	Grand Total			17,432.88	100.00%

* Cash & cash Equivalents

Quantum Liquid Fund

CPI Inflation undershoots; but upside risks remain

CPI inflation remained benign at 3.77% in Sep'18 vs 3.69% in the prior month. The lower headline number was primarily on account of lower food inflation (0.5% yoy) as many of the items such as vegetables, fruits, meat & fish, pulses and sugar posted sequential fall in prices. Although broader inflation trend has been lower than earlier estimates, we continue to see upside risks emanating from higher minimum support prices for crops, rising fuel prices, weaker INR and potential rise in rural demand.

RBI to continue liquidity operations

Banking system liquidity remained close to neutral on account of high government spending and the OMO purchases by the RBI. We expect liquidity situation to tighten as cash withdrawals may pick up substantially in the coming festive months. We expect the RBI will continue to infuse liquidity in the banking system through open market purchases (OMO) of government securities to the tune of INR 1.5 trillion for the entire fiscal year of 2019.

Bond yields continue to track Crude and INR

Bond market remained volatile in the last week taking cue from the crude oil prices and the Indian Rupee. Brent oil prices jumped past USD 84 per barrel by mid-week which pushed the 10 year bond yields higher to 8.09% from the lows of 7.96% seen at the start of the week. But crude oil corrected by over 4% in the later half of the week which fueled a sharp rally in the bond markets. The 10 year government bond yield retraced below 8% mark to close the week at 7.98% vs 8.02% in the previous week. PSU bonds also witnessed improved activity in the past week as the 3 year AAA PSUs were quoting around 8.75% vs 8.82% in the prior week.

With the RBI now conducting open market purchases of government securities and given that the government has cut its borrowing program, the 10 year government Bond yield may hover around 8.0% for now and move towards 8.25% if the market expects RBI to hike by more than 50 bps. As for now, we still do not expect 10 year government bond yields to go up considerable above 8.25% unless macro situation changes materially.

Portfolio Strategy

Quantum Liquid Fund (QLF)

We always stress on the primary objective of the liquid funds and advice investors to prioritise safety and liquidity over returns while investing in liquid funds.

In Quantum Liquid Fund we do not take any exposure in private sector corporations and invest only in government securities, treasury bills and highest quality instruments issued by public sector undertakings (PSUs) which are shortlisted under our proprietary credit research and review process.

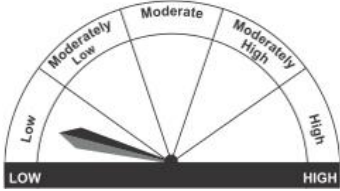
As on 12th October 2018, the average maturity of Quantum Liquid Fund is 37 days.

Credit Exposures:

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

Please [click here](#) to access the weekly portfolio disclosures of Quantum Liquid Fund.

PRODUCT LABEL

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 term• Investments 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.		

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.QuantumMF.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.