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QUANTUM LIQUID FUND
(An open ended Liquid Scheme)

Fact Sheet as on 10-Feb-17

Fund Size as on (Rs. in crores) 10-Feb-17	Absolute AUM
Growth Option	74.75
Daily Dividend Reinvestment Option	13.61
Monthly Dividend Option	7.51
Total	95.87

Net Asset Value as on 10-Feb-17	(Rs./Unit)
Growth Option	22.3329
Monthly Dividend Option	10.0305
Daily Dividend Reinvestment Option	10.0045

Weighted Average Maturity (days)	No of days
At the end of the week	19
Modified Duration	17

Sr.No.	Name of Instrument	Rating	Residual Maturity (in days)	Market Value (Rs Lakhs)	% to Net Asset
	DEBT INSTRUEMENTS				
	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 INSTRUEMENTS				
a	Commercial Papers (CP)				
1	National Bank For Agri and Rural CP(MD 06/03/2017)	ICRA A1+	24	498.06	5.20%
	Total of CPs			498.06	5.20%
b	Treasury Bills (T-bill)				
1	91 Days Tbill (MD 09/03/2017)	Sovereign	27	2,986.81	31.15%
2	91 Days Tbill (MD 23/02/2017)	Sovereign	13	1,995.95	20.82%
3	91 Days Tbill (MD 23/03/2017)	Sovereign	41	993.22	10.36%
4	91 Days Tbill (MD 02/03/2017)	Sovereign	20	498.39	5.20%
5	182 Days Tbill (MD 23/03/2017)	Sovereign	41	99.32	1.04%
	Total of T-Bills			6,573.69	68.57%
c	Collateralised Borrowing & Lending Obligation (CBLO) *			2,511.87	26.20%
	Total of Money Market Instruments			9,583.62	99.97%
	Net Receivable / (Payable)			3.33	0.03%
	Grand Total			9,586.95	100.00%

* Cash & cash Equivalents

Quantum Liquid Fund (QLF)- Weekly Portfolio Update:

RBI monetary policy committee in its monetary policy statement on 9th February 2017 kept key policy rate unchanged. However, the negative surprise for the bond markets was RBI changing its monetary policy stance from accommodative to neutral. This change in stance indicates RBI resolve to move on either direction on policy rates based on the prevailing macro-economic situation. RBI cited three main risks, rising oil prices and its effect on inflation in general, expectation of strong dollar due to Fed Fund Rate Hike and expansionary fiscal policy to be followed by US, the effect on House Rent Allowance increase due to the implementation of the Seventh Pay commission. Deputy Governor Acharya indicated Globally factors like higher commodity prices including higher food prices pose an upward risk to domestic inflationary pressures. The Normalisation of policy rates in advanced countries should lead to capital outflows from the emerging markets.

Given these factors, RBI indicated the monetary policy committee resolve to bring CPI inflation to 4 % in the coming year is challenging. Governor Patel has stated this mandate has been given by parliament in August 2016.

Bond market sold off and the Indian rupee appreciated against the dollar. The ten-year yield benchmark yield moved up from 6.44 % to 6.80 % levels and the spread between the 10 year and 14 year increased from 30 basis points to 40 basis points. The Indian rupee appreciated from 68 to a dollar to below 67 to a dollar last week.

The auction of 6.97 % 2026, 7.73 % 2034 and 7.06 % 2046 was cornered by single market participant as the cut off and weighted average was the same in these three securities. The cut off was 4 to 5 basis points below the levels prevailing in the secondary markets.

Liquidity improved in the system with surplus liquidity of around Rs. 3927 bn as on 13th February 2017 against surplus of Rs 3862 bn as on February 7th 2017. This is due to RBI not doing any further Market Stabilisation Bonds and allowing the liquidity to stay in the system. By

providing excess liquidity, RBI hopes this will induce banks to cut their lending rates.

Portfolio Strategy

We remain neutral on the bond markets over the medium term as:

- The good monsoon should keep food inflation down which will help RBI to achieve its CPI target of 5% during the current financial year.
- RBI targeting 4 % CPI inflation for the next financial year against the backdrop of higher Global commodity prices
- Normalisation of policies in advanced economies should led to outflows from emerging markets.

As on 13th February 2017, Quantum Liquid Fund (QLF) had a portfolio duration of 19 days and yield to maturity of 6.17%.

***YTM is including net current assets**

Credit Exposures:

With QLF comprising of G-secs, T-bills and PSU securities in majority, credit risk is minimal.

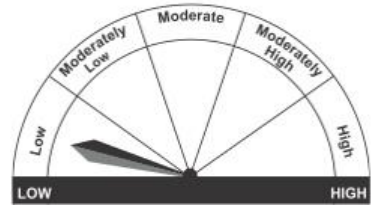
Please click [here](#) to access the weekly portfolio disclosures of Quantum Liquid Fund

If you need to know more about the fund and wish to speak to the fund manager, please write in or call :

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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.