

# Principal Short Term Debt Fund<sup>₹</sup>

An Open Ended Short Term Debt Scheme Investing In Instruments Such That The Macaulay Duration Of The Portfolio Is Between 1 Year And 3 Years<sup>¶</sup>

<sup>¶</sup>Please Refer Page No. 23 of SID on which the concept of Macaulay's Duration has been explained.

January, 2019

## Which came first is still a dilemma! Don't let it happen with your investments.

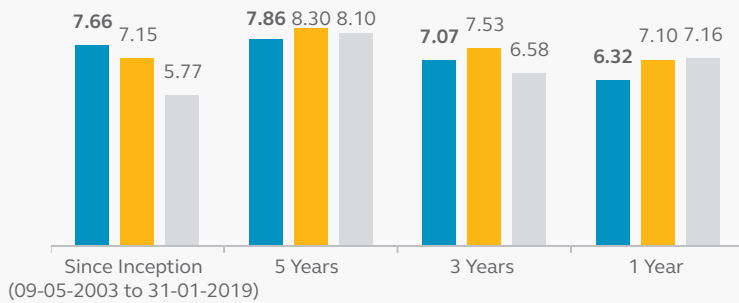
While investing, choosing between the right duration and liquidity could sometimes be as tricky as the chicken-and-egg riddle. But with Principal Short Term Debt Fund you can turn the dilemma into an opportunity. It aims to take risk efficient exposure to higher duration instruments with ample liquidity.

### Why should you invest

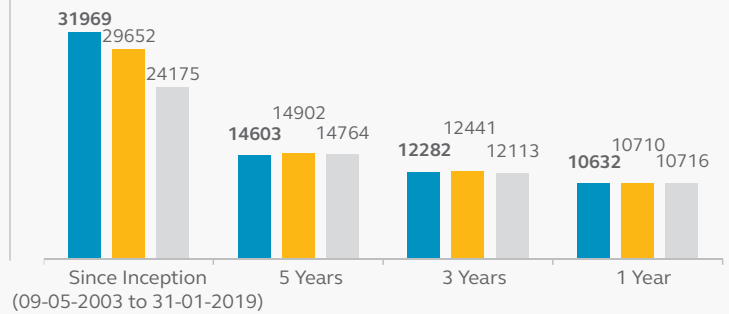
- Principal Short Term Debt Fund is a short term income fund. The positing of the fund is between Ultra Short Term & long Term Income Fund.
- The average maturity of the portfolio is capped upto 36 months as per terms in SID. Presently, the Fund is being managed with an average maturity profile of about 1.25 to 2.5 years.
- 80%+ exposure to AA to AAA rated corporate bonds / Sovereign/Cash & cash equivalents with 1-3 years residual maturity which currently provide 150-250 bps over Repo rate thereby ensuring positive real returns.
- Play within boundaries of Fund Credit Rating (**AAA by CARE**)<sup>®</sup>, approved universe and Macaulay Duration.
- Current Gross YTM of the portfolio is 8.41% (as on January 31, 2019) which provides attractive entry point.

### Performance of Scheme (as on January 31, 2019)

#### % Return



#### ₹ Point to Point (PTP) Returns (₹)

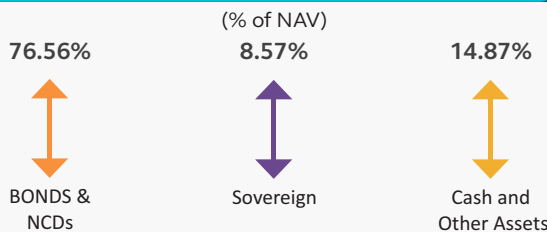


■ Principal Short Term Debt Fund\*<sup>₹</sup> ■ CRISIL Short-Term Bond Fund Index (Benchmark) ■ CRISIL 10 Year Gilt Index (Additional Benchmark)

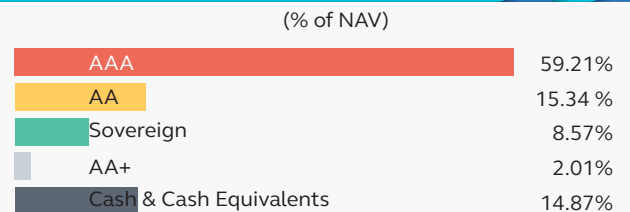
**Past performance may or may not be sustained in future.** Different plans shall have a different expense structure. The performance details provided herein are of Regular Plan-Growth option. Returns (in %) are calculated on Compounded Annualised Basis (CAGR). <sup>₹</sup> PTP (Point to Point) Returns are based on standard investment of 10,000/- made at the beginning of relevant period. Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

\*Principal Bank CD Fund merged into Principal Short Term Debt Fund which is effective post the closure of the business hours on May 19, 2017.  
<sup>₹</sup>Formerly known as Principal Short Term Income Fund (w.e.f. May 18, 2018)

### Top Composition by Assets (as on January 31, 2019)



### Top 5 Ratings (as on January 31, 2019)



### Investing Facts

#### Fund Manager



**Gurvinder Singh Wasan**

Total work experience of 15 years. Managing this scheme since April, 2011

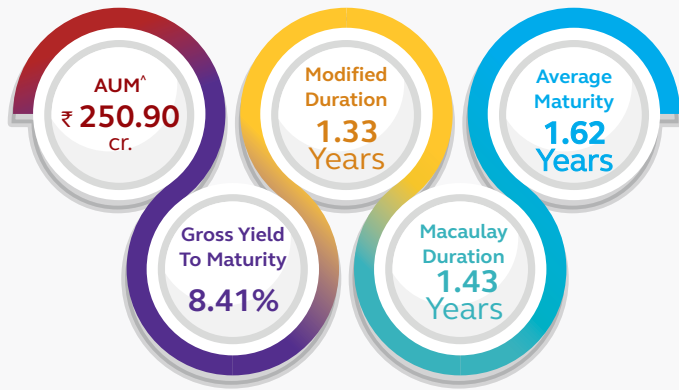
**Plans:** Regular and Direct Plan

**Options:** Both the Plans offer Dividend & Growth Option.

**Minimum Investment Amount:** New Investor: ₹ 5,000 | Existing Investor: ₹ 1,000

**Exit Load:** Nil

**SIP/STP/RWP-** Available



**Note:** ^The aggregate investments by other schemes of Principal Mutual Fund as on January 31, 2019: ₹ 12.37 Crore

Date	Regular Plan	
	Dividend (₹/Unit*)	Cum Dividend NAV
January 17, 2019	0.1096	12.9290
December 17, 2018	0.1094	12.9288
November 16, 2018	0.0874	12.9068

Past performance may or may not be sustained in the future. \* On face value of ₹10/-.

**Note:** All Dividend (₹/Unit) figures are Gross Dividend. Pursuant payment of dividend, the NAV of Dividend Option of schemes/plans would fall to the extent of payout and statutory levy, if applicable.

Annexure of returns for all schemes managed by fund manager (as on January 31, 2019)

	1 Year return (%)		3 Year returns (%)		5 Year returns (%)	
	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
<b>PRINCIPAL Credit Risk Fund<sup>2</sup></b> Benchmark - NIFTY Credit Risk Bond Index Managing since - January 2018	6.50	6.95	7.39	8.26	8.21	9.27
<b>PRINCIPAL Corporate Bond Fund<sup>1</sup></b> Benchmark - Crisil Short-Term Bond Fund Index Managing since - January 2018	5.89	7.10	5.96	7.53	6.92	8.30

Past performance may or may not be sustained in future. Different plans shall have a different expense structure. The performance details provided herein are of Regular Plan - Growth option. Returns (in %) are calculated on Compounded Annualised Basis (CAGR).

<sup>1</sup>Formerly known as Principal Debt Savings Fund (w.e.f. May 18, 2018) & <sup>2</sup>Formerly known as Principal Credit Opportunities Fund (w.e.f. May 18, 2018)

© CARE's fund credit quality rating is not a recommendation to purchase, sell, or hold a security / fund. It neither comments on the current market price, suitability for a particular investor nor on the prospective performance of the fund with respect to appreciation, volatility of net asset value (NAV), or yield of the fund. The ratings do not address the funds ability to meet the payment obligations to the investors. The ratings are based on current information furnished to CARE by the issuer or obtained by CARE from sources it considers reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. CARE does not perform an audit in connection with any rating and may, on occasion, rely on unaudited information. The ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances. Funds rated by CARE have paid a rating fee.

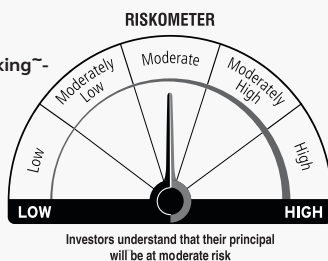
**Principal Short Term Debt Fund:**

(An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year and 3 years)

This product is suitable for investors who are seeking ~-

- Income over a medium term investment horizon.
- Investment in Debt & Money Market Instruments.

~ Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



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