

# Principal Low Duration Fund

An Open Ended Low Duration Debt Scheme Investing In Instruments Such That The Macaulay Duration Of The Portfolio Is Between 6 Months And 12 Months\*

\*Please Refer Page No. 24 of SID on which the concept of Macaulay's Duration has been explained.

An opportunity to do more with your money !

November, 2020

## Why should you invest

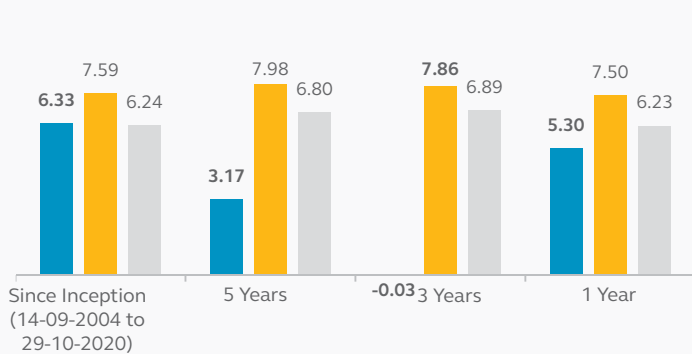
- This Fund comes under the Low Duration Category, with Macaulay Duration range of 6 month-12 month.
- The Fund tries to take advantage of the steepness of the curve.
- Steepness of the curve is the increase in yields from 2 month vs 12 month vs 24 months' papers.
- The mark-to-market component of the fund is managed within defined maturity profile of the scheme. Thus the investors know in advance the risk profile of the Fund and can suitably invest for appropriate investment horizon.
- The Fund has stringent liquidity and credit risk parameters to optimize the risk-return proposition for the investors.

## Outlook

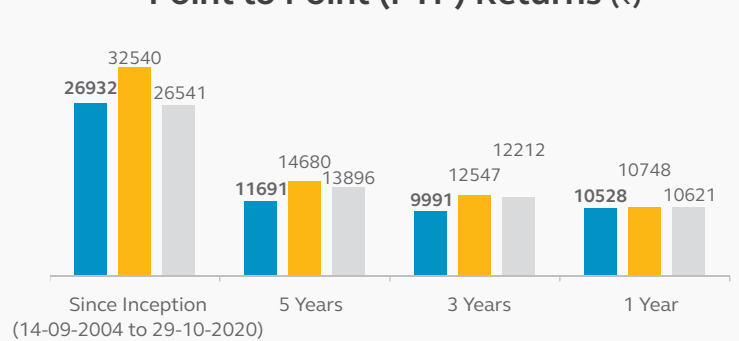
The fund continues to maintain a high quality portfolio with exposures primarily to AAA/AA+ corporate bonds, 1-2 yr sovereign gilts, T bills and CD/CPs. Given the low money market yields we are keeping Macaulay Duration towards the lower end of the spectrum of 6 to 12 months but will increase it on suitable opportunities in the 6month to 2yr space.

## Performance of Scheme (as on October 29, 2020)

### % Return



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



■ Principal Low Duration Fund

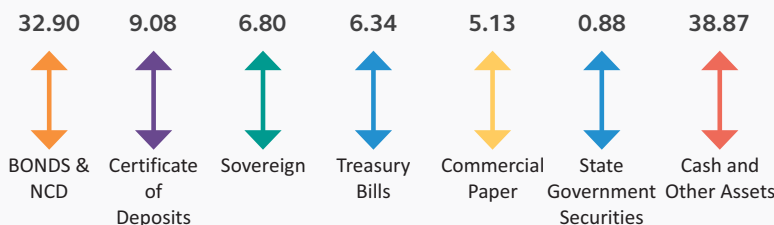
■ CRISIL Low Duration Debt Index (Benchmark)

■ CRISIL 1 Year T-Bill 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). 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.

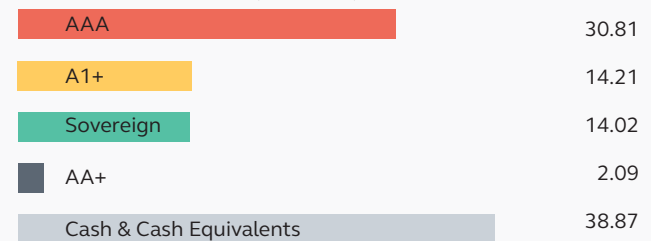
## Top Composition by Assets (as on October 31, 2020)

(% of NAV)



## Top 5 Ratings (as on October 31, 2020)

(% of NAV)



## Investing Facts

### Fund Manager



**Bekky Kuriakose**  
Total work experience of 20 years.  
Managing this scheme since May, 2019

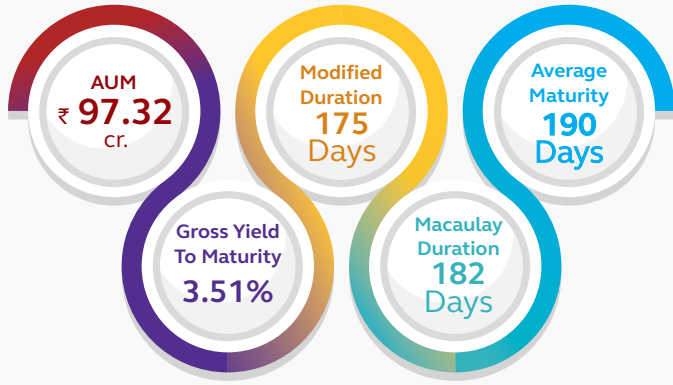
**Plans:** Regular and Direct Plan

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

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

**Exit Load:** NIL (w.e.f. December 26, 2019)

**SIP/STP/RWP-** Available



Date	Regular Plan	
	Dividend (₹/Unit*)	Cum Dividend NAV
April 16, 2019	5.2932	1144.4125
March 15, 2019	7.8697	1146.9890
February 15, 2019	2.6336	1141.7529

Past performance may or may not be sustained in the future. \* On face value of ₹1,000.

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 October 29, 2020)

	1 Year return (%)		3 Years returns (%)		5 Years returns (%)	
	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
<b>Bekxy Kuriakose</b>						
<b>PRINCIPAL Balanced Advantage Fund<sup>2</sup></b> Benchmark - 50% Nifty 100 Index - TRI + 35% CRISIL Short Term Bond Index + 15% Nifty Arbitrage Index Managing since - January 2018 (Debt Portion)	5.33	4.23	3.55	6.43	5.37	8.60
<b>PRINCIPAL Ultra Short Term Fund<sup>1</sup></b> Benchmark - Nifty Ultra Short Duration Debt Index Managing since - May 2019	4.36	5.95	4.04	7.28	5.35	7.38
<b>PRINCIPAL Cash Management Fund</b> Benchmark - CRISIL Liquid Fund Index Managing since - May 2019 (as on 31st Oct 2020)	4.10	4.97	2.85	6.50	4.61	6.77
<b>PRINCIPAL Hybrid Equity Fund<sup>3</sup></b> Benchmark - CRISIL Hybrid 35+65 - Aggressive Index** Managing since - March 2016 (Debt Portion)	1.72	5.60	0.93	6.40	8.77	9.56

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 Money Manager Fund (w.e.f. May 16, 2018), <sup>2</sup> Formerly known as Principal SMART Equity Fund (w.e.f. June 04, 2018) & <sup>3</sup> Formerly known as Principal Balanced Fund (w.e.f. June 11, 2018), <sup>4</sup> Formerly known as Principal Balanced Fund (w.e.f. June 11, 2018).

Mr. Ravi Gopalakrishnan manage Principal Hybrid Equity Fund (Equity Portion) (w.e.f. w.e.f. July 2019). Mr. Ravi Gopalakrishnan manage Principal Balanced Advantage Fund (Equity Portion) - (w.e.f. July 2019). Mr. Ashish Aggrawal manage Principal Hybrid Equity Fund (Equity Portion) as a Associate Fund Manager (w.e.f. October 2019)

\*\* The equity component of CRISIL Hybrid 35+65 - Aggressive Index is represented by total returns variant of S&P BSE 200.

**DISCLAIMER:** The investment strategy stated above may change from time to time without any notice and shall be in accordance with the strategy as mentioned in the Scheme Information Document of the scheme. The views contained herein are not to be taken as an advice or recommendation to buy or sell any investment or interest thereto. Reliance upon information in this material is at the sole discretion of the reader. This material should not be relied upon by you in evaluating the merits of investing in any securities or products. Diversification does not guarantee investment returns and does not eliminate the risk of loss. It should be noted that the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. **Past performance may or may not be sustained in future.** The views and strategies described may not be suitable for all investors. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met. Investors are advised to consult their Investment advisors for determining their risk appetite and Tax Advisor before taking any investment decision.

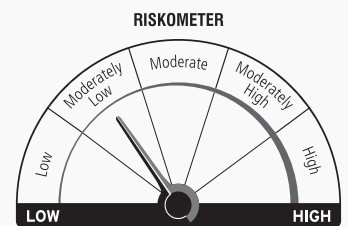
**Principal Low Duration Fund:**

(An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months and 12 months)

**This product is suitable for investors who are seeking ~-**

- Income over a short 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.



Investors understand that their principal will be at moderately low risk

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