



# TRUST MUTUAL FUND

CLEAR ★ CREDIBLE ★ CONSISTENT

## TRUSTMF LIQUID FUND



An Open – Ended Liquid Fund



KIM &  
Application Forms

### Invest Online : Website

Retail Investors    Corporate Investors

### Exchange Platforms:

BSE STAR MF    NSE NMF II MF



TRUST  
MUTUAL  
FUND

CLEAR ★ CREDIBLE ★ CONSISTENT

**Clear** Mandate

**Credible** Investment Process


**Consistent** Focus on Risk Adjusted Returns

TRUST AMC is an asset manager, part of **TRUST Group**, known for its **Thought Leadership** and **Financial Innovation** particularly in Fixed Income space.

TRUST AMC is committed to **Differentiated**, **Innovative** and **Relevant** investment solutions.

## UNIQUE INVESTMENT ETHOS

### STRUCTURED INVESTMENT APPROACH | Limited **ACTIV™** METHODOLOGY







- **Philosophy**
  - To deliver consistent risk adjusted returns | Research driven, Validated by Back-testing
- **Investible Universe**
  - Issuers with Stable AAA Long Term Ratings | Selected on Quality, Stability and Liquidity filters
- **Model Portfolio**
  - Accurate Representation of the Universe | Created on Outstanding Issuance Amount
- **Portfolio Creation**
  - To reflect Model Portfolio characteristics | Constructed within Predefined Deviation Limits
-  Limited **ACTIV™** **Management**
  - Disciplined Allocation | Focussed on Issuer Segments and Maturity Buckets

### **Strategic Knowledge Partnership with CRISIL**

Construction & periodic rebalancing of model portfolio & universe, back-testing & ongoing investment process validation

# WHY INVEST IN THE TRUSTMF LIQUID FUND

## Fund Highlights

-  Focus on Long Term AAA Issuer Rating for Portfolio Creation
-  Emphasis on Credit Quality to provide High Liquidity
-  Structurally Laddered Portfolio with Segmental Allocation
-  Fund Rating - Provisional [ICRA] A1+mfs
-  Strong Internal and External Risk Controls
-  Preferred Target Duration around 25-55 days

# RATING PARADOX – SHORT TERM VS LONG TERM

- A common misconception is to equate short term A1+ rating to the long term rating of AAA
- In reality, an issuer with lower long term rating could be given an A1+ rating for short term instruments
- The highest short term rating does not necessarily translate into highest long term rating

## Mapping long term ratings to short term ratings

Long Term Rating	Short Term Ratings		
	Corporates	NBFCs	Banks
AAA	A1+	A1+	A1+
AA+	A1+	A1+	A1+
AA	A1+	A1+	A1+
AA-	<b>A1+</b>	A1+	A1+
A+	A1	<b>A1+</b>	A1+
A	A1	A1	A1+
A-	A2+	A1	<b>A1+</b>

Short Term Rating Scale
A1+
A1
A2+
A2
A3+
A3
A4+
A4
Below Investment Grade

Source: CRISIL's criteria for rating short term debt – Nov 2019

**We aim to build a portfolio with issuers having a long term AAA rating**

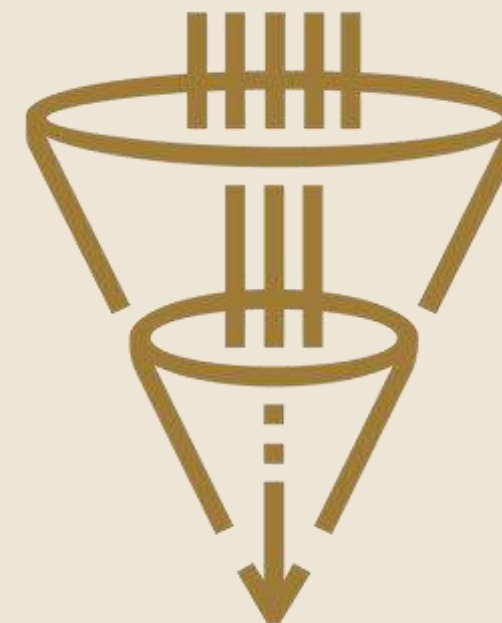
# INVESTIBLE UNIVERSE – ILLUSTRATION

## Filtration done by CRISIL based on parameters defined by AMC

AAA and AAA(CE) rated issuers.....	135
Liquid and semi-liquid Issuers*.....	70
Issuers with stable outlook.....	64
Issuers with AAA conservative rating.....	55
Issuers with no rating change in last 2 years.....	45

**Eligible issuers for the Universe\*\* – 45**

**Model Portfolio created on a broad-based criteria that approximately represents 80% of the eligible issuer universe**



\*CRISIL methodology for liquidity classification is adopted which takes into account issuance/ traded volumes and spreads over appropriate corporate bond benchmark.

The details mentioned herein are only for illustrative purpose in order to explain the concept of model portfolio. It should not be construed as a resemblance to the portfolio of the scheme and the actual portfolio may vary. The investment approach is dynamic and not definitive. Past performance may or may not be sustained in future.

## ISSUERS IN THE UNIVERSE – FEW EXAMPLES

### PSU FI

- EXIM
- NABARD
- IRFC
- SIDBI

### PSU Non FI

- NTPC
- IOCL
- PGC
- ONGC

### Pvt FI

- LIC Housing
- HDFC Ltd
- Kotak Prime
- Sundaram  
Finance

### Pvt Non FI

- Reliance
- L&T
- Ultratech
- M&M

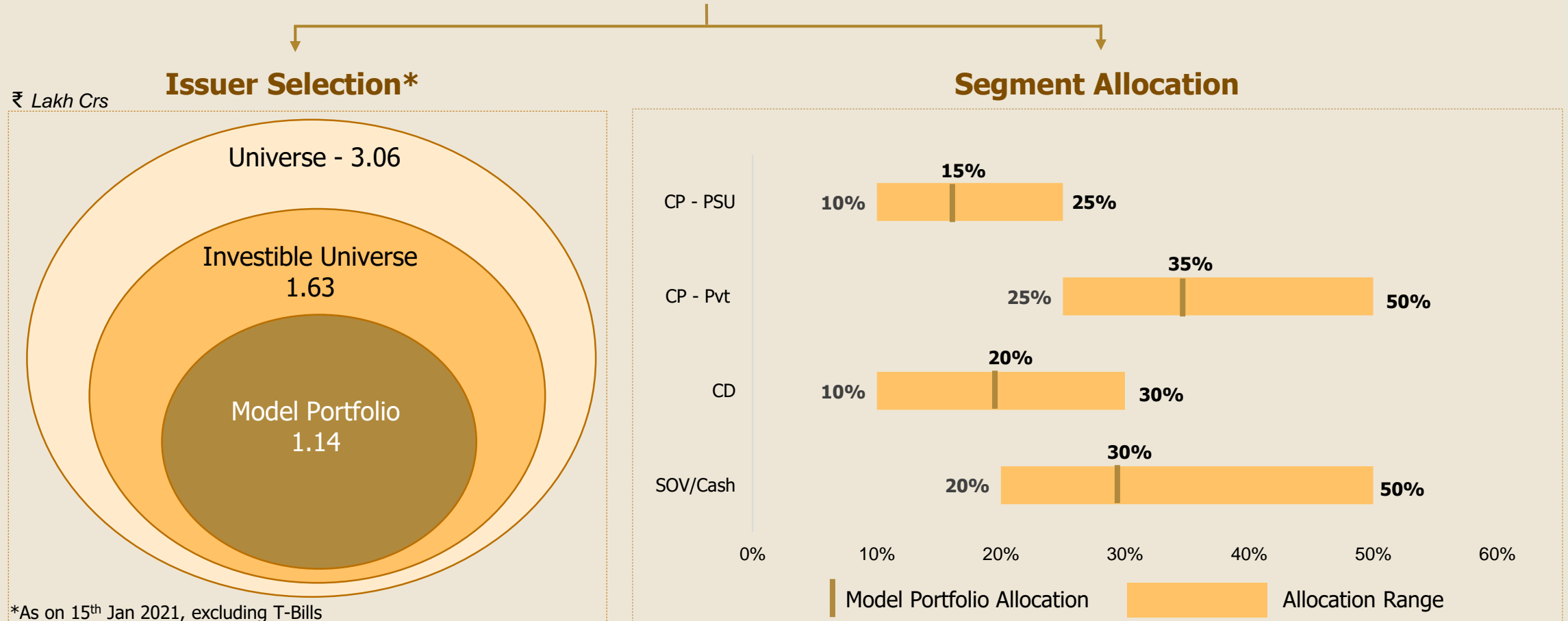
### Bank

- HDFC Bank
- Kotak Bank
- ICICI Bank
- Axis Bank

The stock(s)/issuer(s) mentioned above are for illustrative purposes only and do not constitute any research report /recommendation of the same and the AMC may or may not have any future position in these stock(s)/ issuer(s) in the scheme.

A structured methodology where the Fund Manager takes exposure based on pre-defined limits

**Predefined Limits**

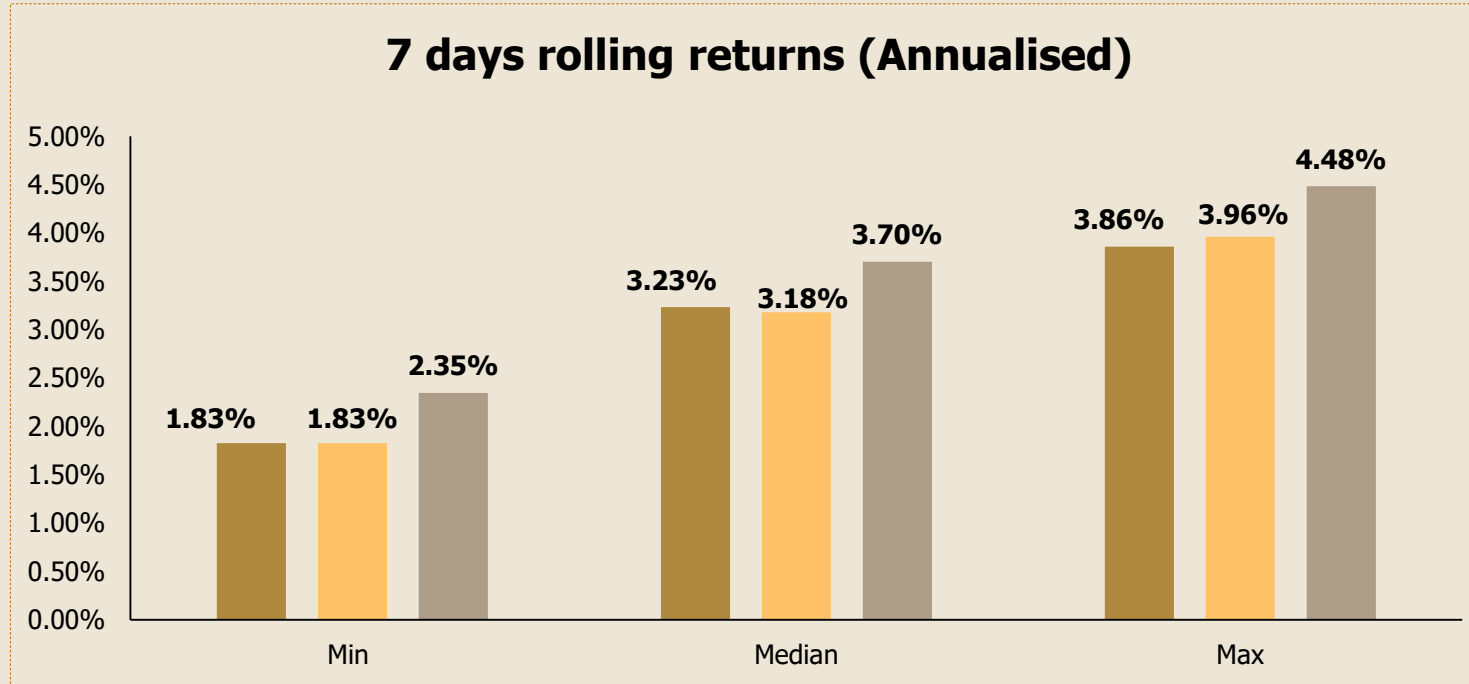


Disclaimer: The above mentioned details under "Issuer Selection" and "Segment Allocation" are for illustrative purpose in order to explain the "LimitedACTIV" Methodology. It should not be construed as a resemblance to the portfolio of the scheme and the actual portfolio may vary.



# BACK-TESTED RESULTS

Model Portfolio simulated and back tested by CRISIL for the last 6 months



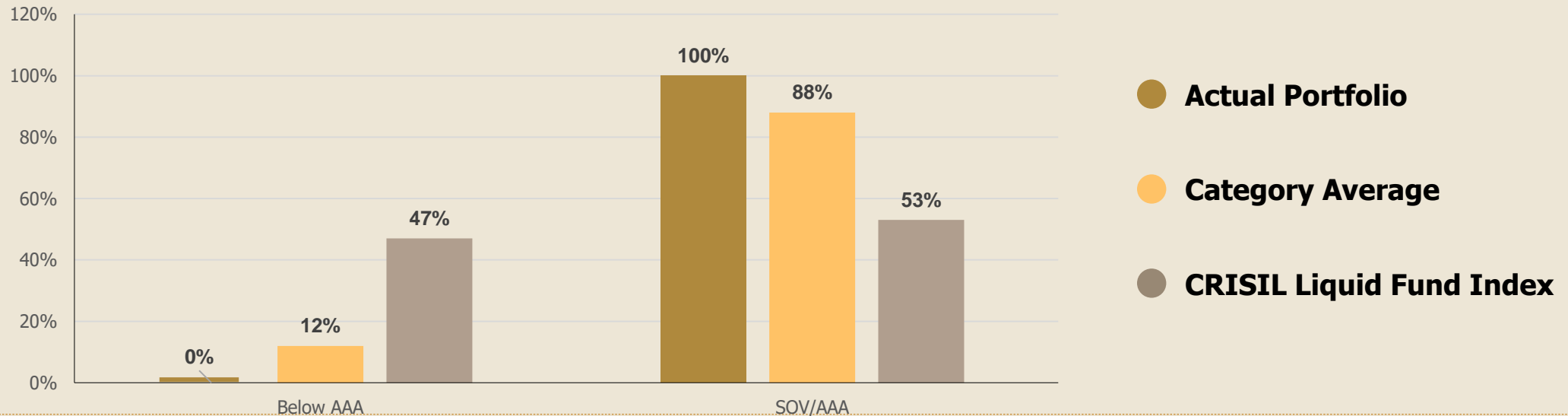
- **Model Portfolio**
- **Category Average**
- **CRISIL Liquid Fund Index**

Returns calculated for the period 31<sup>st</sup> July 2020 to 31<sup>st</sup> Jan 2021.  
TER of 10 bps is considered for model portfolio for direct scheme.

The model portfolio was constructed of instruments filtered through various filters such as quality, stability, liquidity etc. For detailed methodology, please refer to slide no. 6. Back-tested or simulated performance results are designed from certain factual events, scenarios etc. and have certain inherent limitations. Past performance may or may not be sustained in future. The investment approach may change from time to time. The back-tested results are neither an indicator nor a guarantee of future returns and actual results will vary from the analysis. No representation or warranty, expressed or implied is made regarding the future performance of the scheme.

# ASSET QUALITY BREAKUP (As on 30<sup>th</sup> April)

## Long Term Rating Exposure



## Portfolio Parameters

	Actual Portfolio	Category Average	CRISIL Liquid Fund Index
YTM – 30 <sup>th</sup> Apr	3.35%	3.36%	3.50%
YTM net of direct Fee – 30 <sup>th</sup> Apr*	3.24%	3.19%	3.50%
Average Maturity(days)	44	43	40

\*Actual Portfolio fee – 11 bps | weighted average fee of industry – 17 bps | index fee – 0 bps

Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

Source: MFI, CRISIL, TRUST AMC

Past performance may or may not be sustained in future.

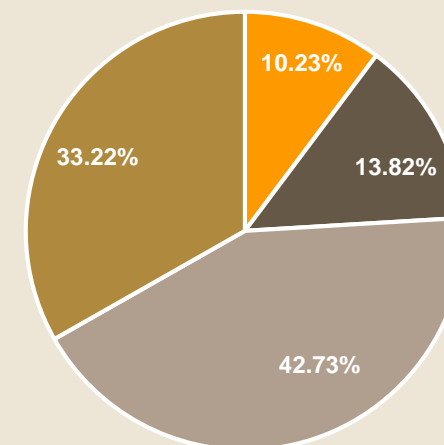
# PORTFOLIO AS ON 15<sup>th</sup> May 2021

Name of Instrument	Rating	Issuer Category	% To Net Assets
<b>Non Convertible Debentures</b>			
HDB Financial Services	AAA	Pvt FI	6.91%
Reliance Industries Ltd.	AAA	Pvt Non FI	6.91%
<b>Subtotal</b>			<b>13.82%</b>
<b>Commercial Papers*</b>			
NABARD	A1+	PSU FI	8.57%
LIC Hsg Fin	A1+	Pvt FI	8.55%
Chennai Petroleum Corporation Ltd.	A1+	PSU Non FI	8.55%
ICICI Securities Ltd.	A1+	Pvt FI	8.52%
<b>Subtotal</b>			<b>34.19%</b>
<b>Certificate of Deposits*</b>			
Axis Bank Ltd.	A1+	Banks	8.54%
<b>Subtotal</b>			<b>8.54%</b>
<b>Treasury Bills</b>			
91 Days Treasury Bill 22-Jul-2021	SOV	Gsec/SDL	8.53%
364 Days Treasury Bill 08-Jul-2021	SOV	Gsec/SDL	1.71%
<b>Subtotal</b>			<b>10.23%</b>
Cash and Cash Eq.			33.22%
<b>Grand Total</b>			<b>100.00%</b>

**\*All issuers have long term rating of AAA**

Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

## Asset Quality



■ SOV ■ AAA ■ A1+ ■ Cash and Cash Eq.

## Portfolio Parameters

YTM	3.44%
YTM net of Fee <sup>#</sup>	3.33%
Average Maturity	35 days
AUM (In Crs)	291.43 Cr.

<sup>#</sup> Direct Plan is considered.  
Past Performance may or may not be sustained in future.

## KEY TEAM MEMBERS



**Mr. Sandeep Bagla**  
Chief Executive Officer  
Honours in Economics,  
PGDM in Finance

- 25 years of experience in investment management for fund houses, primary dealers & financial institutions
- With TRUST Group since 2014
- Worked with ICICI Securities Primary Dealership, AIG Mutual Fund, Reliance Mutual Fund, Principal Mutual Fund etc.



**Mr. Anand Nevatia**  
Fund Manager  
PGDBA  
CFA (ICFAI)

- 17 years of experience in the financial markets
- With TRUST Group since 2003
- Was the Fund Manager of Debt PMS
- Earlier experience includes fixed income research, investment analysis & portfolio advisory

# WHY TRUSTMF LIQUID FUND



## Top Quality Credit

- Focus: Long term Issuer Rating
- Investible universe: AAA long term rating
- Additional credit check: 4 filter method



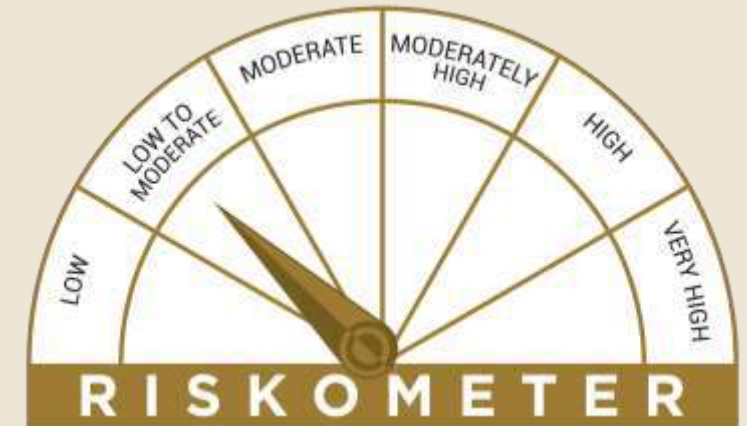
## High Liquidity

- Strategy: 25%+ in Cash/T-bills
- Selection: Based on outstanding amount
- Allocation: Across maturity buckets

**Portfolio Liquidity depends on credit quality & liquidity of underlying instruments  
- not on the size of the scheme**

# SNAPSHOT: TRUSTMF LIQUID FUND

Particulars	Details														
Product Category	Liquid Fund														
Fund Manager	Anand Nevatia														
Benchmark	CRISIL Liquid Fund Index														
Custodian & Fund Accountant	HDFC Bank														
Registrar & Transfer Agent	KFin Technologies Pvt Ltd														
Exit Load as a % of redemption proceeds (including systematic transactions)	<table border="1"> <tbody> <tr> <td>Up to Day 1</td> <td>0.0070%</td> </tr> <tr> <td>Day 2</td> <td>0.0065%</td> </tr> <tr> <td>Day 3</td> <td>0.0060%</td> </tr> <tr> <td>Day 4</td> <td>0.0055%</td> </tr> <tr> <td>Day 5</td> <td>0.0050%</td> </tr> <tr> <td>Day 6</td> <td>0.0045%</td> </tr> <tr> <td>Day 7 inwards</td> <td>Nil</td> </tr> </tbody> </table>	Up to Day 1	0.0070%	Day 2	0.0065%	Day 3	0.0060%	Day 4	0.0055%	Day 5	0.0050%	Day 6	0.0045%	Day 7 inwards	Nil
Up to Day 1	0.0070%														
Day 2	0.0065%														
Day 3	0.0060%														
Day 4	0.0055%														
Day 5	0.0050%														
Day 6	0.0045%														
Day 7 inwards	Nil														



Investors understand that their principal will be at Low to Moderate Risk

## RISKOMETER & Product Suitability Label

This product is suitable for investors who are seeking\*

- Income over short term
- Investment in debt and money market instruments

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

# **TRUST GROUP : A Fixed Income Power House**



# TRUST

In Partnership. With Trust.

## **Vision**

Facilitating Growth | Creating Wealth | For a Sustainable Future |

In Partnership. With TRUST.



# SUSTAINED LEADERSHIP IN FIXED INCOME

- **Investment Banking Solutions**
  - Consistently ranked as a leading investment banker in corporate bonds
  - Known for innovation in structuring Debt products
  - Efficient execution of large-scale transactions
- **Capital Market Services**
  - Leading distributor in corporate debt
  - Broking services in Debt and Equities
- **Financial Innovation – Key Achievements**

Funds Mobilised (Rs.)	
NCDs Participated	17.7 lac crs
NCDs Mobilised	2.5 lac crs
CPs Mobilised	10.3 lac crs

\*Since 2007 to Jan 2021 | Source: Prime Database

- **FIRST CREDIT ENHANCED STATE GUARANTEE DISCOM BONDS**
- **FIRST CMBS BOND TRANSACTION IN INDIA**
- **FIRST BASEL III TIER 1 BANK BONDS**
- **FIRST CERTIFIED CLIMATE GREEN BOND**

# ASSET MANAGEMENT & ADVISORY CAPABILITIES



- **Portfolio Management & Advisory**
  - **Fixed Income**
    - Pioneer in customized debt portfolio management
    - Strong research in credits and rates
  - **Equity**
    - Disciplined insightful investments with a long-term perspective
    - Advise global endowment managed accounts
  - **Advisory**
    - Retirement Benefit Fund and Corporate Advisory
    - Customized portfolio across multiple asset classes
- **Wealth Management and Family Office Advisory**
  - Multi family office advisory platform

<b>Group AUM/ AUA</b> <i>(Rs. Crs)</i>	
Debt	13,190
Equity*	4,785
Wealth Management	9,460

As of Feb' 2021 | Source: Regulatory Filings  
\*As of Dec'2020

# AWARDS AND RECOGNITION



Awarded 'Best Bond Adviser - Domestic' by The Asset Country Awards 2018



Awarded 'India Bond House' for the year 2017 by IFR Asia



Received BSE's Top Performer Award in Primary Market Segment (Debt Public Issue Bids – Members) and corporate bond settlement for the year 2018-19



Certified as a Great Place to Work for the year 2018-19



THOMSON REUTERS

Ranked No. 3 in the Thomson Reuters India Debt League Table for the year 2019

Bloomberg

Ranked No. 11 in the Bloomberg League Table for domestic INR Corporate Bonds for 2019



Ranked No. 1 for commercials papers & Ranked no. 4 for debt private placements for the year 2017-18



Won the Skoch BSE Award 2017 for Innovation and Market Leadership



Ranked No. 2 in the Global Capital Bookrunners of India Debt Capital Market for 2016-17



Awarded 'India Bond House' for the year 2014 by IFR Asia



Rupee Bonds Deal Maker of the year 2015 by Business World Magna Awards



Recognised by NSE for being amongst the top performing members in 2014 and 2015-16 for NSE Bond Futures

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Note for "Provisional ICRA A1+mfs": TRUSTMF Liquid Fund is rated as "Provisional ICRA A1+mfs". Such rating is considered to have very strong degree of safety regarding timely receipt of payments from the investments that they have made. This range should however, not be construed as an indication of the performance of the scheme or of volatility in its returns. The rating should not be treated as a recommendation to buy, sell or hold units issued by the scheme.

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



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