

## About the Scheme

Launched on October 25, 2001, **ICICI Prudential Short Term Fund** is 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.

- Aims to generate income through investments in a range of debt and money market instruments while maintaining the optimum balance of yield, safety and liquidity. In addition, the scheme seeks to derive benefit from any potential mark-to-market returns by tactical, calibrated and opportunistic approach to Government securities.

## Current Investment Approach

- **Instrument profile:** The Scheme predominantly invests in short- to medium-term debt instruments issued by the corporates, financial entities and banks. It may also take view-based exposure to government securities.
- **Credit risk management:** It proposes to predominantly invest in debt instruments of good credit quality. The Scheme also aims to capture credit spread opportunities to generate returns.
- **Security selection:** It seeks to invest in corporate securities that are at reasonable spreads over G-Sec and offer reasonable yield at commensurate risks with an aim to generate accrual returns. The Scheme shall have tactical, calibrated and opportunistic approach to government securities with varying maturities based on the underlying interest rate view.
- The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.
- **Duration management:** The Scheme will actively manage duration with an aim to generate potential capital appreciation. The Scheme aims to maintain its duration in the range of 1 to 3 years.

## Why ICICI Prudential Short Term Fund?

- The Scheme endeavours to generate risk adjusted returns by maintaining a fair balance between duration and yield.
- The Scheme aims to benefit from capital appreciation through active management of G-Sec and active duration management. The Scheme also aims to maintain reasonable yield by investing in decent rated corporate bonds. The Scheme is suitable for investors who aim to invest for 6 months and above and wish to benefit from accrual income as well as opportunistic gains through potential capital appreciation from any favourable rates movements.

## Investment Style

Credit Quality			Duration
High	Medium	Low	
			Low
			Short
			Medium
			Medium to Long
			Long

## Investment Approach



## Potential Risk Class (PRC)

Potential Risk Class (PRC)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-II	

## Scheme Features

Type of Scheme	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. A relatively high interest rate risk and moderate credit risk
Plans	ICICI Prudential Short Term Fund & ICICI Prudential Short Term Fund – Direct Plan
Options	Growth and IDCW* Option (Monthly, Fortnightly and Half-Yearly frequencies) (IDCW payout and reinvestment facility available)
Minimum Application Amount	Rs.5,000 (plus in multiples of Re.1)
Minimum Additional Investment	Rs.1,000 (plus in multiples of Re.1)
Minimum Redemption Amount	Any Amount
Entry Load	Not Applicable
Exit Load	Nil
Fund Manager	Manish Banthia, (Managing this scheme since Nov 2009, has overall 16 years of experience) Nikhil Kabra, (Managing this scheme since Dec 2020, has overall 6 years of experience)
Benchmark Index	CRISIL Short Term Bond Fund Index
SWP/ SIP / STP (Flex/ Value)	Available

\*IDCW – Income Distribution cum Capital Withdrawal Option. Payment of IDCW is subject to availability of distributable surplus and Trustee approval. Pursuant to payment of IDCW, the NAV of the scheme falls to the extent of IDCW payout. When units are sold and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account and which can be used to pay IDCW. IDCW can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. In case the unit holder has opted for IDCW payout option, the minimum amount for IDCW payout shall be 100 (net of statutory levy, if any), else the IDCW would be mandatorily reinvested. IDCW Payout -Payout of Income Distribution cum capital withdrawal option;IDCW Reinvestment - Reinvestment of Income Distribution cum capital withdrawal option.

### This Product is suitable for investors who are seeking\*:

- Short term income generation and capital appreciation solution.
- A debt fund that aims to generate income by investing in a range of debt and money market instruments of various maturities.

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



Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular dated October 05, 2020 on Product Labelling in Mutual Fund schemes –Risk-o-meter. Please refer to <https://www.icicipruamc.com/news-and-updates/all-news> for more details.

## Statutory Details

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

In the preparation of the material contained in this document, ICICI Prudential Asset Management Company Limited (the AMC) has used information that is publicly available, including information developed in-house. Some of the material used in the document may have been obtained from members/persons other than the AMC and/or its affiliates and which may have been made available to the AMC and/or to its affiliates. Information gathered and material used in this document is believed to be from reliable sources. The AMC, however, does not warrant the accuracy, reasonableness and / or completeness of any information. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as “will”, “expect”, “should”, “believe” and similar expressions or variations of such

ICICI Prudential

## Short Term 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. A relatively high interest rate risk and moderate credit risk )



expressions that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, etc. The AMC (including its affiliates), the Mutual Fund, the trust and any of its officers, directors, personnel and employees, shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient alone shall be fully responsible/are liable for any decision taken based on this material. All figures and other data given in this document are dated and the same may or may not be relevant in future. Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of ICICI Prudential Mutual Fund.