

About the Scheme

Launched on September 15, 2004, **ICICI Prudential Medium Term Bond Fund** is an open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. 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

- The scheme focuses on accrual income by endeavouring to invest into medium-term debt instruments available at a spread over current market yields.
- The scheme aims to generate higher carry (interest income) along with due emphasis on credit quality and liquidity.
- The scheme intends to generate income through investments in a range of debt and money market instruments while maintaining the optimum balance of yield, safety and liquidity.

Current Investment Strategy

- **Instrument profile:** The scheme seeks to invest mainly in debt securities issued by corporate. The scheme endeavours to restrict G-Sec allocation with an aim to limit volatility in the scheme.
- **Credit risk management:** The scheme intends to invest in debt instruments of good credit quality. The scheme aims to maintain exposure to securities across credits predominantly between AAA to AA-.
- **Security selection:** The scheme seeks to invest in securities that offer reasonable levels of yield at commensurate risks.
- **Duration management:** The scheme would endeavour to maintain moderate duration. The Macaulay duration is expected to be approximately in the range of 3-4 years.
- **Hold till maturity:** The scheme aims to generate accrual income by investing in corporate bonds primarily with hold till maturity approach.
- **Total return bias:** The scheme aims to benefit from accruals and capital gains from moderate duration calls.

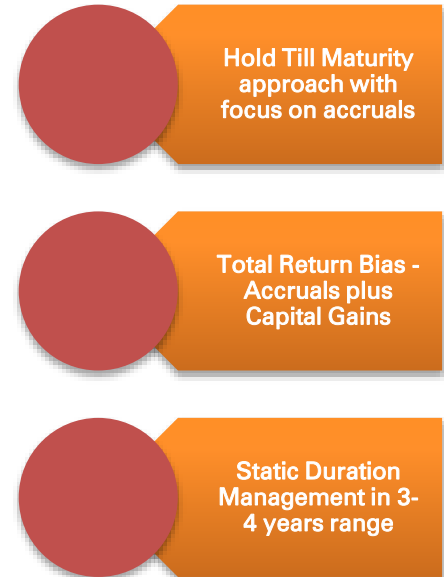
Why ICICI Prudential Medium Term Bond Fund?

- ✓ The scheme aims to provide exposure to good accrual debt instruments.
- ✓ The scheme aims to maintain reasonable Yield to Maturity (YTM) and a moderate duration.
- ✓ The scheme endeavours to follow hold-to-maturity strategy to reduce interest rate volatility with marginal capital appreciation arising due to moderate duration.
- ✓ Investors who have moderate-risk appetite and wish to invest in corporate bonds with an aim to earn returns predominantly through accruals and partly from potential capital appreciation may consider investing in this scheme.

Investment Style

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

Investment Approach



Features of the Scheme

Type of Scheme	An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation.
Plans	ICICI Prudential Medium Term Bond Fund and ICICI Prudential Medium Term Bond Fund – Direct Plan
Options	Growth and IDCW* (Quarterly, Half Yearly and Annual frequencies) (IDCW payout and re-investment facility available)
Minimum Application Amount	Rs.5,000 (plus in multiples of Re.1)
Minimum Additional Application Amount	Rs.1,000 (plus in multiples of Re.1)
Minimum Redemption Amount	Any Amount
Entry Load	Not applicable
Exit Load	Upto 10% of units within 1 year from the date of allotment – Nil More than 10% of units within 1 year from the date of allotment – 1% of applicable NAV After 1 year from the date of allotment – Nil
Fund Manager	Manish Banthia (Managing this scheme since Nov 2016, has 16 years of experience) Shadab Rizvi (Managing this scheme since Jun 2017, has 15 years of experience)
Benchmark Index	CRISIL Medium Term Debt Index
SIP / SWP / 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*:

- Medium term savings
- A debt scheme that invests in debt and money market instruments with a view to maximise income while maintaining optimum balance of yield, safety and liquidity.

*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.

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ICICI Prudential

Medium Term Bond Fund

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