

JANUARY 2011



## *Dear Investors,*

In the past few days I have been flooded with request to give my view on what is the outlook for the stock markets in the year 2011. Will they be up or down or sideways? What will be the triggers? Will FIIs pour in money or hold back as the political uncertainty intimidates them? Will industry do better or worse? Will inflation be up or down? Will interest rates trend upward or downward?

I sometimes wonder whether it would not have been better to have learnt astrology and make an honest living by predictions. If we were to take the pundits' words at the beginning of 2010 and evaluate very specific recommendations made by them vis a vis what has actually happened, there is a 50% chance that they were right – about the same as tossing coins in the air. The calendar year began with the NIFTY at 5201.05 and ended at 6134.50.

In between we had good and bad news on a daily basis which caused the market to fluctuate but eventually the growth trajectory was maintained on the back of exceptional FII flows and our economic results. The negatives were inflation and some political disharmony but these did not have a significant effect on the market. But when I was looking at the various articles around last new year, I did not see a single concrete prediction that was realized.

In our business, we work with probabilities and conjuncture. To take this as “advance news” or a science and act upon it, is rarely beneficial in the short term. So my message to you this new year is simple – investment is a boring thing: you just have to buy good companies and buy them whenever you have the money. The index provides the best basket of such good companies and it is picked by the Index Committee of the Stock Exchange, which does not manage any funds and so has no vested interest in the selection of stocks.

As the NIFTY has crossed 6000 I am, once again, being asked to make predictions: here is one for 2011 – if you buy the index via index funds regularly and whenever you have the money you are likely to make a decent return in the long term. Incidentally, this prediction will work in 2012, 2013 and subsequent years too.

*Have a great 2011 and peaceful investing in the new year.*

With regards



**Krishnamurthy Vijayan**

*MD & Chief Executive Officer*

## Equity Market Overview

### Some Key Events in December 2010 and their implications

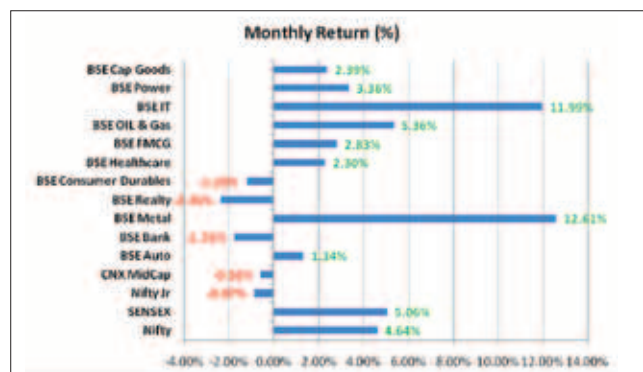
**Inflation check:** According to the Central Statistical organization (CSO), inflation dropped sharply to 7.48% in November from 8.52% in October on the back of declining momentum, contraction in food grain index and favorable base effect. Primary articles, fuel group and manufactured product inflation were at 13%, 10.3% and 4.6%, respectively.

**Index of Industrial Production (IIP):** The IP index bounced back from 4.4% Y-o-Y growth in September 2010 to 10.8% growth in October 2010. The Capital Goods Index grew by 22% Y-o-Y in October 2010 from -4.1% Y-o-Y growth of previous month and helped the overall index substantially to springing back on track from its 16 month low. The metal related industries registered solid growth in October 2010. The average Y-o-Y growth for 5 metal industries stayed around 29%. The recent volatility in IP index seems to be over as almost all the sectors contributed positively and equally in the overall growth.

**RBI mid-quarter policy review:** In the mid-quarter policy review, the RBI announced liquidity enhancing measures - OMO of INR 480 bn over the next month, SLR cut from 25% to 24%, to address the persistent shortfall in domestic liquidity. However, the policymakers left repo/reverse repo rates and CRR unchanged but maintained a hawkish undertone in the policy statement. The RBI stresses that the liquidity measures do not suggest a change in its monetary stance.

### Market Summary

After two consecutive months of losses the NSE benchmark Nifty Index bounced back in style. Profit booking by retail and institutional investors continued at the start of the month while a cloud of scams dictated the market sentiments. Above expectations Industrial Production numbers, Inflation numbers below 7.5% and liquidity enhancing measures announced by RBI revived the investor's sentiments and we saw the Nifty bouncing back closing the month with a gain of around 4.6% at 6,134.5. On the sectoral front, BSE Metal and BSE IT were the major gainers with each closing more than 12% higher than last month's close. On the other hand, BSE realty (down ~2.4%) and BSE Bank (down ~1.8%) were the major losers for the month.



Source : Bloomberg

## Fixed Income Overview

**Global economy:** U.S. 10-year bond yields marched further northward, from 2.80% to 3.29%, touching a high of 3.54% during the month. Inflationary expectations created by Quantitative Easing-2 and extension of tax cuts, were the precipitating factors for the sharp fall in bond prices. However, fears of stagnation in the recovery process were far from allayed, due to ambiguous economic data released in the U.S. with respect to initial/ continuing unemployment claims, payroll movements, consumer demand, home sales, inventory levels etc.

Meanwhile, stability outlook of the Euro Zone continued to worsen as Fitch downgraded Portugal's sovereign rating to A+ due to further deterioration in fiscal health. Fitch also downgraded Hungary's rating to BBB+.

Chinese economy saw inflation levels of above 5% due to stimulus spending by the Government in the last fiscal, and easy credit by banks. China raised its benchmark lending and deposit rates, and also its reserve requirements for both, big and small banks. Further anti-inflationary measures are expected in 2011.

Global commodity prices, especially crude oil and metals, rallied more due to speculative hoarding, than on account of increased global demand. Brent crude breached the crucial level of \$90/ barrel to reach \$94 towards the end of the month, amidst expectations of \$100 prices in 2011.

**Indian economy:** Absence of significant Government spending, advance tax outflow of ~ Rs.45,000 crores, and robust credit growth accompanied by slower deposit growth took liquidity deficit to alarming levels. Systemic liquidity deficit peaked in December, with banks' overnight borrowing from the RBI reaching an all-time high of Rs.170,500 crores.

Short-term interest rates followed suit, as yields on 3-month Certificates of Deposits shot up further by almost 70 basis points from 8.50% to 9.20%, before settling at 9.05 - 9.10% levels. The yield curve turned inverted, a rare phenomenon in the Indian context, with 5-year AAA bond yields at 8.90 - 9.00%. Benchmark 10-year G-sec yields were extremely volatile between 7.90% and 8.21%, on liquidity concerns and auction of FII limits in G-sec and corporate bonds on December 2, 2010.

In its Mid-Quarter Review of Monetary Policy on December 2, RBI kept policy rates unchanged, but announced a permanent reduction in Statutory Liquidity Ratio (SLR) from 25% to 24%. However, as the earlier temporary SLR reduction of 2% was brought down to 1%, effective position of SLR was unchanged at 23%. RBI also announced a buyback of G-sec to the extent of Rs.48,000 crores to be conducted in the following month, as liquidity deficit was far beyond RBI's comfort levels of Rs.45,000 crores. Overall, the RBI was hawkish about 'above-comfort' inflation levels caused by domestic demand-side pressures and global commodity prices. Though renewed Government spending is expected beginning January, liquidity is expected to be significantly strained till the end of the fiscal year.

WPI for November fell sharply to 7.48% from 8.58% in October, while the September WPI underwent revision from 8.63% to 8.93%. Core inflation (non-food manufacturing) fell to 4.56% from 4.75% in October. However, weekly food inflation rose sharply to 14.44% for the week ended December 18, from 8.69% for the week ended November 20, due to crop destruction due to excess rainfall in certain parts of the country. The fuel and power index also rose to 11.63% from 9.99%, due to rise in crude prices. Primary articles' inflation also shot up to 17.24% from 12.72% due to food inflation and mineral/ metal prices. With high projected growth, and sustainable increase in global commodity prices, inflation horses seem far from reined in.

IIP figures for October came in at a strong 10.8% (YoY), much higher than 4.4% for September, with strong numbers across manufacturing, electricity and capital goods. The HSBC India Manufacturing Purchasing Managers' Index (PMI), a measure of the overall health of the manufacturing sector, eased to 56.7 in December from 58.4 in November, due to reduction in growth momentum, after the rapid growth in November. This augurs weaker IIP numbers for December. However, sequential reading of the monthly PMI numbers suggests a stable growth momentum to be sustained in the near term.

Source : Bloomberg News, IDBI Asset Management Ltd. - Internal Research

# IDBI Nifty Index Fund

(An open-ended passively managed equity scheme tracking the S&P CNX Nifty Index [Total Returns Index])

## Scheme Features

### Investment objective:

The investment objective of the scheme is to invest only in and all the stocks comprising the S&P CNX Nifty Index in the same weights of these stocks as in the Index with the objective to replicate the performance of the Total Returns Index of S&P CNX Nifty index. The scheme may also invest in derivatives instruments such as Futures and Options linked to stocks comprising the Index or linked to the S&P CNX Nifty index. The scheme will adopt a passive investment strategy and will seek to achieve the investment objective by minimizing the tracking error between the S&P CNX Nifty index (Total Returns Index) and the Scheme.

### Benchmark:

S&P CNX Nifty Index (Total Returns Index)

### Fund Manager:

Mr. Gautam Kaul

### Inception Date:

25th June, 2010

### NAV (as on 31st December 2010):

Growth: ₹ 11.6117

Dividend: ₹ 11.0742

### Plans:

- Growth Plan
- Dividend Plan
  - Reinvestment
  - Payout

### Asset Allocation Pattern:

Instrument	Indicative allocation (% of total assets)		Risk Profile
	Min.	Max.	
Stocks in the S&P CNX Nifty Index and derivative instruments linked to the S&P CNX Nifty Index	95%	100%	Medium to High
Cash and Money Market Instruments including money at call but excluding Subscription and Redemption Cash Flow	0%	5%	Low to Medium

### Application Amount:

New Purchase – ₹ 5000/- and in multiples of ₹ 100/- thereafter

### Min. Addl. Investment:

₹ 1000/- and in multiples of ₹ 100/- thereafter

### Load Structure:

Entry Load: Nil.

### Exit Load:

1% for exit (repurchase / switch-out / SWP), on or before 1 year from the date of allotment.

### For SIP

1% of Exit (repurchase / switch-out), on or before 1 year from the date of allotment of each installment.

### SIP:

#### Monthly Option:

₹ 500 per month for a minimum period of 12 months or ₹ 1,000 per month for a minimum period of six months.

#### Quarterly Option:

₹ 1,500 per quarter for a minimum period of 4 quarters.

### SWP:

Minimum balance in the Scheme should be ₹ 25,000 at the time of enrollment for SWP. Minimum amount for each withdrawal should be ₹ 1,000 and in multiples of ₹ 1 thereafter for a minimum period of 6 months.

### STP:

Available

## Portfolio as on 31/12/2010

Security Name	% To Net Assets	Security Name	% To Net Assets
<b>EQUITY</b>		Mahindra & Mahindra Ltd.	1.91%
ACC Ltd.	0.60%	Maruti Suzuki India Ltd.	1.04%
Ambuja Cements Ltd.	0.65%	NTPC Ltd.	1.42%
Axis Bank Ltd.	1.90%	Oil & Natural Gas Corp Ltd.	2.40%
Bajaj Auto Ltd.	1.15%	Power Grid Corporation of India Ltd.	0.76%
Bharat Heavy Electricals Ltd.	2.03%	Punjab National Bank Ltd.	0.90%
Bharat Petroleum Ltd.	0.47%	Ranbaxy Laboratories Ltd.	0.51%
Bharti Airtel Ltd.	2.42%	Reliance Capital Ltd.	0.42%
Cairn India Ltd.	0.80%	Reliance Communications Ltd.	0.53%
Cipla Ltd.	1.04%	Reliance Industries Ltd.	9.91%
DLF Ltd.	0.59%	Reliance Infrastructure Ltd.	0.65%
Dr. Reddy's Laboratories Ltd.	1.16%	Reliance Power Ltd.	0.48%
Gas Authority of India Ltd.	1.27%	Sesa Goa Ltd.	0.69%
HCL Technologies Ltd.	0.59%	Siemens Ltd.	0.69%
HDFC Bank Ltd.	4.59%	State Bank of India Ltd.	4.02%
HDFC Ltd.	5.22%	Steel Authority of India Ltd.	0.59%
Hero Honda Motors Ltd.	1.05%	Sterlite Industries ( India ) Ltd.	1.64%
Hindalco Industries Ltd.	1.79%	Sun Pharmaceuticals Industries Ltd.	1.02%
Hindustan Unilever Ltd.	1.81%	Suzlon Energy Ltd.	0.22%
ICICI Bank Ltd.	7.28%	Tata Consultancy Services Ltd.	3.28%
Infosys Technologies Ltd.	9.18%	Tata Motors Ltd.	2.42%
Infrastructure Development Finance Co. Ltd.	1.07%	Tata Power Company Ltd.	1.22%
ITC Ltd.	5.10%	Tata Steel Ltd.	2.30%
Jaiprakash Associates Ltd.	0.67%	Wipro Ltd.	1.36%
Jindal Steel & Power Ltd.	1.53%	<b>Equity Total</b>	<b>101.05%</b>
Kotak Mahindra Bank Ltd.	0.88%	Cash Receivables	-1.05%
Larsen & Toubro Ltd.	5.82%	<b>Total</b>	<b>100.00%</b>

## Fund Features

Average AUM for the qtr. ended December 2010 : ₹ 134.95 Crs.

## Scheme Performance as on 31/12/2010 (in %)

Scheme Name	1 Month	3 Months	6 Months	Since Inception (25-Jun-2010)
IDBI Nifty Index Fund (Growth)	4.58	1.35	14.56	16.12
S&P Nifty Index - TRI	4.69	1.90	15.99	17.00

Source: Accord Fintech

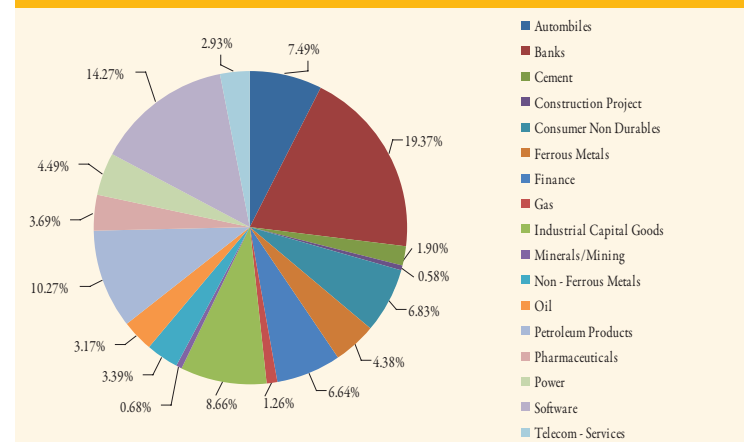
Disclaimer: Returns are of growth plan. Past Performance may or may not be sustained in the future.

## Dividend History

Date	Rate	Cum Dividend NAV (in ₹)	Ex Dividend NAV (in ₹)
<b>IDBI Nifty Index Fund - Dividend</b>			
15th Oct 2010	0.4000	11.5740	10.9628
1st Sept 2010	0.1200	10.2883	10.2886

Past performance may or may not be sustained in the future. After the payment of dividend, the per unit NAV falls to the extent of the dividend payout and distribution taxes, if any.

## Sector Classification



# IDBI Nifty Junior Index Fund

(An open-ended passively managed equity scheme tracking the CNX Nifty Junior Index (Total Returns Index))

## Scheme Features

### Investment objective:

The investment objective of the scheme is to invest only in and all the stocks comprising the CNX Nifty Junior Index in the same weights of these stocks as in the Index with the objective to replicate the performance of the Total Returns Index of CNX Nifty Junior Index. The scheme may also invest in derivatives instruments such as Futures and Options linked to stocks comprising the Index or linked to the CNX Nifty Junior Index as and when the derivative products on the same are made available. The scheme will adopt a passive investment strategy and will seek to achieve the investment objective by minimizing the tracking error between the CNX Nifty Junior Index (Total Returns Index) and the Scheme.

### Benchmark:

CNX Nifty Junior Index (Total Returns Index)

### Fund Manager:

Mr. Gautam Kaul

### Inception Date:

20th September, 2010

### NAV (as on 31st December 2010):

Growth: ₹ 9.6137

Dividend: ₹ 9.6137

### Plans:

- Growth Plan
- Dividend Plan
  - Reinvestment
  - Payout

### Asset Allocation Pattern:

Instrument	Indicative allocation (% of total assets)		Risk Profile
	Min.	Max.	
Stocks in the CNX Nifty Junior Index and derivative instruments linked to the CNX Nifty Junior Index as and when the derivative products are made available on the same	95%	100%	Medium to High
Cash and Money Market Instruments including money at call but excluding Subscription and Redemption Cash Flow	0%	5%	Low to Medium

### Application Amount:

New Purchase – ₹ 5000/- and in multiples of ₹ 100/-

### Min. Addl. Investment:

₹ 1000/- and in multiples of ₹ 100/-

### Load Structure:

Entry Load: Nil.

Exit Load:

1% for exit (repurchase/switch-out/SWP/STP) on or before 1 year from the date of allotment.

For SIP

1% for exit(repurchase/switch-out/SWP/STP) on or before 1 year from the date of allotment of each installment.

### SIP:

#### Monthly Option:

₹ 500 per month for a minimum period of 12 months or ₹ 1,000 per month for a minimum period of six months.

#### Quarterly Option:

₹ 1,500 per quarter for a minimum period of 4 quarters.

### SWP:

Minimum balance in the Scheme should be ₹ 25,000 at the time of enrollment for SWP. Minimum amount for each withdrawal should be ₹ 1,000 and in multiples of ₹ 1 thereafter for a minimum period of 6 months.

### STP:

Available

## Portfolio as on 31/12/2010

Security Name	% To Net Assets	Security Name	% To Net Assets
<b>EQUITY</b>			
Adani Enterprises Ltd.	4.75%	Industrial Finance Corporation Ltd.	1.32%
Aditya Birla Nuvo Ltd.	1.36%	JSW Steel Ltd.	4.13%
Andhra Bank Ltd.	1.03%	LIC Housing Finance Ltd.	1.71%
Ashok Leyland Ltd.	1.22%	Lupin Ltd.	3.31%
Asian Paints Ltd.	3.96%	Mangalore Refinery & Petrochemicals Ltd.	0.43%
Bank of Baroda Ltd.	4.40%	Mphasis Ltd.	1.44%
Bank of India Ltd.	2.45%	Mundra Port and Special Economic Zone Ltd.	1.89%
Bharat Electronics Ltd.	1.00%	Oracle Financial Services Software Ltd.	1.12%
Bharat Forge Ltd.	1.49%	Patni Computer Systems Ltd.	0.66%
Biocon Ltd.	0.85%	Power Finance Corporation Ltd.	1.06%
Canara Bank Ltd.	2.12%	Punj Lloyd Ltd.	0.68%
Colgate Palmolive (India) Ltd.	1.69%	Rural Electrification Corporation Ltd.	2.86%
Container Corporation of India Ltd.	1.77%	Shriram Transport Finance Company Ltd.	3.01%
Corporation Bank Ltd.	0.49%	Syndicate Bank Ltd.	0.65%
Crompton Greaves Ltd.	3.43%	Tata Chemicals Ltd.	2.00%
Cummins India Ltd.	2.23%	Tech Mahindra Ltd.	0.70%
Exide Industries Ltd.	2.24%	The Federal Bank Ltd.	1.98%
Glaxosmithkline Pharmaceuticals Ltd.	2.85%	The Indian Hotels Co. Ltd.	1.42%
Glenmark Pharmaceuticals Ltd.	1.48%	Torrent Power Ltd.	1.36%
GMR Infrastructure Ltd.	1.53%	UltraTech Cement Ltd.	3.11%
Grasim Industries Ltd.	4.66%	Union Bank of India Ltd.	2.28%
Hindustan Petroleum Corporation Ltd.	1.89%	United Phosphorus Ltd.	1.64%
Housing Development and Infrastructure Ltd.	1.33%	United Spirits Ltd.	3.58%
IDBI Bank Ltd.	1.66%	Yes Bank Ltd.	2.13%
Indiabulls Real Estate Ltd.	1.27%	<b>Equity Total</b>	<b>98.53%</b>
Indian Overseas Bank Ltd.	0.90%	Cash Receivables	1.47%
		<b>Total</b>	<b>100.00%</b>

## Fund Features

Average AUM for the qtr. ended December 2010 : ₹ 49.02 Crs.

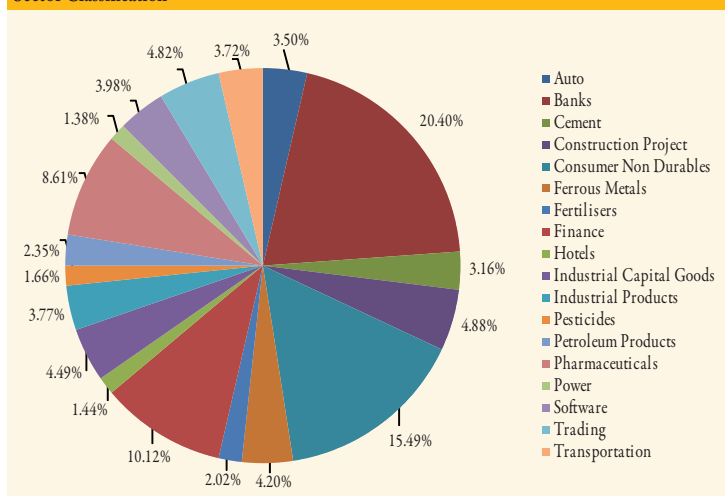
## Scheme Performance as on 31/12/2010 (in %)

Scheme Name	1 Month	3 Months	Since Inception (20-Sept-2010)
IDBI Nifty Junior Index (G)*	-0.99	-3.10	-3.86
CNX Nifty Junior-TRI	-0.86	-2.77	-3.62

\*Source: Accord Fintech

Disclaimer: Returns are of growth plan. Past Performance may or may not be sustained in the future.

## Sector Classification





**Scheme Features**
**Investment objective:**

The investment objective of the Scheme will be to provide investors with high level of liquidity along with regular income for their investment. The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a low risk portfolio of money market and debt instruments.

**Benchmark:**

CRISIL Liquid Fund Index

**Fund Manager:**

Mr. Gautam Kaul

**Inception Date:**

9th July, 2010

**NAV (as on 31st December 2010):**

Growth	₹10.3139
Daily Dividend	₹10.0000
Weekly Dividend	₹10.0130
Monthly Dividend	₹10.0087

**Plans:**

- Growth Option
- Dividend Option
  - Daily Dividend
  - Weekly Dividend
  - Monthly Dividend

**Asset Allocation Pattern:**

Instrument	Indicative allocation (% of total assets)		Risk Profile
	Min.	Max.	
Money market instruments with maturity/residual maturity up to 91 days	50%	100%	Low
Debt instruments (including floating rate debt instruments and securitized debt)* with maturity/residual maturity/interest rate resets up to 91 days	0%	50%	Low to Medium

\* Investment is securitized debt not to exceed 50% of the net assets of the Scheme. Investment in Derivatives will be up to 50% of the net assets of the Scheme. The Scheme does not propose to invest in foreign securities.

**Application Amount:**

New Purchase – ₹ 5000/- and in multiples of ₹ 100/- thereafter

**Min. Addl. Investment:**

₹ 1000/- and in multiples of ₹ 100/- thereafter

**Load Structure:**

Entry Load: Not Applicable

Exit Load : Nil

**SIP:**
**Monthly Option:**

₹ 500 per month for a minimum Period of 12 months or

₹ 1,000 per month for a minimum period of 6 months

**Quarterly Option:**

₹ 1,500 per quarter for a minimum period of 4 quarters with additional investment thereafter..

**SWP:**

Minimum balance in the Scheme should be ₹ 25,000 at the time of enrollment for SWP. Minimum amount for each withdrawal should be ₹ 1,000 and in multiples of ₹ 1 thereafter for a minimum period of 6 months.

**STP:**

Available

**Portfolio as on 31/12/2010**

Security Name	Rating	% To Net Assets	Security Name	Rating	% To Net Assets
<b>CERTIFICATES OF DEPOSIT</b>			Corporation Bank	P1+	3.27%
Punjab National Bank	PR1+	19.65%	Axis Bank Ltd	P1+	3.27%
UCO Bank	P1+	16.43%	Andhra Bank Ltd.	PR1+	3.27%
Central Bank of India	PR1+	13.09%	Bank of India	P1+	0.93%
Canara Bank	P1+	3.31%	<b>COMMERCIAL PAPERS</b>		
Punjab National Bank	A1+	3.29%	Reliance Capital Ltd	A1+	6.60%
The Federal Bank Ltd.	PR1+	3.28%	Apollo Tyres	P1+	3.26%
Indian Overseas Bank	A1+	3.28%	Edelweiss Capital Ltd.	P1+	3.26%
Oriental Bank of Commerce	P1+	3.28%	JM Financial Products Pvt Ltd.	P1+	3.26%
Allahabad Bank Ltd	A1+	3.27%	Cash "n" Call Assets & Receivables		0.73%
State Bank of India	P1+	3.27%	<b>TOTAL</b>		<b>100.00%</b>

YTM : 9.10% Average Maturity : 67.83 days Modified Duration : 67.83 days

Average AUM for the qtr. ended December 2010 : ₹ 1486.51 Crs

**Scheme Performance as on 31/12/2010 (in %)**

Scheme Name	1 Week	2 Week	1 Month	3 Months	Since Inception (9-July-2010)
IDBI Liquid Fund (G)	7.75	7.50	7.26	7.04	6.55
Crisil Liquid Fund Index	7.70	7.47	7.40	6.78	6.27

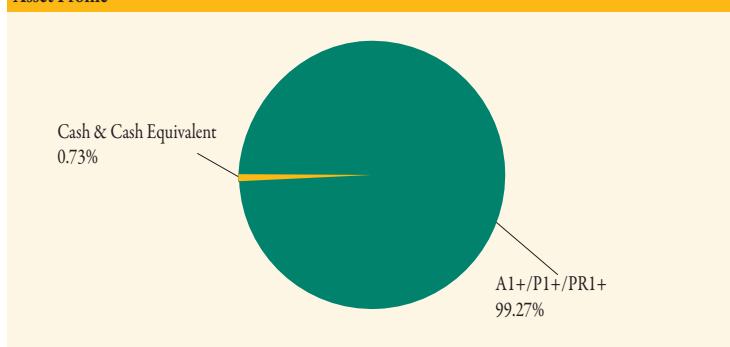
Source: Accord Fintech

Disclaimer: Returns are of growth plan. Past Performance may or may not be sustained in the future.

**Dividend History**

Date	Rate	Cum Dividend NAV* (in ₹)	Ex Dividend NAV (in ₹)
<b>IDBI Liquid Fund - Weekly Dividend</b>			
26th Dec 2010	0.0111	10.0123	10.0022
19th Dec 2010	0.0094	10.0084	10.0022
12th Dec 2010	0.0107	10.0103	10.0006
5th Dec 2010	0.0103	10.01	10.0006
28th Nov 2010	0.01	10.0096	10.0006
21st Nov 2010	0.0105	10.0097	10.0003
14th Nov 2010	0.0106	10.0096	10.0000
7th Nov 2010	0.0104	10.0076	10.0000
<b>IDBI Liquid Fund - Monthly Dividend</b>			
27th Dec 2010	0.0489	10.0603	10.0000
25th Nov 2010	0.0470	10.0582	10.0000

Past performance may or may not be sustained in the future. After the payment of dividend, the per unit NAV falls to the extent of the dividend payout and distribution taxes, if any. \* The Cum dividend NAV disclosed above pertains to the previous business day.

**Asset Profile**


\* For rating disclaimers, please refer to page 7

**Scheme Features**
**Investment objective:**

The objective of the Scheme will be to provide investors with regular income for their investment. The Scheme will endeavour to achieve this objective through an allocation of the investment corpus in a diversified portfolio of money market and debt instruments with maturity predominantly between a liquid fund and a short term fund while maintaining a portfolio risk profile similar to a liquid fund.

**Benchmark:**

CRISIL Liquid Fund Index

**Fund Manager:**

Mr. Gautam Kaul

**Inception Date:**

3rd September, 2010

**NAV (as on 31st December 2010):**

Growth	₹10.2337
Daily Dividend	₹10.0000
Weekly Dividend	₹10.0100
Monthly Dividend	₹10.0099

**Plans:**

- Growth Option
- Dividend Option
  - Daily Dividend
  - Weekly Dividend
  - Monthly Dividend

**Asset Allocation Pattern:**

Instrument	Indicative allocation (% of total assets)		Risk Profile
	Min.	Max.	
Money market instruments/debt instruments (including floating rate debt instruments and securitized debt*) with maturity/residual maturity up to 1 year (or 365 days)	80%	100%	Low to Medium
Debt instruments (including floating rate debt instruments and securitized debt*) with duration/maturity/residual maturity above 1 year	0%	20%	Medium

It is the intent of the Scheme to maintain the average maturity of the portfolio within a range of 30 days to 120 days under normal market conditions depending on the fund manager's assessment of various parameters including interest rate environment, liquidity and macro-economic factors. However, the maturity profile of the scheme can undergo a change in case the market conditions warrant and at the discretion of the fund manager.

\*Investment in Securitised Debt not to exceed 50% of the net assets of the Scheme. Investment in Derivatives will be upto 50% of the net assets of the Scheme.

**Application Amount:**

New Purchase – ₹ 5000/- and in multiples of ₹ 100/- thereafter

**Min. Addl. Investment:**

₹ 1000/- and in multiples of ₹ 100/- thereafter

**Load Structure:**

Entry Load: Not Applicable

Exit Load : Nil

**SIP:**
**Monthly Option:**

₹ 500 per month for a minimum Period of 12 months or

₹ 1,000 per month for a minimum period of 6 months

**Quarterly Option:**

₹ 1,500 per quarter for a minimum period of 4 quarters .

**SWP:**

Minimum balance in the Scheme should be ₹ 25,000 at the time of enrollment for SWP. Minimum amount for each withdrawal should be ₹ 1,000 and in multiples of ₹ 1 thereafter for a minimum period of 6 months.

**STP:**

Available

**Portfolio as on 31/12/2010**

Security Name	Rating	% To Net Assets	Security Name	Rating	% To Net Assets
<b>CERTIFICATES OF DEPOSIT</b>			<b>COMMERCIAL PAPERS</b>		
UCO Bank	P1+	17.93%	Aditya Birla Finance Ltd	A1+	12.58%
Central Bank of India	PR1+	17.83%	Apollo Tyres	P1+	8.91%
Bank of India	P1+	15.64%	Kotak Mahindra Prime Ltd	P1+	7.17%
Canara Bank	P1+	8.99%	HCL Infosystems Ltd.	A1+	3.60%
State Bank of India	P1+	8.93%	Cash "n" Call Assets & Receivables		-10.51%
Union Bank of India	P1+	8.93%	<b>TOTAL</b>		<b>100.00%</b>

YTM : 9.42% Average Maturity : 67.94 days Modified Duration : 67.94 days

Average AUM for the qtr. ended December 2010 : ₹ 381.13 Crs

**Scheme Performance as on 31/12/2010 (in %)**

Scheme Name	1 Week	2 Week	1 Month	3 Months	Since Inception (3-Sept-2010)
IDBI Ultra Short Term Fund (G)	8.42	7.82	7.53	7.23	7.17
Crisil Liquid Fund Index	7.70	7.47	7.40	6.78	6.59

Source: Accord Fintech

Disclaimer: Returns are of growth plan. Past Performance may or may not be sustained in the future.

**Dividend History**

Date	Individual Dividend (in ₹)	Institutional Dividend (in ₹)	Cum Dividend NAV* (in ₹)	Ex Dividend NAV (in ₹)
<b>IDBI Ultra Short Term Fund - Weekly Dividend</b>				
28th Dec 2010	0.0126	0.0118	10.0144	10.0024
21st Dec 2010	0.0122	0.0114	10.0139	10.0019
14th Dec 2010	0.0123	0.0115	10.0140	10.0021
7th Dec 2010	0.0119	0.0111	10.0135	10.0020
30th Nov 2010	0.0117	0.0109	10.0133	10.0020
23rd Nov 2010	0.0121	0.0113	10.0138	10.0019
16th Nov 2010	0.0117	0.0109	10.0133	10.0019
9th Nov 2010	0.0098	0.0092	10.0112	10.0021
2nd Nov 2010	0.0121	0.0113	10.0119	10.0000
<b>IDBI Ultra Short Term Fund - Monthly Dividend</b>				
28th Dec 2010	0.0560	0.0522	10.0637	10.0024
26th Nov 2010	0.0509	0.0474	10.0579	10.0020

Past performance may or may not be sustained in the future. After the payment of dividend, the per unit NAV falls to the extent of the dividend payout and distribution taxes, if any. \* The Cum dividend NAV disclosed above pertains to the previous business day.

### Corporate Office

#### IDBI Asset Management Limited

2nd Floor, IDBI Building, Plot No.39-41, Sector-11, CBD Belapur, Navi Mumbai – 400614.

• **Phone:** 022-66096100 • **Fax:** 022-66096110 • **e-mail:** [contactus@idbimutual.co.in](mailto:contactus@idbimutual.co.in) • **website:** [www.idbimutual.co.in](http://www.idbimutual.co.in)

• **SMS:** IDBIMF on 09220092200 • **Tollfree:** 1800-22-4324 (between 9 a.m. – 6 p.m. from Monday to Friday)

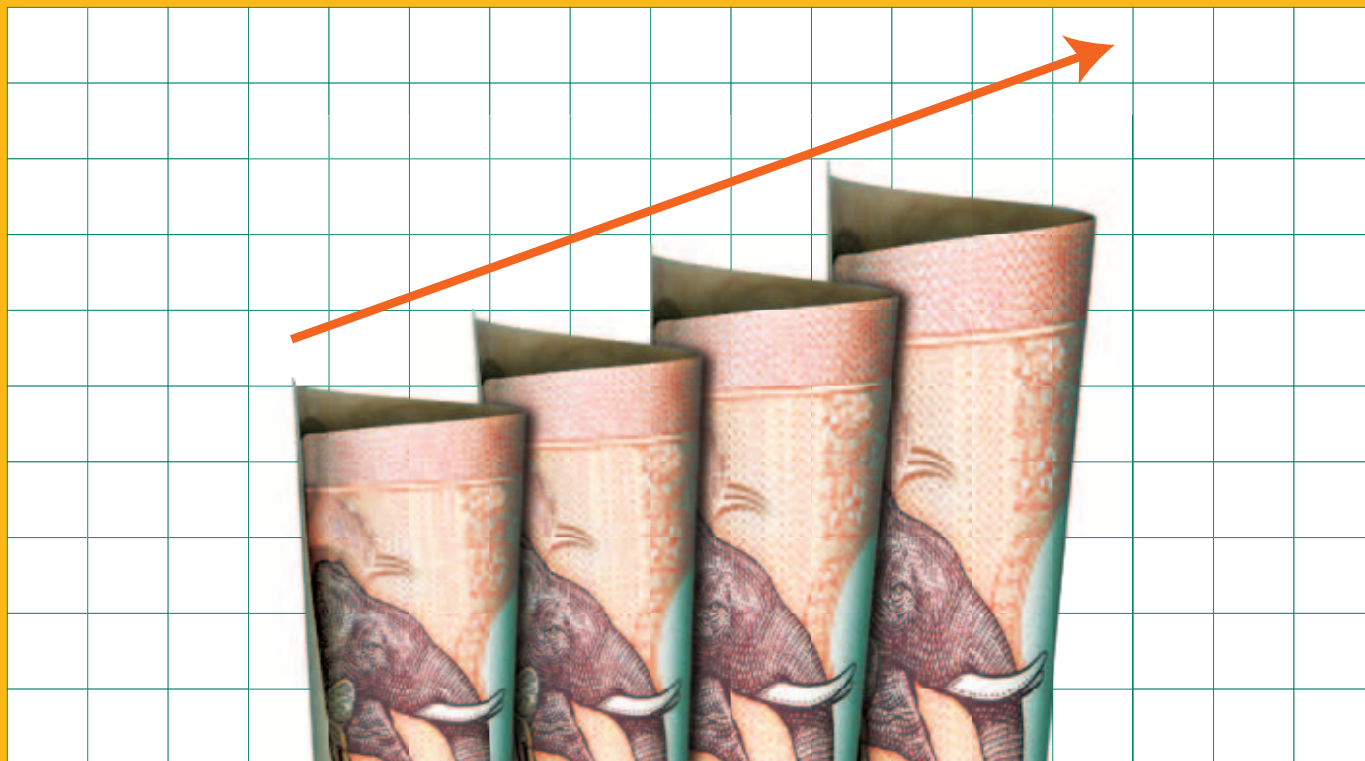
### Our Branches

<b>Ahmedabad</b>	: IDBI Mutual Fund, IDBI Complex, 1st Floor, Near Lal Bungalow, Off CG Road, Ahmedabad - 380 006. Tel.: 079 – 64502167 / 68. Fax : 079 – 26400844.
<b>Bangalore</b>	: IDBI Mutual Fund, IDBI House, 3rd Floor, IDBI Mutual Fund No. 58, Mission Road, Bangalore - 560 027. Tel.: 080-41495263 / 41409786 Fax : 080-41495264.
<b>Chandigarh</b>	: IDBI Mutual Fund, IDBI Bank Ltd., 3rd Floor, SCO 72/73, Bank Square, Sector - 17B, Chandigarh - 160 016. Tel.: 0172-5076705 Fax: 0172-5086705.
<b>Chennai</b>	: IDBI Mutual Fund, Ground Floor, Lancor Westminster Building, Old No. 108, New No. 70, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004. Tel.: 044-43456113 Fax: 044-43456110.
<b>Delhi</b>	: IDBI Mutual Fund, IDBI Bank, 5th Floor, Red Cross Building, Red Cross Road, Parliament Street, New Delhi - 110 001. Tel.: 011-66130050 Fax: 011-66130051.
<b>Hyderabad</b>	: IDBI Mutual Fund, 3rd Floor, 5-9-89/1, Chapel Road, Hyderabad - 500 001. Tel.: 040 - 66663559 Fax: 040 - 66663889
<b>Indore</b>	: IDBI Mutual Fund, IDBI Bank Ltd., Ground Floor, Alankar Chambers, Ratlam Kothi, Indore - 452 001. Tel.: 0731-6679127 Fax: 0731-2510101
<b>Kochi</b>	: IDBI Mutual Fund, IDBI Bank, Corporate Office, Near Passport Office, Panampally Nagar, Kochi - 680 366. Tel.: 0484 - 6462112.
<b>Kolkatta</b>	: IDBI Mutual Fund, IDBI House, 6th floor, 44, Shakespeare Sarani, Kolkata - 700 017. Tel.: 033- 66337627 Fax: 033-66337629
<b>Lucknow</b>	: IDBI Mutual Fund, IDBI Bank, 2 M G Marg, Kisan Sekhari Bhawan, Hazratganj, Lucknow - 226 001. Tel.: 0522- 2202863 / 6500103
<b>Mumbai</b>	: IDBI Mutual Fund, Mittal Court, 2nd Floor, C-Wing, Nariman Point, Mumbai - 400021. Tel.: 022-67498397 Fax: 022-67498399.
<b>Pune</b>	: IDBI Mutual Fund, IDBI House, 4th Floor, Dnayaneshwar, Paduka Chowk, S C Road, Shivaji Nagar, Pune - 411 004. Tel.: 020-66057037/36 Fax: 020-66057035

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