

# Kotak Gilt Investment

## About Kotak Gilt Investment

The investment objective of the scheme is to generate risk free returns through investments in sovereign securities issued by the Central and/or State Government(s) and / or reverse repos in such securities. The sovereign nature of government securities offers investor a credit-risk free play on interest rates. The scheme offers a play on interest rates by managing duration actively. Duration is increased if the view is that of falling interest rates and vice versa. The scheme also enables retail participation in the otherwise wholesale government securities market. Kotak gilt investment is suitable for investors who do not want to take on credit risk associated with other debt instruments and have a time horizon of over one year.

## Portfolio Action

The debt market is currently reeling under incremental supply pressure, which has hardened yields on the far side of the curve. However, the increasing liquidity pressure in the system due to Rupee stabilization may prompt RBI to announce OMO measures. This may also assist RBI in cushioning the yields in the secondary market from hardening further. Another market factor has been the renewed depreciation in the Rupee value, which has negated the concurrent decline in the Brent prices.

However, were Brent prices to slide further from current levels, the latent inflationary pressure in the economy may reduce. This would provide increased monetary maneuverability to the central banker in wake of moderating growth.

For now, the market is in a state of flux regarding the issuance of the new 10 year benchmark in gsecs. The 10 year gsec is trading at 8.66% and if at this juncture the RBI issues a new 10 year gsec, we could see the market rally as money finds its way into the new gsec.

Consequently, the fund has increased its long term gilt holdings in anticipation of the rally in the market on account of OMO announcement and/or the new 10 year gilt issuance. The high yields available in the secondary gilt market provide ample value buying opportunities as also lock in a relatively high-carry. The ytm of the fund is presently at 8.75% while the average maturity is at 9.03 yrs.

## Kotak Gilt Investment\*Performance (%) as on 30<sup>th</sup> March, 2012

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	ISEC Composite Index # (%)	CRISIL 10 Year Gilt Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Gilt - Investment Regular Plan - Growth</b>							
Since inception till March 30, 2012	35.87	10.10	N.A	N.A	35819	N.A	N.A
March 31, 2011 to March 30, 2012	35.87	9.0533	6.790	2.4342			
March 31, 2010 to March 31, 2011	32.89	5.7781	6.407	4.6145	Not Applicable		
March 31, 2009 to March 31, 2010	31.10	7.8515	4.423	3.596	Not Applicable		

Scheme Inception date is 29/12/1998. Fund Managed by Mr Abhishek Bisen & Mr Deepak Agrawal.

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	ISEC Composite Index # (%)	CRISIL 10 Year Gilt Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Gilt Investment PF &amp; Trust Plan - Growth</b>							
Since inception till March 30, 2012	36.62	6.50	6.07	3.9211	16960	16394	13808
March 31, 2011 to March 30, 2012	36.62	9.0528	6.790	2.4342			
March 31, 2010 to March 31, 2011	33.58	5.8044	6.407	4.6145	Not Applicable		
March 31, 2009 to March 31, 2010	31.74	8.0155	4.423	3.596	Not Applicable		

Scheme Inception date is 11/11/2003. Fund Managed by Mr Abhishek Bisen & Mr Deepak Agrawal

^Past performance may or may not be sustained in future. \*All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of ` 10,000/- invested at the beginning of a 12 month period as at the end of that period scheme performance. Additional benchmark for equity schemes & scheme benchmark - source: ICRA MFI Explorer. Additional benchmark for debt schemes - source: Bloomberg. Classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark. ## Name of Additional Benchmark. Please refer page no. 2 for top 3 and bottom 3 schemes managed by Mr Abhishek Bisen & Mr Deepak Agrawal.

## Scheme Facts

<b>Structure</b>	An Open - Ended Dedicated Gilt Unit Scheme
<b>Quarterly AAUM*</b>	Regular. - ₹113.25 crs Pf & T. - ₹10.94 crs
<b>Launch Date</b>	Regular. - December 29, 1998 Pf & T. - November 11,2003
<b>Benchmark</b>	ISEC Composite Index
<b>Min. Initial Inv.</b>	₹5000
<b>Additional Inv.</b>	₹1000 & in multiples of ₹1
<b>Standard Deviation^</b>	Regular. 4.08 Pf & Trust 4.08
<b>Beta^</b>	Regular. 0.34 Pf & Trust 0.34
<b>Sharpe^</b>	Regular. 0.63 Pf & Trust 0.64
<b>Alpha^</b>	Regular. 3.21 Pf & Trust 3.22
<b>YTM</b>	8.75%
<b>Portfolio Modified Duration</b>	9.03 yrs.
<b>Average Maturity</b>	9.03 yrs.
<b>Load Structure</b>	
<b>Entry load:</b>	(a) Regular Plan - Entry: Nil. (b) PF & Trust Plan - Entry: Nil.
<b>Exit Load:</b>	(a) Regular Plan - Exit: Nil. (b) PF & Trust Plan - Exit: Nil.

\*As on 31<sup>st</sup> March 2012 and Source: MFI Explorer.

^ As on 30<sup>th</sup> April 2012 and Value Research.

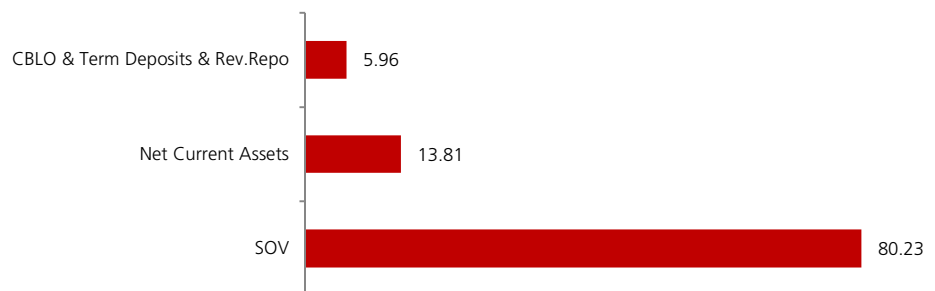
## Top Companies\*

8.79%	Central Government	23.69%
9.15%	Central Government	23.12%
8.24%	Central Government	23.11%
8.33%	Central Government	10.31%

## Sector Allocation\*

Government Dated Securities	80.23
Net Current Assets	13.81
CBLO & Term Deposits & Rev.Repo	5.96

## Rating Profile\*



\*As on 30<sup>th</sup> April 2012.

### Top 3 Funds Managed by Mr. Deepak Agrawal

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Crisil Composite Bond Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Bond Deposit - Growth</b>							
Since inception till March 30, 2012	28.27	8.78	N.A	6.0667	28282	N.A	20701
March 31, 2011 to March 30, 2012	28.27	10.009	7.6779	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	25.70	5.0075	5.0617	3.8581			
March 31, 2009 to March 31, 2010	24.48	6.9664	5.4117	3.0809			

Scheme Inception date is 25/11/1999. Fund Managed by Mr Abhishek Bisen &amp; Mr Deepak Agrawal.

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Crisil Composite Bond Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Bond Regular Plan - Growth</b>							
Since inception till March 30, 2012	30.31	9.39	N.A	6.0667	30304	N.A	20701
March 31, 2011 to March 30, 2012	30.31	10.0085	7.6779	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	27.55	5.0832	5.0617	3.8581			
March 31, 2009 to March 31, 2010	26.22	6.7168	5.4117	3.0809			

Scheme Inception date is 25/11/1999. Fund Managed by Mr Abhishek Bisen &amp; Mr Deepak Agrawal

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Crisil Liquid Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Floater - ST - Growth</b>							
Since inception till March 30, 2012	17.56	6.67	6.0656	5.0487	17558	16709	15363
March 31, 2011 to March 30, 2012	17.56	9.4595	8.4435	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	16.04	6.3708	6.2075	3.8581			
March 31, 2009 to March 31, 2010	15.08	4.0592	3.6932	3.0809			

Scheme Inception date is 14/07/2003. Fund Managed by Mr Deepak Agrawal &amp; Mr Abhishek Bisen.

### Bottom 3 Funds Managed by Mr. Deepak Agrawal

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Crisil Composite Bond Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Flexi Debt Fund - Growth</b>							
Since inception till March 30, 2012	16.47	7.06	N.A	5.8978	21899	N.A	19318
March 31, 2011 to March 30, 2012	16.47	8.816	6.9	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	15.13	5.5683	4.96	3.8581			
March 31, 2009 to March 31, 2010	14.34	4.2783	3.5	3.0809			

Scheme Inception date is 06/12/2004. Fund Managed by Mr Deepak Agrawal &amp; Mr Abhishek Bisen.

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Crisil Liquid Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Liquid - Regular - Growth</b>							
Since inception till March 30, 2012	20.47	6.43	N.A	5.8978	20463	N.A	19318
March 31, 2011 to March 30, 2012	20.47	8.4106	8.4435	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	18.88	5.7783	6.2075	3.8581			
March 31, 2009 to March 31, 2010	17.85	3.8595	3.6932	3.0809			

Scheme Inception date is 05/10/2000. Fund Managed by Mr Deepak Agrawal &amp; Mr Abhishek Bisen.

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	ISEC SIBEX # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Gilt - Savings Plan - Growth</b>							
Since inception till March 30, 2012	23.99	6.81	N.A	6.35	23955	N.A	22609
March 31, 2011 to March 30, 2012	23.99	8.2196	7.392	6.5914	Not Applicable		
March 31, 2010 to March 31, 2011	22.17	3.7639	4.904	3.8581			
March 31, 2009 to March 31, 2010	21.36	3.9091	6.097	3.0809			

Scheme Inception date is 29/12/1998. Fund Managed by Mr Abhishek Bisen &amp; Mr Deepak Agrawal.

### Top 3 Funds Managed by Mr. Abhishek Bisen

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Physical Gold Price # (%)	CRISIL 10 Year Gilt Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Gold ETF</b>							
Since inception till March 30, 2012	2730.62	27.33	28.64	5.6325	30981	32493	12923
March 31, 2011 to March 30, 2012	2730.62	34.8811	36.23	2.4342	Not Applicable		
March 31, 2010 to March 31, 2011	2024.47	25.7323	27.01	4.6145			
March 31, 2009 to March 31, 2010	1610.14	7.135	8.1906	3.596			

Scheme Inception date is 27/07/2007. Fund Managed by Mr. Abhishek Bisen.

Date	NAV Per Unit (₹.)	Scheme Returns (%) ^	Physical Gold Price # (%)	CRISIL 10 Year Gilt Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Gold Fund</b>							
Since inception till March 30, 2012	13.77	30.81	31.9025	2.5609	13139	13250	10260
March 31, 2011 to March 30, 2012	13.77	31.5792	36.23	2.4342	Not Applicable		

Scheme Inception date is 25/03/2011. Fund Managed by Mr. Abhishek Bisen

# Kotak Gilt Investment

Date	NAV Per Unit (₹)	Scheme Returns (%) ^	Crisil Short Term Bond Fund Index # (%)	CRISIL 1 Year T-Bill Index # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak FMP - Series 43 (367 Days) - Growth</b>							
Since inception till March 30, 2012	11.02	10.15	8.3548	6.611	11024	10843	10667
March 31, 2011 to March 30, 2012	11.02	10.107	8.2802	6.5914	Not Applicable		

Scheme Inception date is 28/03/2011. Fund Managed by Mr. Mayank Prakash.

## Bottom 3 Funds Managed by Mr. Abhishek Bisen

Date	NAV Per Unit (₹)	Scheme Returns (%) ^	MSCI Emerging Market Index # (%)	S&P CNX Nifty # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Global Emerging Equity Market Fund</b>							
Since inception till March 30, 2012	10.44	0.96	-2.76	1.5499	10439	8815	10719
March 31, 2011 to March 30, 2012	10.44	2.4536	-11.05	-9.2256	Not Applicable		
March 31, 2010 to March 31, 2011	10.19	13.1483	15.89	11.1381			
March 31, 2009 to March 31, 2010	9.01	61.351	77.26	73.7566			

Scheme Inception date is 26/9/2007. Fund Managed by Mr. Deepak Gupta (Dedicated fund manager for overseas investment) &amp; Mr. Abhishek Bisen

Date	NAV Per Unit (₹)	Scheme Returns (%) ^	Crisil Balanced Fund Index # (%)	S&P Nifty # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Balance</b>							
Since inception till March 30, 2012	23.74	15.83	N.A	11.3152	61452	N.A	37593
March 31, 2011 to March 30, 2012	23.74	0.6502	-3.1732	-9.2256	Not Applicable		
March 31, 2010 to March 31, 2011	23.59	7.6995	9.3669	11.1381			
March 31, 2009 to March 31, 2010	21.90	58.6412	47.3091	73.7566			

Scheme Inception date is 25/11/1999. Fund Managed by Mr. Emmanuel Elango &amp; Mr. Krishna Sanghvi &amp; Mr. Abhishek Bisen

Date	NAV Per Unit (₹)	Scheme Returns (%) ^	S&P CNX Nifty # (%)	BSE Sensex # (%)	Current Value of Standard Investment of ₹ 10000 in the		
					Scheme (₹)	Benchmark # (₹)	Additional Benchmark # # (₹)
<b>Kotak Select Focus Fund</b>							
Since inception till March 30, 2012	11.20	4.56	3.6773	2.6913	11204	10965	10701
March 31, 2011 to March 30, 2012	11.20	-4.5005	-9.2256	-10.4963	Not Applicable		
March 31, 2010 to March 31, 2011	11.73	9.4607	11.1381	10.9395			

Scheme Inception date is 11/09/2009. Fund Managed by Mr. Krishna Sanghvi, Mr. Pradeep Kumar &amp; Mr. Abhishek Bisen.

N.A stands for data not available. ^Past performance may or may not be sustained in future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of ₹ 10,000/- invested at the beginning of a 12 month period as at the end of that period scheme performance. Additional benchmark for equity schemes & scheme benchmark - source: ICRA MFI Explorer. Additional benchmark for debt schemes - source: Bloomberg. Classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark. ## Name of Additional Benchmark.

## About Kotak Mutual Fund

Kotak Mahindra Asset Management Company Limited (KAMAC) is a wholly owned subsidiary of Kotak Mahindra Bank Limited (KMBL). KMBL has over two decades of experience in financial services and services 6.7 million customers. KMBL has a market capitalization of USD 8.21 billion\* (as on 30th April 2012). KAMAC is the Asset Manager for Kotak Mahindra Mutual Fund (KMMF). It started operations in December 1998 and has over one million investors in various schemes. KMMF offers schemes catering to investors with varying risk - return profiles and was the first fund house in the country to launch a dedicated gilt scheme. KAMAC manages assets worth USD 4.76 billion\* as of 30<sup>th</sup> April 2012. (Source: kotak.com & amfiindia.com)

\* The numbers are converted using the Rupee- USD reference rate published by the Reserve Bank of India as on the respective dates.

## To know more

Call : 1800-222-626 ( Toll Free), Mumbai 6638-4400, Delhi 66306900 / 02, Chennai 28221333 / 45038171, Kolkatta 64509802 / 03, Pune 64013395 / 96, Ahmedabad 26779888, Bangalore 66128050 / 51, Hyderabad 66178140 / 41, Visit mutualfund.kotak.com

## Disclaimer

**Kotak Gilt** is an open-ended dedicated gilt scheme. **Investment Objective:** To generate risk free returns through investments in sovereign securities issued by the Central govt and/or State Government(s) and/or reverse repos in such securities.

**Kotak Bond** is an open-ended debt scheme. **Investment Objective:** The Investment Objective of the scheme is to create a portfolio of debt and money market instruments of different maturities so as to spread the risk across a wide maturity horizon & different kinds of issuers in the debt markets.

**Kotak Floater Short Term** is an open-ended debt scheme. **Investment Objective:** To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.

**Kotak Flexi Debt** is an open-ended debt scheme. **Investment Objective:** To maximize returns through an active management of a portfolio of debt and money market securities.

**Kotak Liquid** is an open-ended debt scheme. **Investment Objective:** To provide reasonable returns and high level of liquidity by investing in debt and money market instruments, of different maturities so as to spread the risk across different kinds of issuers in the debt markets.

**Kotak Gilt Savings** is an open-ended dedicated gilt unit scheme. **Investment Objective:** To generate risk free returns through investments in sovereign securities issued by the Central govt and/or State Government(s) and/or reverse repos in such securities.

# Kotak Gilt Investment

**Kotak Gold ETF (an open ended gold exchange traded fund):** To generate returns that are in line with the returns on investment in physical gold, subject to tracking errors.

**Kotak Global Emerging Market Fund** is an open-ended equity scheme. **Investment Objective:** The investment objective of the scheme is to provide long-term capital appreciation by investing in an overseas mutual fund scheme that invests in a diversified portfolio of securities as prescribed by SEBI from time to time in global emerging markets.

**Kotak Balance** is an open-ended balanced scheme. **Investment Objective:** To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.

**Kotak Select Focus Fund** is an open-ended equity scheme. **Investment Objective:** The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally focused on a few selected sectors.

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully. Scheme Information Document (SID) and Statement of Additional Information (SAI) available on [mutualfund.kotak.com](http://mutualfund.kotak.com)**