

Medium Duration, Medium to Long Duration & Long Duration Funds

POST 14

Medium Duration Funds

- Invests in debt and money market securities between 3 to 4 years
- More susceptible to interest rate movements
- Investors with a time horizon of at least 3 to 4 years can invest

Medium to Long Duration Funds

- Invests in debt and money market instruments with Macaulay duration between 4 to 7 years
- Suitable for investors with a long term investment horizon and can take higher risk

Long Duration Funds

- Invests in debt instruments with Macaulay duration of more than 7 years
- Extremely sensitive to interest rate changes
- Suitable for a longer time horizon and high risk appetite