

# DWS Treasury Fund – Cash Plan

## Safety\*, Liquidity and Returns

India – June 2011



A member of  
Deutsche Bank Group



\*Investors in the scheme are not being offered any assurance/ guarantee of investment.

\*\* For disclaimers, please refer to slide 15.

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# Global Macro Environment

- World economy recovery remains on twin track though macro uncertainties remain high
  - *Crude prices have been on an upward trend under geopolitical concerns ; brent crude is trading up 17% ytd*
  - *Global commodity prices have also seen a rising trend, given the weakness in US dollar*
  - *Rating outlook on US and Japan was revised downwards by S&P in April 2011, citing fiscal concerns and rising debt levels*
  - *US Q1CY2011 GDP growth declined to 1.8%, down from 3.1% in Q4-CY2010; full year GDP growth estimates have been revised downwards to 3.1-3.3% from 3.4-3.9%*
  - *Unemployment rate has fallen to sub 9%, after staying close to 10% for more than 2 years*
  - *The QE package of USD 600 bio announced in November 2010, is coming to an end signaling the end of QE*
  
- Asia has led the world recovery but rising inflation may temper growth in the short term
  - *Inflation remains a key concern in China and India and is proving to be more sticky than expected; further inflation drivers changing and core inflation trending up*
  - *After aggressively raising rates since March 2010 and first half of CY 2011, we may be nearing the end of the rate hike cycle in India.*

The views expressed above may or may not be achieved.

## Local Macro Environment

- The Index of Industrial Production (IIP) for the month of March (with 2 month lag) printed at 7.30% higher than the market expectation and over February level of 3.70% (revised upward from 3.60%) driven by higher manufacturing sector output which rose 7.9% v/s 3.60% in the previous month.
- Exports in April 2011 jumped 34.4% to USD 23.8 bio continuing with the trend witnessed for most of fiscal 2011. Imports to rose though at a slower pace, to USD 32.8 bio. Trade deficit for April 2011 was estimated at USD 8.9 bio, lower than the USD 11.02 bio witnessed in April 2010.
- Full year exports for fiscal 2011 stood at USD 245 bio (+37.5%); full year imports stood at USD 350 bio. As a result of buoyant exports, fiscal deficit at USD 105 bio was lower than the originally estimated figure of USD 125-130 bio.
- WPI eased marginally to 8.66% in April as against the March inflation of 9.04% (revised from 8.98%) driven by softening in primary articles as well as manufacturing product prices.
- Food inflation (for the week ended May 14, 2011) printed at 8.55%, while primary article inflation stood at 11.60%

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# Liquidity Scenario

- System continues to remain in deficit mode with the average daily negative LAF balance of banks with RBI, rising to INR 535 bio in May from INR42.64 bio in April 2011.
- RBI is expected to keep system liquidity in a deficit mode for the foreseeable future, as the 'repo' has become the operative policy rate and to aid better policy transmission
- Liquidity may turn tighter in mid June as advance tax outflows hit the system.
- IT refunds for FY 2011 aggregating INR 500 bio were repaid in April / May this year. RBI issued Cash Management Bills (CMBs) aggregating INR 320 bio in April in order to partly compensate for these outflows. Maturity of the CMBs have been scheduled mostly around mid June, to coincide with advance tax receipts

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# Cash Plan: Focus on Quality & Liquidity

## ■ Investment Objective:

- An open ended liquid plan with the primary objective to provide liquidity and generate stable returns to the investors by investing in a high quality portfolio comprising a mix of short term debt and money market instruments.
- The portfolio will predominantly stay invested in securities issued by entities rated at least AA/P1+



# DWS Treasury Fund: Cash Plan

Asset Class	Indicative Allocations Risk (% of Total Assets)	Risk Profile
Debt securities and Money Market instruments with maturity up to 91 days.	Upto 100%	Low to Medium

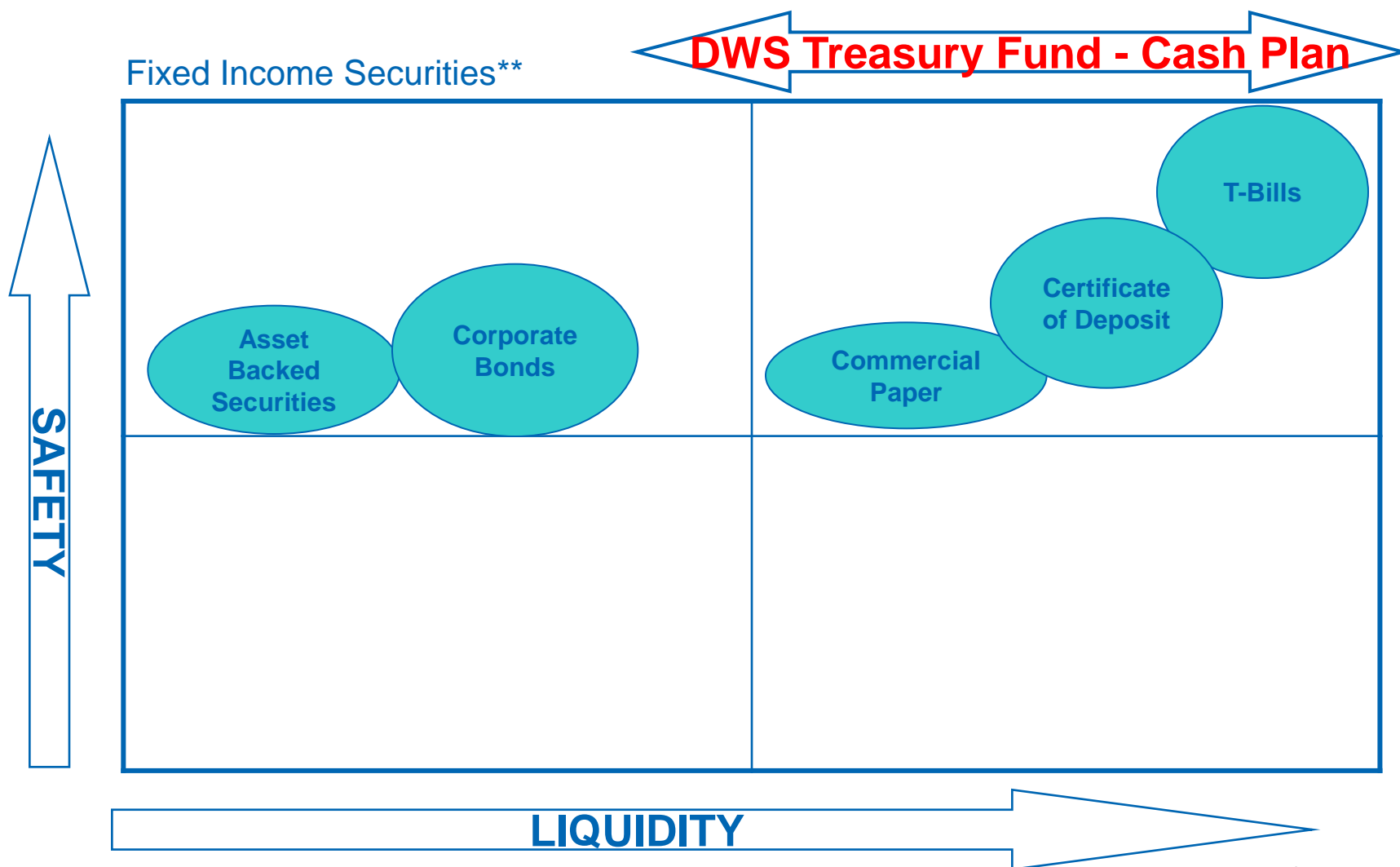
The plan will not take any exposure to securitized debt. The plan will not engage in scrip lending and in foreign securities. Further the aggregate share of investment in Certificates of deposits (CDs), Cash including CBLO / Reverse Repo / T Bills, Sovereign securities - G Secs will be maintained equal to or higher than 50% at all times. In case of securities with put and call options (daily or otherwise), the residual maturity of the securities shall not be greater than 91 days.

## Features:

- The Cash Plan would invest predominantly in CD's/ PSU CP's
- High Liquid Portfolio
- Low Credit Risk
- Portfolio with low duration and average maturity
- Active fund management



# DWS Treasury Fund - Cash Plan- High Liquidity & Safety\*



\*\*Similar Credit Rated Instruments

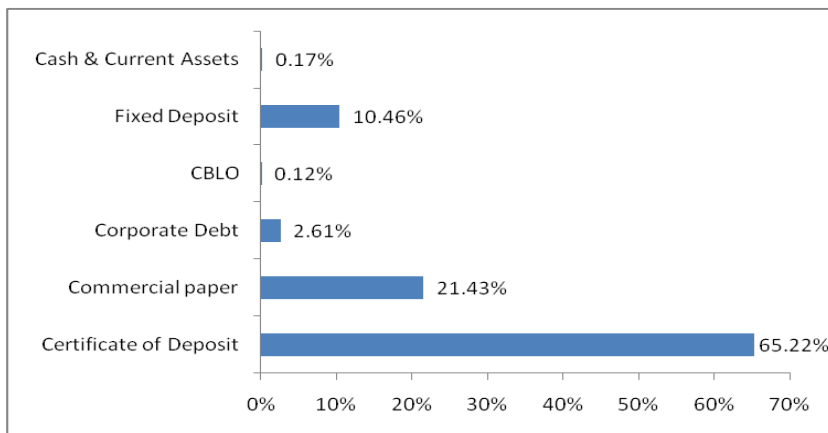
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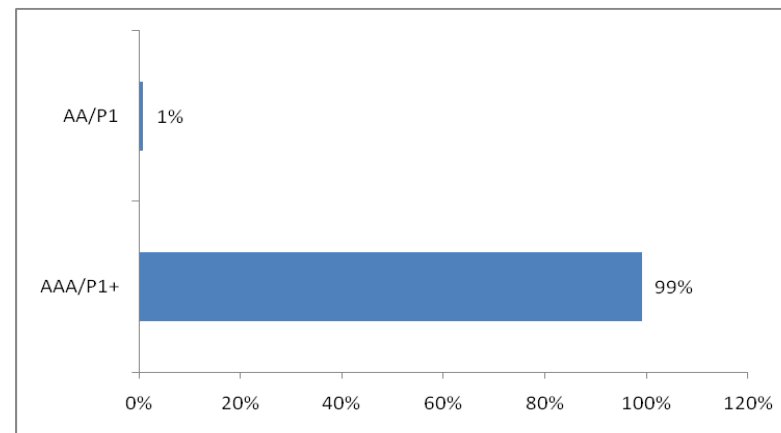
# DWS Treasury Fund – Cash Plan – Credit Risk Rating

**mfA1+ by ICRA\* - An open ended liquid fund**

## Asset Allocation \*



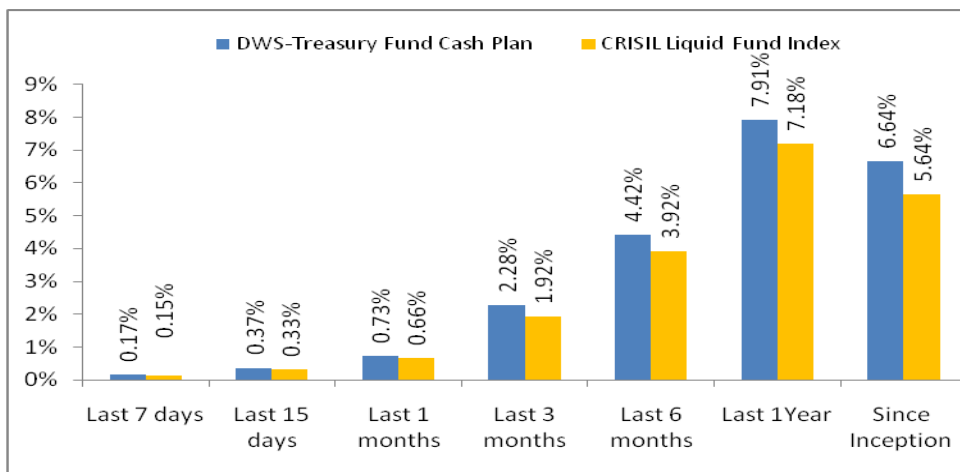
## Credit Quality \*



**Average Portfolio Maturity \* : 0.20 yrs**

**AUM \* : Rs. 1299.82 Crs./ € 199.97 Mn**

## Performance (Institutional Plan- Growth Option): Returns in % \*



Returns less than one year are absolute and one year and above are CAGR. Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments. Since inception returns are calculated on Rs. 10/- invested on inception. Date of allotment has been considered as Date of Inception: 9th October 2009. Performance figures are net of all fees and fund expenses.

The assigned 'Credit Risk Rating mfA1+' is valid only for DWS Treasury Fund – Cash Plan. This rating indicated that the underlying portfolio has the lowest credit risk in the short term and provides highest protection against credit losses. This rating should however not be construed as an indication of the performance of the mutual fund scheme or volatility in its returns.

\$\$ Please refer to the last slide for disclaimers .

\* As of 30th June 2011



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# Key Fund Features

Particulars	DWS Treasury Fund – Cash Plan
<b>Investment Objective</b>	To provide liquidity and generate stable returns to the investors by investing in a high quality portfolio comprising a mix of short term debt and money market instruments.
<b>Type of Scheme</b>	An open ended Liquid Fund
<b>Benchmark</b>	CRISIL Liquid Fund Index
<b>Options for Investment</b>	Regular and Institutional
<b>Sub - Options for Investment</b>	<b>Regular Option:</b> Dividend (Daily Reinvestment, Weekly Reinvestment and Monthly Payout & Reinvestment) Growth and Bonus; <b>Institutional Option:</b> Dividend (Daily Reinvestment, Weekly Reinvestment and Monthly Payout & Reinvestment) and Growth.
<b>Minimum Investment</b>	<b>Regular Option:</b> Rs. 5,000/- and in multiples of Re. 1/- thereafter <b>Institutional Option :</b> Rs. 1 Crore and in multiples of Re. 1/- thereafter
<b>Additional Investment</b>	<b>Regular Option :</b> Rs. 1,000/- and in multiples of Re. 1/- thereafter <b>Institutional Option :</b> Rs. 1 Lakh and in multiples of Re. 1/- thereafter
<b>Minimum Repurchase</b>	<b>Regular Option :</b> Rs. 1,000/- and in multiples of Re. 1/- thereafter <b>Institutional Option :</b> Rs. 1 Lakh and in multiples of Re. 1/- thereafter
<b>Investment through SIP, STP and SWP</b>	Minimum of 12 cheques of Rs. 500/- each or of 6 Cheques of Rs. 1000/- each or 4 cheques of Rs. 1500/- each
<b>Entry Load</b>	Nil
<b>Exit Load (including SIP, STP and SWP)</b>	Nil. However no exit load will be charged where the STP is into an equity fund from a non equity fund.

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# Fund Management Team for DWS Treasury Fund – Cash Plan

Fund Manager	Designation	Qualifications	Experience
Kumaresh Ramakrishnan 	Head – Fixed Income	BE, MBA	Over 13 years of experience in the Indian Fixed Income market. <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Pvt. Ltd. – Credit Analyst (Nov. 2005),</li> <li>• Societe Generale (SG) - Sr. Credit Analyst – Corporate Banking (2000 to 2005)</li> <li>• Credit Analysis and Research Ltd. (CARE) - Sr. Rating Analyst (1996 to 2000)</li> </ul>
Nitish Gupta 	Fund Manager – Fixed Income	B.E , MBA	Over 14 years of experience in Fixed Income Debt Market. <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Pvt. Ltd.- Fund Manager- Fixed Income (May 2008 till date)</li> <li>• Allahabad Bank               <ul style="list-style-type: none"> <li>- Sr. Manager - Treasury (July 2003 to April 2008)</li> <li>- Treasury (March 1997 to July 2003)</li> </ul> </li> <li>• RR Financial Consultant Ltd.- Manager- Research (July 1995 to February 1997)</li> </ul>



# Disclaimers

**ICRA Mutual Fund Awards 2011: DWS Treasury Fund - Cash - Regular** has been ranked as a **Five Star Fund** in the category of 'Open Ended Liquid' schemes for its 1 year performance till December 31, 2010. The rank is an outcome of an objective and comparative analysis against various parameters, including: risk adjusted return, fund size, company concentration and portfolio turnover. The ranking methodology did not take into account loads imposed by the Fund. There were 54 schemes considered in 'Open Ended Liquid' category for the ranking exercise. The rank is neither a certificate of statutory compliance nor any guarantee on the future performance of Deutsche Mutual Fund. Ranking Source & Publisher: ICRA Online Limited

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**Statutory Details :** Deutsche Mutual Fund had been set up as a trust settled by Deutsche Asset Management (Asia) Ltd. (DeAM Asia) (liability restricted to Rs 1 lakh). The Sponsors of Deutsche Mutual Fund are DeAM Asia and Deutsche India Holdings Pvt Ltd. The Trustee of the Mutual Fund is Deutsche Trustee Services (India) Private Limited and the Investment Manager is Deutsche Asset Management (India) Private Limited. DWS Investments is the global mutual fund brand of Deutsche Asset Management.

**Standard Risk Factors :** All mutual funds and securities investments are subject to market risks, and there can be no assurance that the fund's objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on various factors that may affect the values of the Scheme's investments. Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the schemes. The sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund. **DWS Treasury Fund – Cash Plan is the name of Scheme and does not in any manner indicate the quality of the Scheme, its future prospects or returns.** The Schemes of Deutsche Mutual Fund are not guaranteed or assured returns Schemes.

**The views expressed should not be construed as an advice and investors must make their own investment decision based on their specific investment objectives and financial position and using such independent advisors as they believe necessary.** Although the information given in this presentation has been obtained from sources believed to be reliable, neither the Asset Management Company nor the Trustees, Sponsors or its affiliates or Group Companies guarantee its accuracy, completeness or fairness. The data presented herein is based upon the historical track record and the Past performance or any prediction or forecast is not an indication of future results and no representation or warranty is made as to the returns which may be experienced by investors in the Scheme. Copy of the Combined Offer Document/Key Information Memorandum can be obtain at any of our Investor Service Centres or on our website [www.dws-india.com](http://www.dws-india.com).

**Please refer to the Combined Scheme Information Document, Scheme Information Document and Statement of Additional Information for other details including scheme specific risk factors before investing.**

**THANK YOU**