



IDFC MULTI CAP FUND

(Previously known as IDFC Premier Equity Fund w.e.f. May 02, 2018)

Multi Cap Fund – An open ended equity scheme investing across large cap, mid cap, small cap stocks.

FUND PHILOSOPHY*

This is a multi-cap fund with equal weights in large, mid and small caps currently. The fund focuses on a benchmark agnostic investing style with a distinct underweight on financials and overweight on consumption and domestic cyclical in the current market conditions. At a stock level, the fund focuses on companies which are operating in segments where penetration of organized is still increasing and conversion to brands will be a key driver for long term growth. The fund favours companies which generate positive operating cash flow and consistently improve their Return on Capital Employed (RoCE). From time to time, the fund identifies stocks which are strong transformational targets both from operating parameters as well as corporate governance. The fund also aims to identify and capitalize on long term themes which could generate superior returns, even if they are present in the small cap segment.

OUTLOOK

On the domestic front, overall sentiment remained negative throughout the month on account of (1) lower growth and subdued consumer sentiment (2) credit crunch due to tight liquidity conditions and rising stress especially in NBFCs (3) lack of any measures to boost in the short to medium term. Indian equities corrected meaningfully post the FY20 Union Budget announcement on 5th July 2019 given the uncertainty emanating from a couple of proposals pertaining to: 1) Increase in taxes for FPIs accessing the Indian equity markets through the 'Trust' route; and 2) Supply side pressures for equity markets via increase in free float requirement from 25% to 35%. High frequency economic data and early results in the 1Q FY reporting season have been sedate. The monsoon season has been disappointing with June-July deficit at 9% of Long Period Average (LPA), albeit improving from -33% deficit in end June.

Despite the doom and gloom, the only silver lining for investors is reasonable valuations, especially for small and mid-caps. Since the peak of Jan-18, NSE Mid Cap 100 Index has corrected ~25% whereas the small cap index has corrected 40%. NIFTY, on the other hand is up 6.5% for the same period. The NSE Small Cap 100 Index trades at 13.6x on Positive PE basis and 11.3x on FY20 estimate earnings. NIFTY, trades at 20.9x positive PE and 17.0x FY20 earnings. The gap between NIFTY and small Cap returns from Jan-18 is around 46%, which we believe can give an attractive entry point for long term investors, notwithstanding the short term headwinds.

Face Value per Unit (in ₹) is 10
Dividend is not guaranteed and past performance may or may not be sustained in future. Pursuant to payment of dividend, the NAV of the scheme would fall to the extent of payout and statutory levy (as applicable).

FUND FEATURES:

Category: Multicap

Monthly Avg AUM: ₹5,329.57 Crores

Inception Date: 28th September 2005

Fund Manager: Mr. Anoop Bhaskar (w.e.f. 30/04/2016) & Mr. Kartik Mehta (w.e.f. 02/04/2018)

Benchmark: S&P BSE 500 TRI

Minimum Investment Amount: ₹10,000/- and any amount thereafter. (Units of IDFC Multi Cap Fund, shall be available for lump sum subscription w.e.f. May 07, 2018)

Exit Load: 1.00% if redeemed before 365 days from the date of allotment. (w.e.f. 1st September, 2009)

SIP Frequency: Monthly (Investor may choose any day of the month except 29th, 30th and 31st as the date of instalment.)

Minimum SIP Investment Amount: ₹1000/- (w.e.f. 2nd May 2018)

Options Available: Growth, Dividend - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

Beta: 0.95

R Square: 0.86

Standard Deviation (Annualized): 13.91%

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	01-Mar-19	1.67	32.2300
	22-Mar-18	2.17	35.0577
	10-Mar-17	2.32	33.0348
DIRECT	01-Mar-19	1.74	33.5900
	22-Mar-18	2.25	36.2848
	10-Mar-17	2.38	33.9231

Ratios calculated on the basis of 3 years history of monthly data.

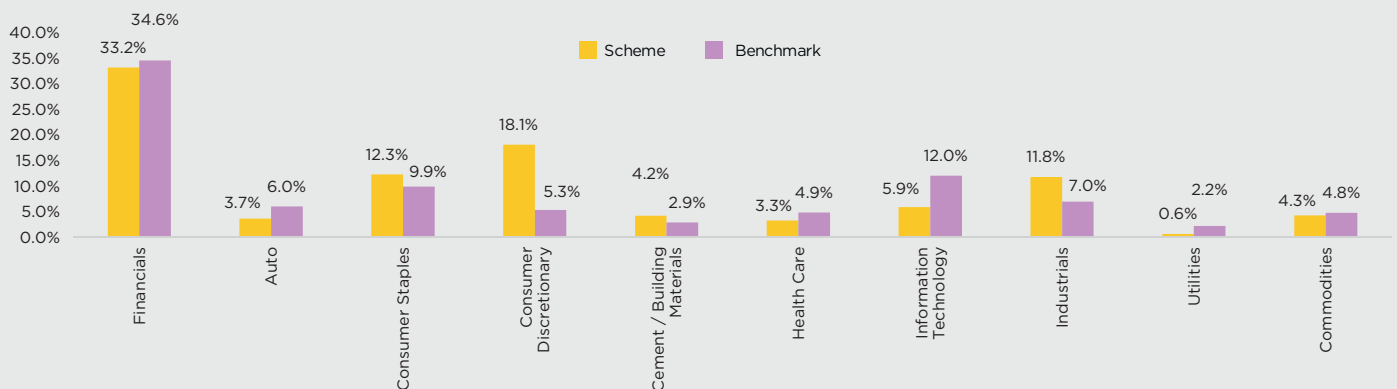
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	97.24%	Retailing	3.80%
Banks	27.70%	Future Retail	1.51%
ICICI Bank	7.83%	Avenue Supermarts	1.36%
HDFC Bank	6.84%	Future Lifestyle Fashions	0.93%
Axis Bank	4.91%	Software	3.76%
Kotak Mahindra Bank	4.20%	Infosys	3.76%
City Union Bank	2.56%	Pharmaceuticals	3.26%
RBL Bank	1.37%	Sun Pharmaceutical Industries	1.52%
Consumer Durables	10.43%	Aurobindo Pharma	1.30%
Bata India	3.25%	Cadila Healthcare	0.44%
Voltas	2.95%	Cement	2.45%
Crompton Greaves Consumer Electricals	2.18%	UltraTech Cement	1.56%
Titan Company	1.45%	Ambuja Cements	0.89%
Greenlam Industries	0.60%	IT Consulting & Other Services	2.14%
Consumer Non Durables	10.30%	Cognizant Technology Solutions Corp - International Equities	2.14%
Asian Paints	3.70%	Industrial Capital Goods	1.97%
Procter & Gamble Hygiene and Health Care	1.82%	Disa India	0.74%
Britannia Industries	1.36%	Thermax	0.64%
Nestle India	1.28%	ABB India	0.59%
Hindustan Unilever	0.97%	Auto Ancillaries	1.70%
GlaxoSmithKline Consumer Healthcare	0.59%	Minda Industries	0.98%
S H Kelkar and Company	0.57%	MRF	0.73%
Finance	5.47%	Construction	1.12%
HDFC Life Insurance Company	1.71%	ITD Cementation India	0.75%
Multi Commodity Exchange of India	1.39%	Poddar Housing and Development	0.37%
JM Financial	0.86%	Textiles - Cotton	1.07%
Mas Financial Services	0.79%	Vardhman Textiles	1.07%
ICICI Securities	0.71%	Transportation	1.02%
Industrial Products	5.07%	Transport Corporation of India	1.02%
Schaeffler India	1.97%	Ferrous Metals	0.98%
AIA Engineering	1.19%	APL Apollo Tubes	0.98%
Supreme Industries	1.13%	Media & Entertainment	0.77%
Kirloskar Pneumatic Company	0.78%	Entertainment Network (India)	0.77%
Construction Project	4.70%	Power	0.64%
Larsen & Toubro	3.94%	NTPC	0.64%
Power Mech Projects	0.75%	Pesticides	0.40%
Chemicals	4.44%	Dhanuka Agritech	0.40%
Atul	1.67%	Net Cash and Cash Equivalent	2.76%
Pidilite Industries	1.64%	Grand Total	100.00%
Fine Organic Industries	1.13%		
Commercial Services	4.05%		
3M India	4.05%		



SECTOR ALLOCATION



This product is suitable for investors who are seeking*:

- To create wealth over long term
- Investment predominantly in equity and equity related instruments across market capitalisation.

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

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