



IDFC FOCUSED EQUITY FUND

An open ended equity scheme investing in maximum 30 stocks with multi cap focus

IDFC Focused Equity Fund is a concentrated portfolio of up to 30 stocks with the flexibility to invest across sectors and across market cap.

FUND PHILOSOPHY*

IDFC Focused Equity Fund is an equity oriented fund investing across the market cap curve. It holds a concentrated portfolio comprising of a mix of core and tactical ideas limited to a maximum of 30 stocks. The core portfolio of the fund primarily invests in businesses that are growth oriented and have superior quality characteristics. The tactical part of the portfolio largely comprises of businesses that have the potential to turnaround driven by change in internal/external environment.

Under the newly defined SEBI scheme classification, IDFC Focused Equity Fund is categorized under “Focused” Funds. At an industry level, while these funds are classified as “Focused”, their market cap orientation is not defined clearly and by this nature they are also “Multi-Cap”.

EQUITY SHORT OUTLOOK

With the budget and elections behind us, focus should now shift to earnings. Q4 Earnings season concluded on a mixed note - the BSE200 earnings reported a strong growth off a weak base (mainly aided by Corporate Banks), worries of a slowdown in consumption led by Auto dampened market mood. In the June quarter 11.3% of the BSE200 Index saw an upgrade of >2% in FY 20 earnings whereas 55.3% of the Index saw a downgrade. Downgrades were more visible in Stable segment with 40% Stables and 15.3% witnessing downgrades in excess of 2%. Similarly, 8.4% of Cyclical were upgraded >2% and only 2.8% of Stables were upgraded >2%. Though June quarter earnings are expected to be tepid as most high frequency indicators indicate a slowdown, management commentary w.r.t. growth outlook across industries will be keenly watched.

Globally, post the Fed’s June MPC meeting, Economists have pulled forward their expectations of 25bps rate cuts to July and September (vs. Sep and Dec previously). Global Markets surged in June with the MSCI world Index rising 6.4% MoM, up 3.4% for the quarter with equal contribution from Developed Markets (+6.5% MoM and +3.4% QoQ) and Emerging Markets (+5.7% MoM and -0.3% QoQ). Oil rose sharply in June with WTI rising 9% and Brent rising 3% MoM to close at \$66.5/barrel. For the quarter though, Brent fell 3% QoQ and still trades at a comfortable range for the India economy.

FUND FEATURES:

Category: Focused

Monthly Avg AUM: ₹1,610.65 Crores

Inception Date: 16th March 2006

Fund Manager: Mr Sumit Agarwal
(w.e.f 20/10/2016)

Beta: 0.86

R Square: 0.66

Standard Deviation (Annualized):
13.04%

Benchmark: Nifty 50 TRI

Minimum Investment Amount:
₹5,000 and any amount thereafter.

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

Minimum SIP Amount[₹]: ₹1,000/-

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

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

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	26-Mar-18	0.83	13.4883
	10-Nov-17	2.00	15.6283
	24-Jan-17	1.00	12.1368
DIRECT	26-Mar-18	0.25	19.0688
	24-Jan-17	1.20	14.6625
	28-Jan-16	1.00	13.4869

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).

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

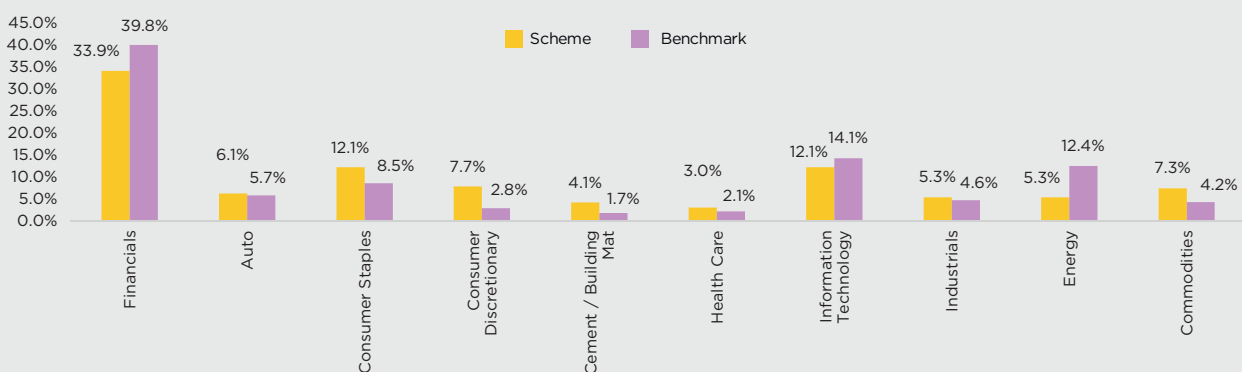
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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

Name of the Instrument	% to NAV
Equity and Equity related Instruments	97.03%
Banks	19.24%
ICICI Bank	6.80%
Axis Bank	5.31%
RBL Bank	5.00%
State Bank of India	2.13%
Finance	14.69%
M&M Financial Services	3.85%
Magma Fincorp	3.12%
BSE	2.88%
ICICI Securities	2.88%
Central Depository Services (India)	1.97%
Consumer Non Durables	12.08%
Nestle India	6.64%
GlaxoSmithKline Consumer Healthcare	5.44%
Software	8.16%
Tech Mahindra	4.82%
Majesco	3.34%
Petroleum Products	5.30%
Reliance Industries	5.30%
Construction Project	5.30%
Larsen & Toubro	5.30%
Chemicals	5.23%
Fine Organic Industries	5.23%
Auto	4.78%
TVS Motor Company	3.60%
Maruti Suzuki India	1.18%
Cement	4.11%
UltraTech Cement	4.11%
Commercial Services	3.91%
Security and Intelligence Services (India)	3.91%
Consumer Durables	3.39%
Voltas	3.39%
Retailing	3.27%
Aditya Birla Fashion and Retail	3.27%
Textile Products	3.20%
SRF	2.12%
Dollar Industries	1.08%
Pharmaceuticals	3.01%
Dishman Carbogen Amcis	3.01%
Auto Ancillaries	1.36%
Minda Industries	1.36%
Margin Fixed Deposit	0.61%
Banks	0.61%
HDFC Bank	0.61%
Net Cash and Cash Equivalent	2.36%
Grand Total	100.00%



SECTOR ALLOCATION



This product is suitable for investors who are seeking*:

- To create wealth over long term
- Investment in a concentrated portfolio of equity and equity related instruments of up to 30 companies.

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

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