



## 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".

### FUND HIGHLIGHT - JANUARY TO MARCH QUARTER

During the quarter the fund increased its exposure to mid and small cap segment by 10% points. This was funded by reducing the large cap exposure. The fund currently has 50% exposure to large cap (reduced by 14% points), while the midcap segment is 23% (increase by 9% points). Small cap exposure increased by 100bps to 23%. The cash levels are roughly 4%.

Financials continues to be the single largest sector in the fund with a weight of 37.2%. This has increased by 430bps led by a mix of increased positions in the mid small cap stocks as well as strong performance of our timely addition of corporate banks in the previous quarter. There was one midcap addition in the NBFC space.

Consumer sector weight saw an increase of 660 bps to 23.7% (staples and discretionary). While we added a midcap consumer durable stock in the portfolio, we also added more to some of our existing holdings selectively. We continue to maintain a positive stance even though the near term data points on consumption is pointing to some deceleration in the growth.

Technology sector saw a reduction in weight by 300 bps to 14%, as we booked profits in one of the large cap position. Pharma sector witnessed 580bps reduction in the weights to 2.7% as we reduced positions in the large cap companies to fund the mid & small cap exposure in other sectors.

Auto sector continues to witness weak performance. We exited a large cap company and replaced it with a midcap two wheeler company. The sector is witnessing some headwinds in the near term.

Commodities sector weight was broadly maintained at 4.5% mainly led by steady price performance. Energy sector saw a 120bps increase to 6.7% mostly led by strong price performance. We continue to have only a single stock position in both of these sectors.

During the quarter the fund saw net addition of 2 stocks leading to a total of 30 stocks in the portfolio. Key additions were Mahindra Finance, TVS Motors and Voltas. Key exit was Mahindra & Mahindra Limited.

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:** Focused

**Monthly Avg AUM:** ₹1,629.89 Crores

**Inception Date:** 16th March 2006

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

**Beta:** 0.85

**R Square:** 0.66

**Standard Deviation (Annualized):**  
12.98%

**Benchmark:** Nifty 50 TRI

**Minimum Investment Amount<sup>§</sup>:**  
₹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<sup>§</sup>:** ₹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))

<sup>§</sup>Subscription in IDFC Focused Equity Fund has  
been restricted to Rs. 2 lakhs per transaction with  
effect from 4th December 2017

| 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 |

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

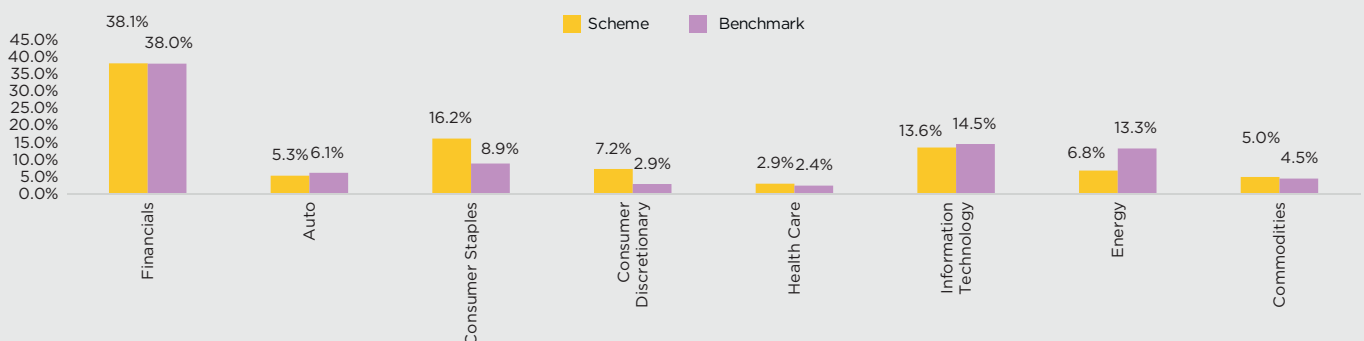
\*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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

| Name of the Instrument                       | % to NAV       |
|--|----------------|
| <b>Equity and Equity related Instruments</b> | <b>95.13%</b>  |
| <b>Banks</b>                                 | <b>23.71%</b>  |
| ICICI Bank                                   | 8.11%          |
| Axis Bank                                    | 7.24%          |
| RBL Bank                                     | 4.94%          |
| State Bank of India                          | 3.42%          |
| <b>Consumer Non Durables</b>                 | <b>16.17%</b>  |
| Nestle India                                 | 5.94%          |
| GlaxoSmithKline Consumer Healthcare          | 4.86%          |
| Marico                                       | 2.74%          |
| Dabur India                                  | 2.63%          |
| <b>Finance</b>                               | <b>14.42%</b>  |
| M&M Financial Services                       | 3.78%          |
| Magma Fincorp                                | 2.92%          |
| BSE  | 2.85%          |
| ICICI Securities                             | 2.83%          |
| Central Depository Services (India)          | 2.04%          |
| <b>Software</b>                              | <b>10.08%</b>  |
| Tech Mahindra                                | 4.29%          |
| Majesco                                      | 3.15%          |
| Wipro  | 2.63%          |
| Infosys                                      | 0.00%          |
| <b>Petroleum Products</b>                    | <b>6.83%</b>   |
| Reliance Industries                          | 6.83%          |
| <b>Chemicals</b>                             | <b>4.97%</b>   |
| Fine Organic Industries                      | 4.97%          |
| <b>Auto</b>                                  | <b>3.78%</b>   |
| TVS Motor Company                            | 3.76%          |
| Maruti Suzuki India                          | 0.02%          |
| <b>Commercial Services</b>                   | <b>3.48%</b>   |
| Security and Intelligence Services (India)   | 3.48%          |
| <b>Retailing</b>                             | <b>3.17%</b>   |
| Aditya Birla Fashion and Retail              | 3.17%          |
| <b>Consumer Durables</b>                     | <b>2.95%</b>   |
| Voltas                                       | 2.95%          |
| <b>Pharmaceuticals</b>                       | <b>2.94%</b>   |
| Dishman Carbogen Amcis                       | 2.94%          |
| Cadila Healthcare                            | 0.00%          |
| Aurobindo Pharma                             | 0.00%          |
| <b>Auto Ancillaries</b>                      | <b>1.53%</b>   |
| Minda Industries                             | 1.52%          |
| MRF  | 0.001%         |
| <b>Textile Products</b>                      | <b>1.11%</b>   |
| Dollar Industries                            | 1.11%          |
| <b>Margin Fixed Deposit</b>                  | <b>0.59%</b>   |
| <b>Banks</b>                                 | <b>0.59%</b>   |
| HDFC Bank                                    | 0.59%          |
| <b>Net Cash and Cash Equivalent</b>          | <b>4.28%</b>   |
| <b>Grand Total</b>                           | <b>100.00%</b> |



**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.

Distributed by: