



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”.

OUTLOOK

Given the global slowdown, US China trade war and geopolitical risks, markets continued to be volatile. Developed markets were flat led by US (+1.2% QoQ) and Japan (+2% QoQ) whereas Emerging Markets fell 5.1% in the quarter. Indian markets fell 4.3% in USD terms, in line with other Emerging Markets. Drone attacks carried out on September 14 on two oil producing facilities in Saudi Arabia, resulted in a 50% supply cut in Saudi oil production. On the 1st day of trading post this event, crude oil shot 20% in early trading, before settling for the day +14% to \$69/bbl as a result. In the US, the Fed cut the policy rate by 25bps. In the Euro Area, ECB cut the deposit rate by 10bps to -0.50% and relaunched QE at a pace of €20bn/month. In Japan, the BoJ kept its policy rates unchanged.

In the home ground, after a disappointing Union Budget, the Government redefined its economic policy narrative with the announcement of the boldest tax cuts since 1997. 2019 has witnessed the best monsoon in last 25 years, though, dispersion of rain remained an issue. October quarter results could be the weakest or bottoming out of earnings with the October results – Glass half empty vs Glass half full. The continued under performance of broader market versus Nifty – valuations, volume and market cap point towards bottoming out process well under way. We believe, valuations are currently moderate across broader market. Sentiments are weak outside of narrow pack of gainers. Fundamentals hopefully should get better after the 2nd Quarter results!

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: ₹1,427.71 Crores

Inception Date: 16th March 2006

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

Beta: 0.95

R Square: 0.67

Standard Deviation (Annualized):
14.77%

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

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

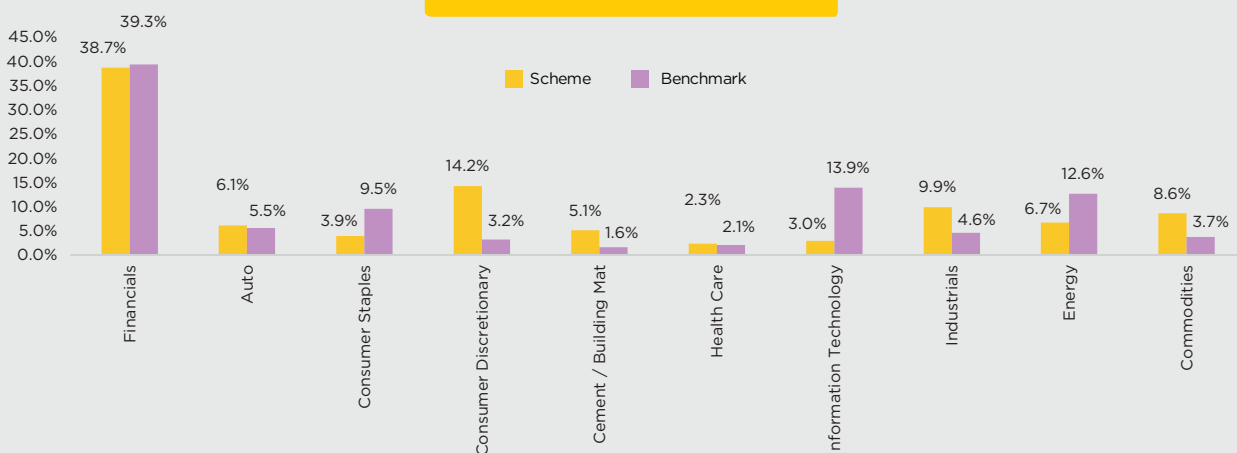
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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	98.42%
Banks	24.54%
ICICI Bank	6.52%
Axis Bank	4.64%
HDFC Bank	3.99%
State Bank of India	3.63%
RBL Bank	3.09%
Kotak Mahindra Bank	2.66%
Finance	14.12%
ICICI Securities	3.90%
HDFC	3.24%
M&M Financial Services	3.08%
Bajaj Finance	2.93%
Magma Fincorp	0.96%
Consumer Non Durables	8.10%
Jubilant Foodworks	2.26%
Nestle India	1.95%
GlaxoSmithKline Consumer Healthcare	1.95%
Asian Paints	1.94%
Petroleum Products	6.70%
Reliance Industries	6.70%
Auto	6.11%
TVS Motor Company	4.10%
Maruti Suzuki India	2.00%
Chemicals	5.92%
Fine Organic Industries	5.92%
Construction Project	5.82%
Larsen & Toubro	5.82%
Consumer Durables	5.62%
Titan Company	2.94%
Voltas	2.68%
Cement	5.07%
UltraTech Cement	5.07%
Commercial Services	4.07%
Security and Intelligence Services (India)	4.07%
Textile Products	3.54%
SRF	2.66%
Dollar Industries	0.88%
Retailing	3.52%
Aditya Birla Fashion and Retail	3.52%
Software	2.95%
Majesco	2.95%
Pharmaceuticals	2.32%
Dishman Carbogen Amcis	2.32%
Net Cash and Cash Equivalent	1.58%
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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