



IDFC LARGE CAP FUND

(Previously known as IDFC Equity Fund w.e.f. May 14, 2018)
Large Cap Fund - An open ended equity scheme predominantly investing in large cap stocks

FUND PHILOSOPHY*

IDFC Large Cap Fund is an equity oriented fund investing predominantly in large cap stocks. The investment philosophy of the fund is based on investing in well-established growth oriented businesses which scores high on capital efficiency and operating cash flow generation.

For this fund, we have been following the “Barbell” strategy in terms of portfolio construction between large caps & small/mid caps. The large cap allocation of the fund ranges from a minimum 80% to as high as 100%. Currently, the remaining 0-20% allocation are in small-caps and a single stock position does not exceed 1% (at initiation) and 2% (at any point in time), respectively.

We believe, this “Barbell” construct, offers investors a combination of participating in steady performance of large caps and return potential of small caps, with an overlay of strong risk management in place.

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!

FUND FEATURES:

Category: Large Cap

Monthly Avg AUM: ₹422.73 Crores

Inception Date: 9th June 2006

Fund Manager: Mr. Sumit Agrawal and Mr. Arpit Kapoor (w.e.f. 01/03/2017)

Beta: 0.95

R Square: 0.95

Standard Deviation (Annualized): 12.63%

Benchmark: S&P BSE 100 TRI (w.e.f. 18/04/2017)

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

Exit Load: NIL (w.e.f. 4th February 2019)

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	19-Mar-19	0.77	15.1200
	19-Mar-18	0.89	14.7165
	10-Mar-17	0.83	13.8551
DIRECT	19-Mar-19	0.95	18.4400
	19-Mar-18	1.08	17.8004
	10-Mar-17	1.00	16.6595

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.

PORTFOLIO

(30 September 2019)

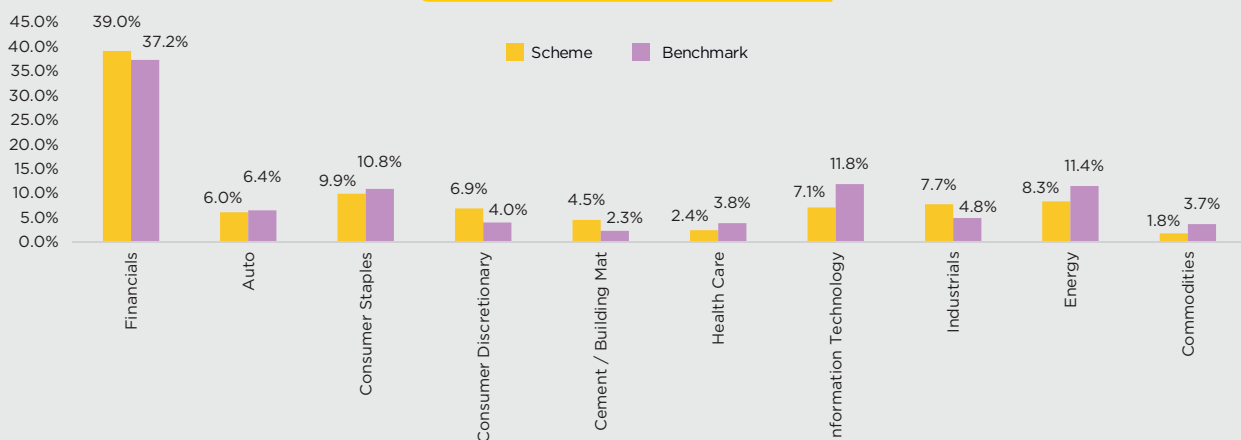


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	93.45%	Construction Project	6.37%
Banks	29.34%	Larsen & Toubro	5.29%
HDFC Bank	7.64%	KEC International	1.08%
ICICI Bank	7.29%	Auto	6.03%
Axis Bank	5.82%	Maruti Suzuki India	2.56%
State Bank of India	4.33%	Bajaj Auto	1.20%
Kotak Mahindra Bank	4.26%	Hero MotoCorp	1.16%
Consumer Non Durables	13.08%	Mahindra & Mahindra	1.10%
ITC	3.24%	Cement	4.48%
Asian Paints	3.20%	UltraTech Cement	3.35%
Hindustan Unilever	2.88%	HeidelbergCement India	1.13%
Nestle India	2.65%	Consumer Durables	3.65%
Marico	1.11%	Titan Company	2.55%
Finance	9.68%	Havells India	1.11%
HDFC	5.30%	Pharmaceuticals	2.40%
Bajaj Finance	2.61%	IPCA Laboratories	1.31%
Aavas Financiers	1.77%	Divi's Laboratories	1.09%
Petroleum Products	8.29%	Chemicals	1.76%
Reliance Industries	8.29%	Fine Organic Industries	1.76%
Software	7.07%	Construction	1.29%
Infosys	3.29%	PSP Projects	1.29%
Tata Consultancy Services	2.77%	Net Cash and Cash Equivalent	6.55%
Majesco	1.00%	Grand Total	100.00%



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 of the large cap companies

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

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