



## 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

In FY 19, despite outperforming Stable segment in terms of Sales and PAT growth, Cyclical sectors saw a significant de-rating and underperformance in terms of stock performance. The key worry for investors especially in the cyclical segment is visibility beyond FY 21 as government ordering has slowed down. Mid and Small Cap indices now trade at a discount to NIFTY This is in marked contrast to the position in Jan-18 when the NIFTY was trading significantly cheaper to the mid and small cap indices. Of the various factors needed for Cyclical and Mid and small Cap outperformance, quite a few are in favour namely - a good and above expected monsoon, government and RBI attention to turn around the flagging economy, favourable valuations, crude prices closer to \$60, yields below 6.5% and last but not the least a stable government at the centre.

The key concerns that are faced by the markets are: (1) ongoing NBFC credit crunch (2) slowdown in both domestic consumption and government spend on infra (3) global slowdown and trade wars. Improvement in domestic and global growth outlook can be a key trigger for the broader markets going forward though the NIFTY may not see a significant uptick. After a fairly normal monsoon, the festive season will be keenly watched for signs of pickup in demand.

Despite the doom and gloom, the only silver lining for investors is reasonable valuations, especially for small and mid-caps and a reasonable base for H2 earnings.

#### FUND FEATURES:

**Category:** Large Cap

**Monthly Avg AUM:** ₹411.33 Crores

**Inception Date:** 9th June 2006

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

**Beta:** 0.94

**R Square:** 0.95

**Standard Deviation (Annualized):** 12.43%

**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.

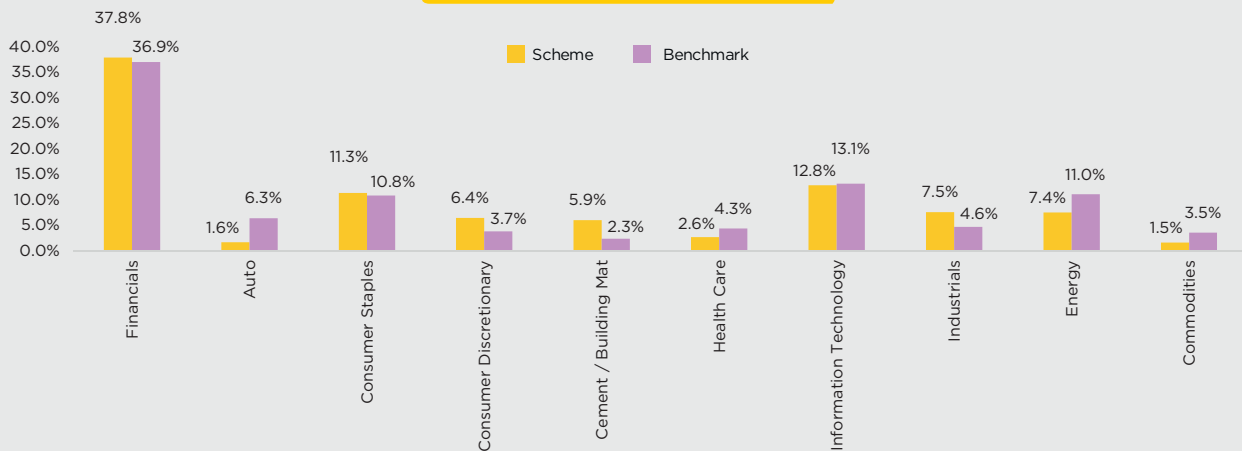
\*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>94.76%</b>	<b>Petroleum Products</b>	<b>7.41%</b>
<b>Banks</b>	<b>30.02%</b>	Reliance Industries	7.41%
ICICI Bank	8.67%	<b>Construction Project</b>	<b>6.27%</b>
Axis Bank	6.77%	Larsen & Toubro	5.24%
HDFC Bank	6.69%	KEC International	1.03%
State Bank of India	4.31%	<b>Cement</b>	<b>5.94%</b>
Kotak Mahindra Bank	3.58%	UltraTech Cement	3.31%
<b>Consumer Non Durables</b>	<b>14.15%</b>	Shree Cement	1.38%
Nestle India	4.34%	HeidelbergCement India	1.25%
Asian Paints	2.91%	<b>Consumer Durables</b>	<b>3.45%</b>
Hindustan Unilever	2.90%	Titan Company	2.34%
ITC	1.86%	Havells India	1.11%
Marico	1.17%	<b>Pharmaceuticals</b>	<b>2.60%</b>
Jyothy Labs	0.99%	IPCA Laboratories	1.48%
<b>Software</b>	<b>12.66%</b>	Divi's Laboratories	1.13%
Infosys	4.78%	<b>Auto</b>	<b>1.60%</b>
Tata Consultancy Services	4.61%	Maruti Suzuki India	1.60%
Tech Mahindra	1.15%	<b>Chemicals</b>	<b>1.57%</b>
Persistent Systems	1.10%	Fine Organic Industries	1.54%
Majesco	1.02%	Pidilite Industries	0.03%
<b>Finance</b>	<b>7.87%</b>	<b>Construction</b>	<b>1.20%</b>
HDFC	4.17%	PSP Projects	1.20%
Bajaj Finance	1.96%	<b>Net Cash and Cash Equivalent</b>	<b>5.24%</b>
Aavas Financiers	1.75%	<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 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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