



## IDFC CORE EQUITY FUND

(Previously known as IDFC Classic Equity Fund w.e.f. May 28, 2018)  
Large & Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks

IDFC Core Equity Fund is a diversified equity fund with a large & mid cap bias currently. The focus of the fund is to build a portfolio of Quality companies while being cognizant of the relative valuation.

### FUND PHILOSOPHY\*

The fund builds a portfolio of quality stocks with lower relative valuations. Quality (for non-financial stocks) is ascribed on three fronts - conversion of EBIDTA to operating cash - OCF as % of EBIDTA > 33%; Moderate leverage: Debt/EBIDTA < 3x; Profitability: EBIDTA / Net operating Assets > 30%. Companies that qualify on these three parameters and those which are relatively cheaper within a peer group on P/B basis form part of the 'quality' universe. Roughly 50% of the portfolio will comprise of such quality companies; ~30% would be for financial sector and balance 20% would be invested in benchmark heavyweights and themes, which we expect to play out over next 6/12 months. On a tactical basis, the fund may take a part of its overall holding through near month stock futures.

### OUTLOOK

Indian equities continued their upward momentum in July with markets rebounding by 46% from March lows despite the relentless increase in daily new Covid cases and sharp earnings downgrades.

Going forward, the pace of economic recovery would depend largely on the extent of local lockdowns on account of spread of Covid-19. Markets seems to have run ahead of fundamentals and are less than 10% lower than all-time highs. Global and domestic liquidity seems to have played a significant part in the sharp upmove seen in the markets. Investors should tread with caution as the number of cases and deaths in India continue to rise. Also, earnings uncertainty for FY21 is fairly high with a wide range of analyst estimates. Various valuation parameters after dropping to an "attractive" zone in April'20 have moved into the "expensive" zone. Investors need to be cautious at current levels given the combination of higher valuation and a possibility of a slower than expected earnings recovery in FY21.

**FUND FEATURES:** (Data as on 31st July'20)

**Category:** Large & Mid Cap

**Monthly Avg AUM:** ₹2,104.97 Crores

**Inception Date:** 9th August 2005

**Fund Manager:** Mr. Anoop Bhaskar (w.e.f. 30/04/2016)

**Benchmark:** LargeMidcap 250 TRI (w.e.f. 7th October 2019)

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

**Exit Load:**

● If redeemed/switched out within 365 days from the date of allotment:

- ▶ Upto 10% of investment: Nil,
- ▶ For remaining investment: 1% of applicable NAV.

● If redeemed / switched out after 365 days from date of allotment: Nil. (w.e.f. May 08, 2020)

**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))

**Other Parameters:**

**Beta:** 0.99

**R Square:** 0.97

**Standard Deviation (Annualized):** 22.95%

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	16-Mar-20	1.03	12.0100
	14-Mar-19	0.80	15.4200
	12-Mar-18	1.01	16.4254
DIRECT	16-Mar-20	0.39	13.7900
	14-Mar-19	0.90	17.4700
	12-Mar-18	1.13	18.3717

The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

\*The benchmark of the fund has been revised from S&P BSE 200 TRI to Nifty LargeMidcap 250 TRI w.e.f. 7th October 2019

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).

# PORTFOLIO

(31 July 2020)

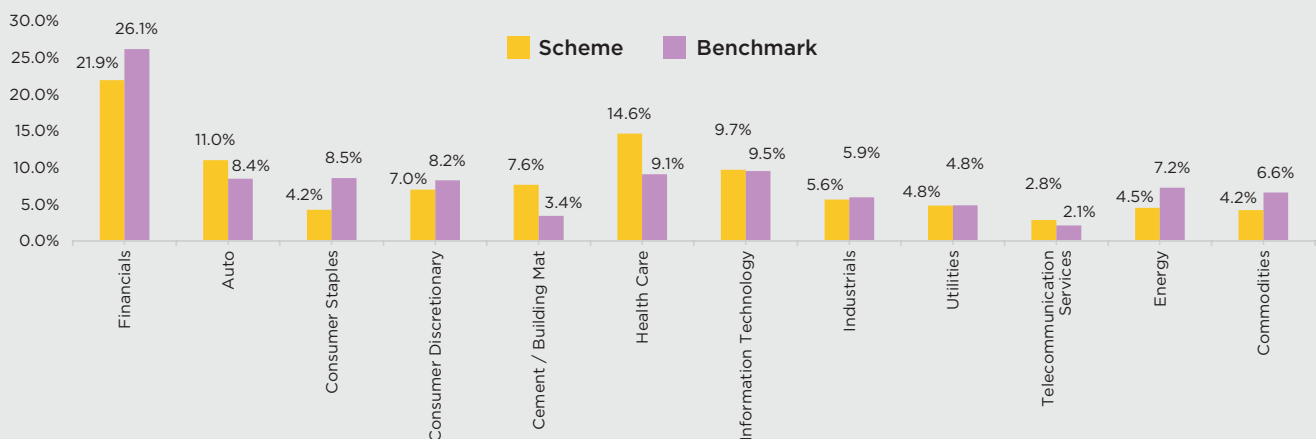


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>98.14%</b>	Bharat Forge	0.78%
<b>Banks</b>	<b>16.33%</b>	Cummins India	0.59%
HDFC Bank	5.07%	<b>Petroleum Products</b>	<b>4.50%</b>
ICICI Bank	4.10%	Reliance Industries	3.05%
Axis Bank	2.92%	Bharat Petroleum Corporation	1.46%
Kotak Mahindra Bank	1.55%	<b>Consumer Non Durables</b>	<b>4.20%</b>
State Bank of India	1.33%	Hindustan Unilever	1.89%
RBL Bank	0.62%	ITC	0.94%
The Federal Bank	0.53%	Tata Consumer Products	0.63%
City Union Bank	0.40%	Marico	0.48%
HDFC Bank - Equity Futures	-0.20%	Emami	0.27%
<b>Pharmaceuticals</b>	<b>14.59%</b>	<b>Auto</b>	<b>3.88%</b>
IPCA Laboratories	3.54%	Bajaj Auto	1.43%
Lupin	2.18%	Mahindra & Mahindra	1.24%
Sun Pharmaceutical Industries	1.94%	Hero MotoCorp	1.20%
Cadila Healthcare	1.74%	<b>Consumer Durables</b>	<b>3.16%</b>
Dr. Reddy's Laboratories	1.73%	Crompton Greaves Consumer Electricals	1.18%
Alkem Laboratories	1.44%	Voltas	1.07%
Aurobindo Pharma	1.27%	Titan Company	0.90%
Indoco Remedies	0.75%	<b>Power</b>	<b>3.13%</b>
<b>Software</b>	<b>9.69%</b>	Torrent Power	1.86%
Infosys	5.89%	Kalpataru Power Transmission	0.80%
Birlasoft	1.31%	Nava Bharat Ventures	0.47%
Mastek	1.09%	<b>Telecom - Services</b>	<b>2.82%</b>
Mphasis	0.98%	Bharti Airtel	2.82%
KPIT Technologies	0.42%	<b>Gas</b>	<b>2.44%</b>
<b>Auto Ancillaries</b>	<b>6.32%</b>	Mahanagar Gas	1.43%
MRF	2.41%	Gujarat State Petronet	1.01%
Apollo Tyres	1.16%	<b>Construction Project</b>	<b>2.37%</b>
Exide Industries	1.07%	KEC International	1.30%
Balkrishna Industries	0.92%	Larsen & Toubro	1.08%
Minda Industries	0.40%	<b>Retailing</b>	<b>2.36%</b>
Asahi India Glass	0.37%	Aditya Birla Fashion and Retail	1.16%
<b>Finance</b>	<b>5.79%</b>	Future Retail	0.75%
ICICI Securities	2.43%	Future Lifestyle Fashions	0.45%
Sundaram Finance	1.20%	<b>Ferrous Metals</b>	<b>2.13%</b>
M&M Financial Services	0.63%	Jindal Steel & Power	2.13%
ICICI Lombard General Insurance Company	0.60%	<b>Chemicals</b>	<b>2.04%</b>
Mas Financial Services	0.56%	Deepak Nitrite	2.04%
IDFC - Equity Futures	0.36%	<b>Hotels, Resorts And Other Recreational Activities</b>	<b>1.51%</b>
<b>Cement</b>	<b>5.67%</b>	The Indian Hotels Company	1.51%
ACC	2.22%	<b>Preference Shares</b>	<b>0.004%</b>
The Ramco Cements	1.74%	<b>Media &amp; Entertainment</b>	<b>0.004%</b>
Ambuja Cements	1.71%	Zee Entertainment Enterprises	0.004%
<b>Industrial Products</b>	<b>5.19%</b>	<b>Net Cash and Cash Equivalent</b>	<b>1.85%</b>
Supreme Industries	1.95%	<b>Grand Total</b>	<b>100.00%</b>
AIA Engineering	1.87%		



## 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 in large and mid-cap companies

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