



IDFC MULTI CAP FUND

(Previously known as IDFC Premier Equity Fund w.e.f. May 02, 2018)

Multi Cap Fund – An open ended equity scheme investing across large cap, mid cap, small cap stocks.

FUND PHILOSOPHY*

This is a multi-cap fund with equal weights in large, mid and small caps currently. The fund focuses on a benchmark agnostic investing style with a distinct underweight on financials and overweight on consumption and domestic cyclical in the current market conditions. At a stock level, the fund focuses on companies which are operating in segments where penetration of organized is still increasing and conversion to brands will be a key driver for long term growth. The fund favours companies which generate positive operating cash flow and consistently improve their Return on Capital Employed (RoCE). From time to time, the fund identifies stocks which are strong transformational targets both from operating parameters as well as corporate governance. The fund also aims to identify and capitalize on long term themes which could generate superior returns, even if they are present in the small cap segment.

OUTLOOK

The market, since Jan-18 has been clearly two tiered with 70-80 stocks out of BSE 500 generating positive returns. The focus on “High Quality, Consistent Earnings” has been the most successful play during this period. Valuation gap between the “have beens” and the “has beens” is now at one of the widest levels. Given the slowdown in earnings growth even for the “High Quality Consistent Earnings” segment, a substantial part of the returns during the last 18 months has been derived from P/E re-rating.

Continuing from our last month’s theme of Sentiment being the first pillar to undergo change for a new market cycle, outperformance of mid-cap and positive returns in Small Cap could indicate early signs of such a reversal. Domestic Sentiments, from being weak, have improved on account of positive Government announcements - Corporate Tax, the 100 trillion INR infra plan, though the budget has been a dampener. Globally, Sentiments did improve as the US-China trade war shows signs of resolving, but the outbreak of the Coronavirus has put a new spanner in the works. Liquidity, the second “building block”, is already being tackled domestically, with increased pressure on PSU banks to re-start lending to NBFCs, payments delayed by Government have also been speeded. Valuations, as mentioned earlier, are more modest for the broader market, approaching appetizing levels. Despite the low GDP growth, earnings growth is expected to be at least double digit driven by corporate tax cuts and recovery in Corporate Bank NPAs. If the first three “building blocks” of “SLV” converge, a new upswing could commence. The folly, would be to wait for the Fundamentals, alone, as the most critical ingredient for any new upswing.

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: Multicap

Monthly Avg AUM: ₹5,665.76 Crores

Inception Date: 28th September 2005

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

Benchmark: S&P BSE 500 TRI

Minimum Investment Amount: ₹10,000/- and any amount thereafter. (Units of IDFC Multi Cap Fund, shall be available for lump sum subscription w.e.f. May 07, 2018)

Exit Load: 1.00% if redeemed before 365 days from the date of allotment. (w.e.f. 1st September, 2009)

SIP Frequency: Monthly (Investor may choose any day of the month except 29th, 30th and 31st as the date of instalment.)

Minimum SIP Investment Amount: ₹1000/- (w.e.f. 2nd May 2018)

Options Available: Growth, Dividend - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

Other Parameters:

Beta: 0.92

R Square: 0.82

Standard Deviation (Annualized): 13.12%

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	01-Mar-19	1.67	32.2300
	22-Mar-18	2.17	35.0577
	10-Mar-17	2.32	33.0348
DIRECT	01-Mar-19	1.74	33.5900
	22-Mar-18	2.25	36.2848
	10-Mar-17	2.38	33.9231

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

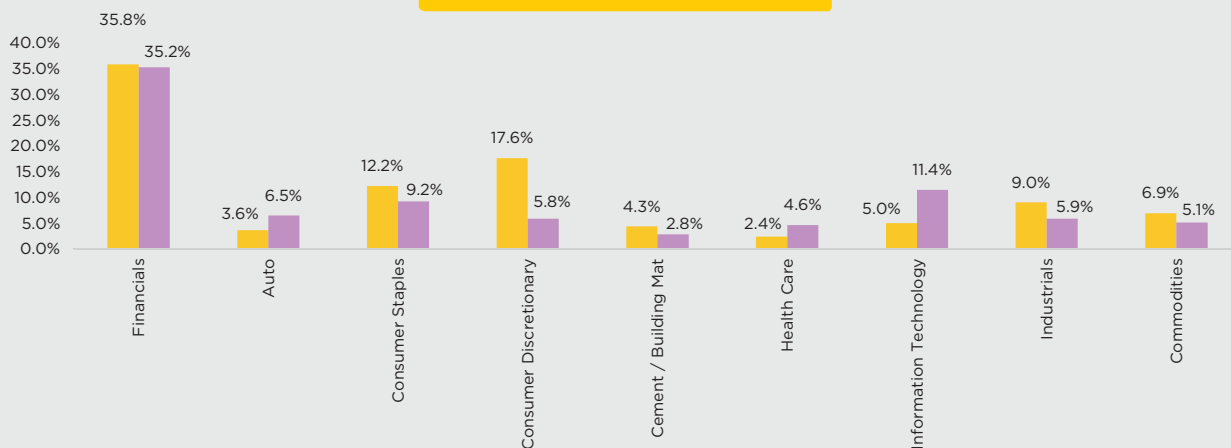
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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

Name of the Instrument	Ratings	% to NAV	Name of the Instrument	Ratings	% to NAV
Equity and Equity related Instruments		96.97%	Larsen & Toubro		3.81%
Banks		27.06%	Power Mech Projects		0.54%
ICICI Bank		7.81%	Commercial Services		4.07%
HDFC Bank		6.74%	3M India		4.07%
Axis Bank		5.79%	Retailing		3.29%
Kotak Mahindra Bank		3.23%	Avenue Supermarts		1.84%
City Union Bank		2.73%	Future Retail		1.09%
RBL Bank		0.75%	Future Lifestyle Fashions		0.37%
Consumer Durables		10.98%	Software		3.00%
Bata India		3.26%	Infosys		3.00%
Voltas		3.02%	Pharmaceuticals		2.34%
Crompton Greaves Consumer Electricals		2.31%	Sun Pharmaceutical Industries		1.40%
Titan Company		1.60%	Divi's Laboratories		0.48%
Greenlam Industries		0.79%	Cadila Healthcare		0.46%
Consumer Non Durables		10.64%	Cement		2.26%
Asian Paints		2.83%	UltraTech Cement		2.26%
Britannia Industries		1.76%	Auto Ancillaries		2.09%
Procter & Gamble Hygiene and Health Care		1.57%	Minda Industries		1.44%
Nestle India		1.53%	MRF		0.64%
Hindustan Unilever		1.07%	IT Consulting & Other Services		1.92%
GlaxoSmithKline Consumer Healthcare		0.69%	Cognizant Technology Solutions Corp - International Equities		1.92%
Jubilant Foodworks		0.65%	Industrial Capital Goods		1.88%
S H Kelkar and Company		0.55%	Thermax		0.82%
Finance		9.38%	ABB India		0.56%
Multi Commodity Exchange of India		1.73%	Disa India		0.42%
ICICI Securities		1.50%	ABB Power Products and Systems India		0.08%
HDFC Life Insurance Company		1.46%	Ferrous Metals		1.30%
Bajaj Finance		1.30%	APL Apollo Tubes		1.30%
ICICI Lombard General Insurance Company		1.27%	Textiles - Cotton		1.10%
JM Financial		1.22%	Vardhman Textiles		1.10%
Mas Financial Services		0.89%	Transportation		0.87%
Chemicals		4.66%	Transport Corporation of India		0.87%
Atul		2.15%	Pesticides		0.51%
Fine Organic Industries		1.28%	Dhanuka Agritech		0.51%
Pidilite Industries		1.24%	Media & Entertainment		0.44%
Industrial Products		4.58%	Entertainment Network (India)		0.44%
Schaeffler India		1.49%	Construction		0.24%
Supreme Industries		1.37%	Poddar Housing and Development		0.24%
AIA Engineering		1.13%	Net Cash and Cash Equivalent		3.03%
Kirloskar Pneumatic Company		0.59%	Grand Total		100.00%
Construction Project		4.35%			



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 across market capitalisation.

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

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