



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

The last decade seems to have followed the Chinese proverb "May you live in interesting times". For equity investors, this period can be broadly categorized into four phases. Interestingly, each phase has its own set of winners and those who were left behind. The only single strategy which could emerge as a winner across these four phases – diversify across fund categories and stay invested for long period of time to profit from the growth potential of equity markets as different segments of the market have delivered in different market cycle.

Another learning for the investor would be to diversify across investment styles and not based on traditional market cap segment – Large, Mid and Small. Quality/Growth on the one hand and Valuation focused on the other hand would be the two broad styles. Funds, generally have remained consistent with this style though may have flirted with market cap segments in the past. With the new SEBI classification, funds have "tighter" market cap mandates and thus, tracking them on their investment style will become easier going ahead as compared to the past. The other observation, is the steep drawdowns which a segment like Small cap is unable to escape from, even if the focus is on "quality" or put in another manner, quality without growth gets de-rated swiftly irrespective of the market cap segment.

How the next decade will play out for equity investors is impossible to predict and we are neither brave nor buoyed by strong performance to dive into this issue. However, a diversified portfolio spread across investment styles and with selective sector bets could be the path to use for the next decade.

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: ₹1,502.36 Crores

Inception Date: 16th March 2006

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

Other Parameters:

Beta: 0.96

R Square: 0.76

Standard Deviation (Annualized):
14.39%

Benchmark: S&P BSE 500 TRI
(w.e.f 11/11/2019)

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.

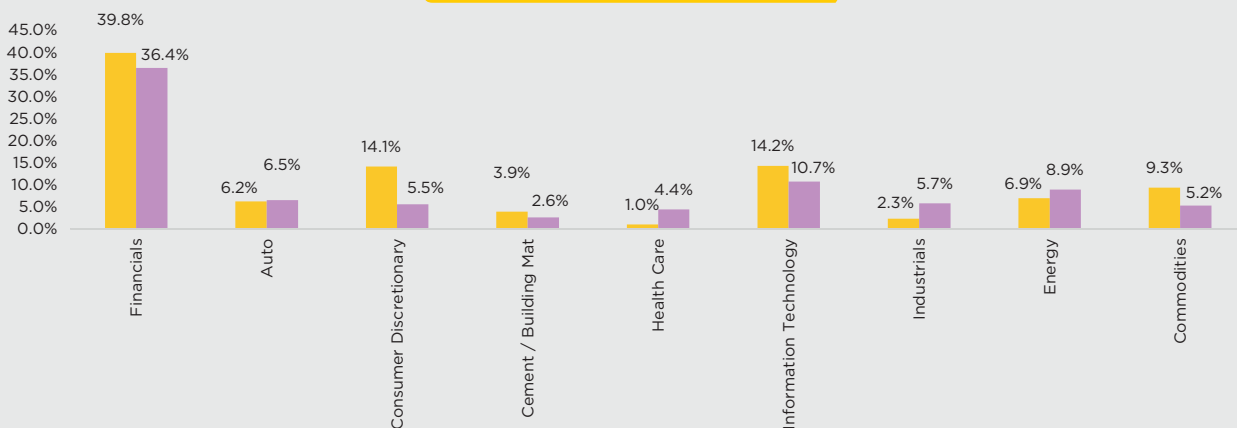
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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	97.74%
Banks	24.16%
HDFC Bank	7.78%
ICICI Bank	4.92%
RBL Bank	3.51%
Axis Bank	3.04%
Kotak Mahindra Bank	2.88%
State Bank of India	2.03%
Finance	15.63%
HDFC	6.07%
ICICI Securities	5.40%
Bajaj Finance	4.16%
Software	9.73%
Infosys	3.89%
Tata Consultancy Services	3.33%
Majesco	2.50%
Petroleum Products	6.87%
Reliance Industries	6.87%
Auto	6.21%
TVS Motor Company	4.15%
Maruti Suzuki India	2.05%
Chemicals	6.12%
Fine Organic Industries	6.12%
Commercial Services	4.43%
Security and Intelligence Services (India)	4.43%
Consumer Durables	4.31%
Voltas	2.29%
Titan Company	2.02%
Cement	3.85%
UltraTech Cement	3.85%
Media & Entertainment	3.84%
Zee Entertainment Enterprises	3.84%
Textile Products	3.76%
SRF	3.27%
Dollar Industries	0.50%
Retailing	3.35%
Aditya Birla Fashion and Retail	3.35%
Construction Project	2.25%
Larsen & Toubro	2.25%
Consumer Non Durables	2.13%
Jubilant Foodworks	2.13%
Nestle India	0.001%
GlaxoSmithKline Consumer Healthcare	0.001%
Asian Paints	0.0001%
Pharmaceuticals	1.11%
Dishman Carbogen Amcis	1.11%
Net Cash and Cash Equivalent	2.26%
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.

Distributed by: