



IDFC INFRASTRUCTURE FUND

An open ended equity scheme investing in Infrastructure sector

A dedicated Infrastructure fund, that invests across the infrastructure value chain with exclusions like Banking, Autos, IT, Pharma and FMCG. It is a diversified portfolio of companies that are participating in and benefitting from the Indian Infrastructure and Infrastructure related activities.

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.

CURRENT STRATEGY

The portfolio is built to monetize the existing infrastructure opportunity in India. Despite the argument of environment being slower, we believe that companies with a dominant market share and growing cash flows would consolidate the opportunity going forward. The focus is on companies with healthy balance sheet which are beneficiaries of ongoing capital formation and will capture a large part of that revenue pool. The current portfolio represents our version of such companies from the Construction & Logistics segments, Industrials space, the Utilities and Energy businesses.

FUND FEATURES:

Category: Sectoral

Monthly Avg AUM: ₹756.27 Crores

Inception Date: 8th March 2011

Fund Manager: Mr. Rajendra Kumar Mishra (w.e.f 27/06/2013)

Other Parameters:

Beta: 1.01

R Square: 0.90

Standard Deviation (Annualized): 20.48%

Benchmark: S&P BSE India Infrastructure 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.

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))

PORTFOLIO

(31 December 2019)

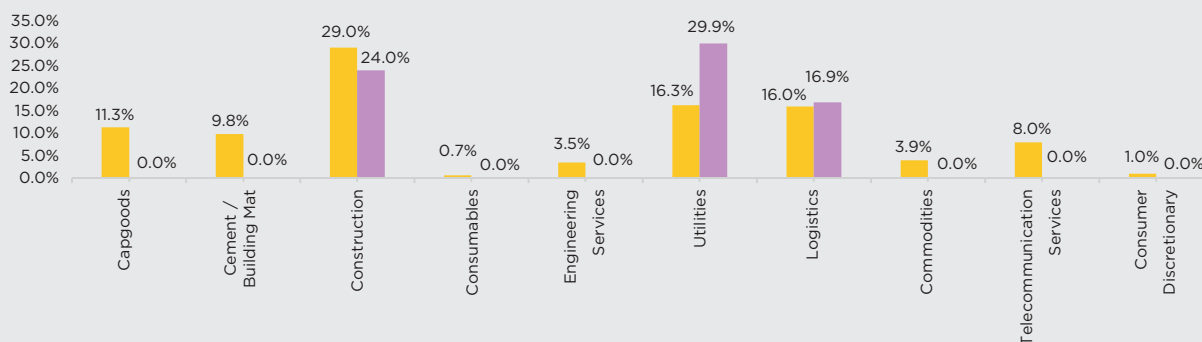


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	99.33%	Gujarat State Petronet	3.75%
Construction Project	20.82%	GAIL (India)	1.53%
Larsen & Toubro	9.01%	Power	6.80%
Engineers India	3.49%	Torrent Power	3.25%
NCC	2.49%	NTPC	3.02%
H.G. Infra Engineering	2.20%	PTC India	0.53%
Dilip Buildcon	1.92%	Telecom - Services	6.09%
Sadbhav Engineering	1.71%	Bharti Airtel	6.09%
Transportation	15.90%	Industrial Products	5.10%
Container Corporation of India	5.63%	Cummins India	2.73%
Adani Ports and Special Economic Zone	4.99%	Kirloskar Brothers	1.70%
Transport Corporation of India	2.91%	Carborundum Universal	0.67%
Gateway Distriparks	1.79%	Industrial Capital Goods	4.69%
Navkar Corporation	0.58%	Thermax	2.01%
Construction	11.68%	Bharat Electronics	1.73%
PNC Infratech	4.76%	ISGEC Heavy Engineering	0.95%
NBCC (India)	1.56%	Ferrous Metals	3.90%
J.Kumar Infraprojects	1.07%	Jindal Steel & Power	1.55%
PSP Projects	1.06%	Maharashtra Seamless	1.42%
Ahluwalia Contracts (India)	1.05%	Jindal Saw	0.93%
Gayatri Projects	0.93%	Consumer Durables	2.22%
ITD Cementation India	0.78%	Blue Star	2.22%
GPT Infraprojects	0.47%	Telecom - Equipment & Accessories	1.95%
Cement	9.83%	Tejas Networks	1.13%
UltraTech Cement	5.38%	Bharti Infratel	0.82%
JK Cement	3.01%	Hotels, Resorts And Other Recreational Activities	0.99%
Sagar Cements	1.44%	Taj GVK Hotels & Resorts	0.99%
Gas	9.37%	Net Cash and Cash Equivalent	0.67%
Gujarat Gas	4.08%	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 companies that are participating in and benefiting from growth in Indian infrastructure and infrastructural related activities.

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

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