



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

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.

FUND FEATURES:

Category: Large Cap

Monthly Avg AUM: ₹463.25 Crores

Inception Date: 9th June 2006

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

Other Parameters:

Beta: 0.95

R Square: 0.94

Standard Deviation (Annualized): 12.16%

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.

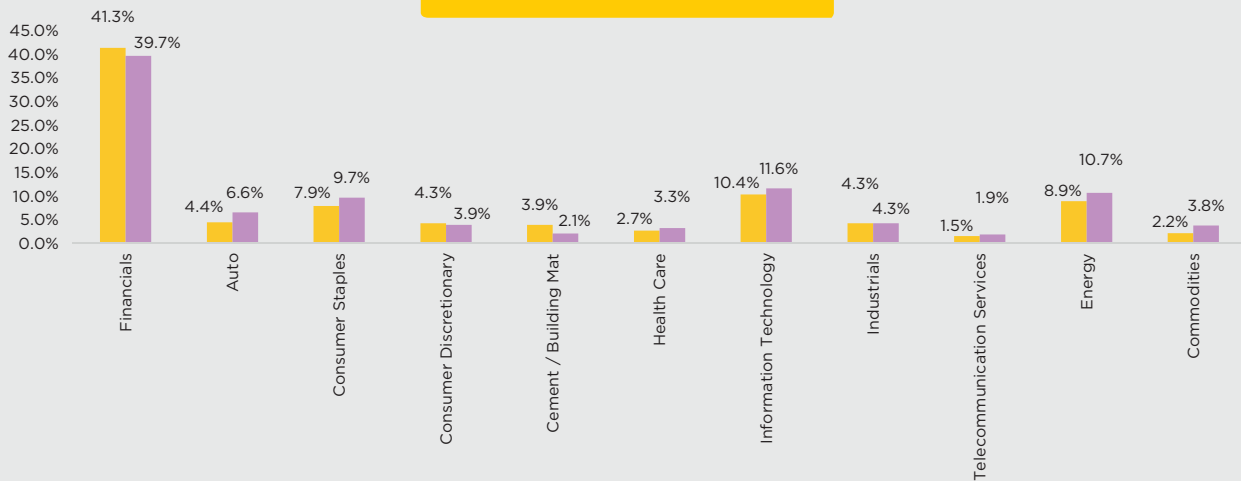
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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
Equity and Equity related Instruments	91.84%	Auto	4.13%
Banks	28.08%	Maruti Suzuki India	2.02%
HDFC Bank	9.76%	Mahindra & Mahindra	1.00%
ICICI Bank	6.10%	Hero MotoCorp	0.57%
Axis Bank	4.59%	Bajaj Auto	0.55%
Kotak Mahindra Bank	3.90%	Cement	3.93%
State Bank of India	3.46%	UltraTech Cement	2.95%
RBL Bank	0.28%	HeidelbergCement India	0.99%
Finance	13.31%	Construction Project	3.17%
HDFC	7.44%	Larsen & Toubro	3.17%
Bajaj Finance	3.79%	Pharmaceuticals	2.69%
Aavas Financiers	2.07%	IPCA Laboratories	1.55%
Cholamandalam Invnt and Fin Co	0.002%	Divi's Laboratories	1.14%
Software	10.35%	Consumer Durables	2.45%
Infosys	5.08%	Titan Company	2.24%
Tata Consultancy Services	4.46%	Voltas	0.21%
Majesco	0.82%	Chemicals	1.86%
Consumer Non Durables	9.74%	Fine Organic Industries	1.86%
ITC	4.13%	Telecom - Services	1.54%
Hindustan Unilever	2.39%	Bharti Airtel	1.54%
Asian Paints	1.53%	Construction	1.07%
Nestle India	1.08%	PSP Projects	1.07%
Marico	0.29%	Auto Ancillaries	0.31%
Jubilant Foodworks	0.28%	Exide Industries	0.31%
Zyduz Wellness	0.04%	Textile Products	0.31%
Petroleum Products	8.89%	SRF	0.31%
Reliance Industries	8.89%	Net Cash and Cash Equivalent	8.16%
		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 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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