



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 factors supporting the argument for economic led earnings recovery are: A) The government and RBI measures announced since Aug'19 to revive growth. B) Recent pick-up in inflation and potential bumper Rabi crop offer hope for rural consumption recovery – agri incomes are likely to grow 10-11% vs 6-7% in the previous two years. C) Liquidity conditions have certainly improved owing to RBI's measures. This should trickle down to real economy going ahead. D) Low base of FY20 across sectors helping a YoY comparison

Investors need to watch out for key risks emanating out of: A) The impact of Corona virus on global supply chains and the timelines for resolution. B) Government spending in FY21 is heavily dependent on success of divestment drive + significant inflow from telecom sector. Both these are event dependent, and failure on any of these counts can result in lower government spending impacting aggregate demand. C) In FY20, the fall in input prices boosted margins. However, this is now largely in the base and incremental tailwinds are unlikely unless, there is a fresh leg down in international commodity prices.

The market remains two tiered, with companies and segments which are reporting consistent earnings trading at valuations which may be close to 2 standard deviation above their last 5 years average. On the other hand, the broader market, where earnings have been erratic continue to be ignored by smart investors. Most of these “value” segments are those, which have close ties with Government spending or are dependent on investment cycle revival. The outlook for both these segments remains hazy at the current juncture. Emergence of small cap as a new segment, where investor flows have commenced over the last couple of months, is an interesting development.

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: ₹5,748.72 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: 0.89

R Square: 0.81

Standard Deviation (Annualized): 13.23%

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.

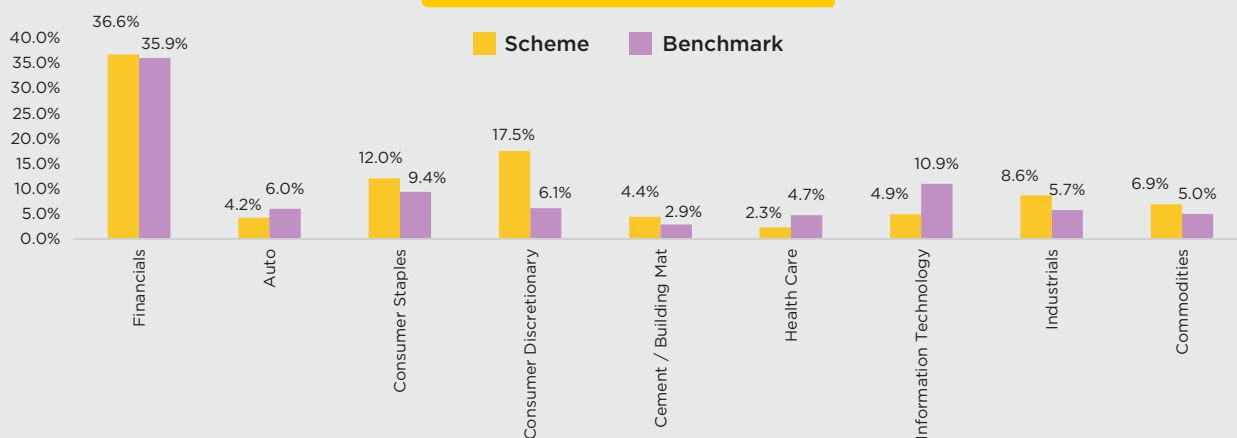
*The allocation mentioned above is as per current strategy and market conditions; this is however subject to change without notice.

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		97.69%	Larsen & Toubro		3.46%
Banks		26.91%	Power Mech Projects		0.54%
ICICI Bank		7.73%	Commercial Services		3.81%
HDFC Bank		6.77%	3M India		3.81%
Axis Bank		5.79%	Retailing		3.27%
Kotak Mahindra Bank		3.24%	Avenue Supermarts		1.90%
City Union Bank		2.66%	Future Retail		1.05%
RBL Bank		0.72%	Future Lifestyle Fashions		0.32%
Consumer Durables		11.11%	Software		2.95%
Bata India		3.11%	Infosys		2.95%
Voltas		3.09%	Auto Ancillaries		2.72%
Crompton Greaves Consumer Electricals		2.37%	Minda Industries		1.44%
Titan Company		1.77%	MRF		0.64%
Greenlam Industries		0.78%	Wheels India		0.64%
Consumer Non Durables		11.01%	Pharmaceuticals		2.33%
Asian Paints		2.91%	Sun Pharmaceutical Industries		1.25%
Britannia Industries		1.70%	Divi's Laboratories		0.61%
Procter & Gamble Hygiene and Health Care		1.67%	Cadila Healthcare		0.47%
Nestle India		1.59%	Cement		2.26%
Hindustan Unilever		1.19%	UltraTech Cement		2.26%
GlaxoSmithKline Consumer Healthcare		0.78%	IT Consulting & Other Services		2.03%
Jubilant Foodworks		0.65%	Cognizant Technology Solutions Corp - International Equities		2.03%
S H Kelkar and Company		0.51%	Industrial Capital Goods		1.87%
Finance		9.73%	Thermax		0.74%
Multi Commodity Exchange of India		1.86%	ABB India		0.53%
ICICI Securities		1.59%	Disa India		0.52%
Bajaj Finance		1.40%	ABB Power Products and Systems India		0.08%
HDFC Life Insurance Company		1.39%	Textiles - Cotton		1.17%
JM Financial		1.28%	Vardhman Textiles		1.17%
ICICI Lombard General Insurance Company		1.25%	Ferrous Metals		1.16%
Mas Financial Services		0.98%	APL Apollo Tubes		1.16%
Chemicals		4.87%	Transportation		0.80%
Atul		2.36%	Transport Corporation of India		0.80%
Pidilite Industries		1.30%	Pesticides		0.49%
Fine Organic Industries		1.22%	Dhanuka Agritech		0.49%
Industrial Products		4.59%	Media & Entertainment		0.36%
Schaeffler India		1.48%	Entertainment Network (India)		0.36%
Supreme Industries		1.36%	Construction		0.24%
AIA Engineering		1.19%	Poddar Housing and Development		0.24%
Kirloskar Pneumatic Company		0.55%	Net Cash and Cash Equivalent		2.31%
Construction Project		4.00%	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 across market capitalisation.

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

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