



IDFC CORE EQUITY FUND

Large & Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks

IDFC Core Equity Fund is a diversified equity fund with a large & mid cap bias currently. The focus of the fund is to build a portfolio of Quality companies while being cognizant of the relative valuation.

FUND PHILOSOPHY*

The fund builds a portfolio of quality stocks with lower relative valuations. Quality (for non-financial stocks) is ascribed on three fronts – conversion of EBIDTA to operating cash – OCF as % of EBIDTA > 33%; Moderate leverage: Debt/EBIDTA < 3x; Profitability: EBIDTA / Net operating Assets > 30%. Companies that qualify on these three parameters and those which are relatively cheaper within a peer group on P/B basis form part of the 'quality' universe. Roughly 50% of the portfolio will comprise of such quality companies; ~30% would be for financial sector and balance 20% would be invested in benchmark heavyweights and themes, which we expect to play out over next 6/12 months. On a tactical basis, the fund may take a part of its overall holding through near month stock futures.

OUTLOOK

Past market trends have shown that valuations by themselves may not lead to a correction, however, investor expectations of earnings growth if not met, have a bigger impact on the burden of high valuations and trigger stock market corrections. While, a few macro events dominate debate today – Inflation, commodity prices uptrend and US 10-year yields, earnings should be the key focus for investors going forward.

As investors, be ready for a drop in EBIDTA margins, which touched an all-time high in December 2020 quarter. The unsustainability of the previous quarter margins is a given. What will matter, if sales growth builds on the foundation of 9 months FY 21. Managements will try to shift investor focus from margin to absolute growth at EBDITA and PAT levels. Thankfully, low base effect of last year's March and June quarters builds an easy base for the y-o-y comparison. Operational costs cut effected last year will also be watched with keen interest, were the savings of FY 21 structural or just tactical?

Lastly, the pace of vaccination, currently a shade below 6.5% of adults in India (those having taken the initial jab). The speed with which we cross 25%/33%/50% levels of successfully vaccinating the adult population, may have a direct bearing on how further will our economic trajectory be 7%/9%/11%!

The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

*The benchmark of the fund has been revised from S&P BSE 200 TRI to Nifty LargeMidcap 250 TRI w.e.f. 7th October 2019

Face Value per Unit (in ₹) is 10

Income Distribution cum capital withdrawal is not guaranteed and past performance may or may not be sustained in future. Pursuant to payment of Income Distribution cum capital withdrawal, the NAV of the scheme would fall to the extent of payout and statutory levy (as applicable).

FUND FEATURES: (Data as on 31st March'21)

Category: Large & Mid Cap

Monthly Avg AUM: ₹2,232.64 Crores

Inception Date: 9th August 2005

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

Benchmark: LargeMidcap 250 TRI (w.e.f. 7th October 2019)

Minimum Investment Amount: ₹5,000/- and any amount thereafter.

Exit Load:

● If redeemed/switched out within 365 days from the date of allotment:

- ▶ Upto 10% of investment: Nil,
- ▶ For remaining investment: 1% of applicable NAV.

● If redeemed / switched out after 365 days from date of allotment: Nil. (w.e.f. May 08, 2020)

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

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

Other Parameters:

Beta: 0.98

R Square: 0.98

Standard Deviation (Annualized): 24.07%

PLAN	IDCW@ RECORD DATE	₹/UNIT	NAV
REGULAR	16-Mar-20	1.03	12.0100
	14-Mar-19	0.80	15.4200
	12-Mar-18	1.01	16.4254
DIRECT	16-Mar-20	0.39	13.7900
	14-Mar-19	0.90	17.4700
	12-Mar-18	1.13	18.3717

®Income Distribution cum capital withdrawal

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

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

PORTFOLIO

(31 March 2021)

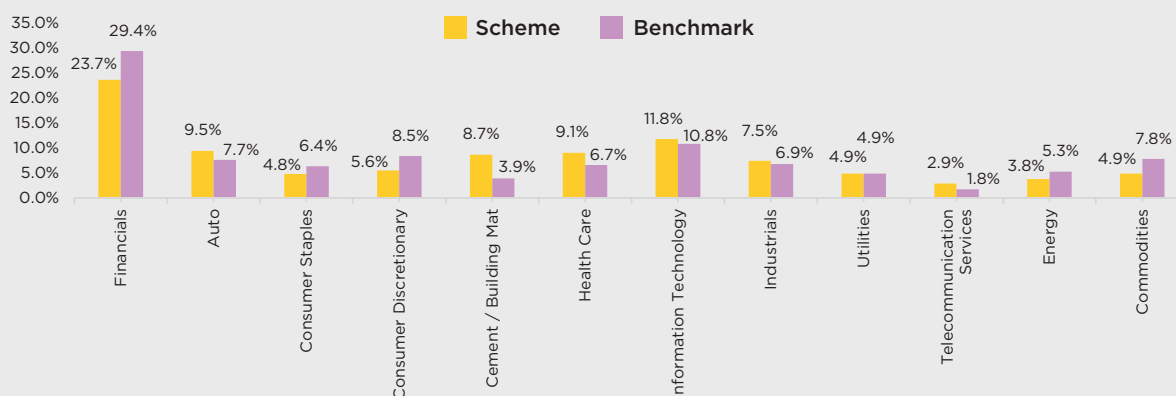


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	97.26%	Marico	1.23%
Banks	21.39%	Tata Consumer Products	0.89%
ICICI Bank	6.90%	3M India	0.74%
HDFC Bank	6.13%	ITC	0.67%
State Bank of India	3.01%	Power	4.63%
Axis Bank	2.51%	Torrent Power	1.83%
The Federal Bank	1.13%	Kalpataru Power Transmission	1.28%
Kotak Mahindra Bank	0.86%	KEC International	1.06%
RBL Bank	0.80%	Tata Power Company	0.46%
State Bank of India - Equity Futures	0.05%	Petroleum Products	3.82%
Software	11.80%	Reliance Industries	2.41%
Infosys	7.41%	Bharat Petroleum Corporation	1.41%
Birlasoft	1.44%	Telecom - Services	2.94%
Mastek	1.31%	Bharti Airtel	2.94%
HCL Technologies	1.26%	Chemicals	2.77%
Mphasis	0.37%	Deepak Nitrite	2.77%
Pharmaceuticals	9.07%	Gas	2.62%
Dr. Reddy's Laboratories	1.73%	Mahanagar Gas	2.04%
Sun Pharmaceutical Industries	1.64%	Gujarat State Petronet	0.58%
Cadila Healthcare	1.48%	Auto	2.55%
IPCA Laboratories	1.25%	Mahindra & Mahindra	1.97%
Alkem Laboratories	1.05%	Tata Motors	0.58%
Alembic Pharmaceuticals	0.76%	Consumer Durables	2.15%
Aurobindo Pharma	0.70%	Voltas	1.26%
Indoco Remedies	0.47%	Crompton Greaves Consumer Electricals	0.89%
Industrial Products	6.63%	Ferrous Metals	2.14%
Supreme Industries	2.23%	Jindal Steel & Power	2.14%
AIA Engineering	1.83%	Construction Project	1.96%
Cummins India	1.35%	Larsen & Toubro	1.96%
Bharat Forge	1.22%	Retailing	1.84%
Cement & Cement Products	6.49%	Aditya Birla Fashion and Retail	1.84%
ACC	2.45%	Leisure Services	1.67%
Ambuja Cements	2.05%	The Indian Hotels Company	1.67%
The Ramco Cements	1.99%	Capital Markets	1.57%
Auto Ancillaries	5.70%	ICICI Securities	1.57%
MRF	1.90%	Finance	0.70%
Apollo Tyres	1.29%	Mas Financial Services	0.70%
Bosch	0.94%	Preference Shares	0.002%
Minda Industries	0.90%	Entertainment	0.002%
Balkrishna Industries	0.68%	Zee Entertainment Enterprises	0.002%
Consumer Non Durables	4.84%	Net Cash and Cash Equivalent	2.74%
Emami	1.31%	Grand Total	100.00%



SECTOR ALLOCATION



Riskometer



This product is suitable for investors who are seeking*:

- To create wealth over long term
- Investment predominantly in equity and equity related instruments in large and mid-cap companies

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

Investors understand that their principal will be at Very High risk



Contact your Financial Advisor



Call toll free 1800-2-6666-88



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