



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 S&P BSE Sensex Index and Nifty 50 Index ended the roller-coaster ride of the month almost flat (0.3%) in July. Mid and Small caps were up 3% and 8%, respectively; outperforming Large caps in July.

Earnings growth for Q1 FY22 also commenced. The earnings’ results so far has depicted mixed trends - reflecting increasing margin pressure, moderation in top-line momentum, and an increase in retail NPAs for some banks. Moreover, the ongoing earnings season reflects a few key trends:

- i. The momentum of activity visible in the Jan-Mar 2021 quarter stalled during the Apr-Jun 2021 quarter due to the 2nd wave of the pandemic.
- ii. Management commentary post-Apr-Jun 2021 quarter is more muted about the near term, as worries of a 3rd wave and its impact on business continuity remains an open question.
- iii. The cycle of upgrades witnessed from the Sep 2020 quarter will take a breather with the current quarter. Earnings for FY22 will be marginally downgraded, while earnings for FY23 remain unimpacted.

While, we believe there are few headwinds which could provide near term break to growth in the form of rising fears of Covid-19 third wave and associated slow pace of unlocking of economy in progress.

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 July'21)

Category: Focused

Monthly Avg AUM: ₹1,425.16 Crores

Inception Date: 16th March 2006

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

Other Parameters:

Beta: 0.92

R Square: 0.90

Standard Deviation (Annualized): 21.91%

Benchmark: S&P BSE 500 TRI

(w.e.f 11/11/2019)

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)

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

PLAN	IDCW® RECORD DATE	₹/UNIT	NAV
REGULAR	22-Jul-21	0.77	15.4500
	16-Mar-20	0.67	10.7600
	26-Mar-18	0.83	13.4883
DIRECT	22-Jul-21	1.29	25.8900
	26-Mar-18	0.25	19.0688
	24-Jan-17	1.20	14.6625

@Income Distribution cum capital withdrawal

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

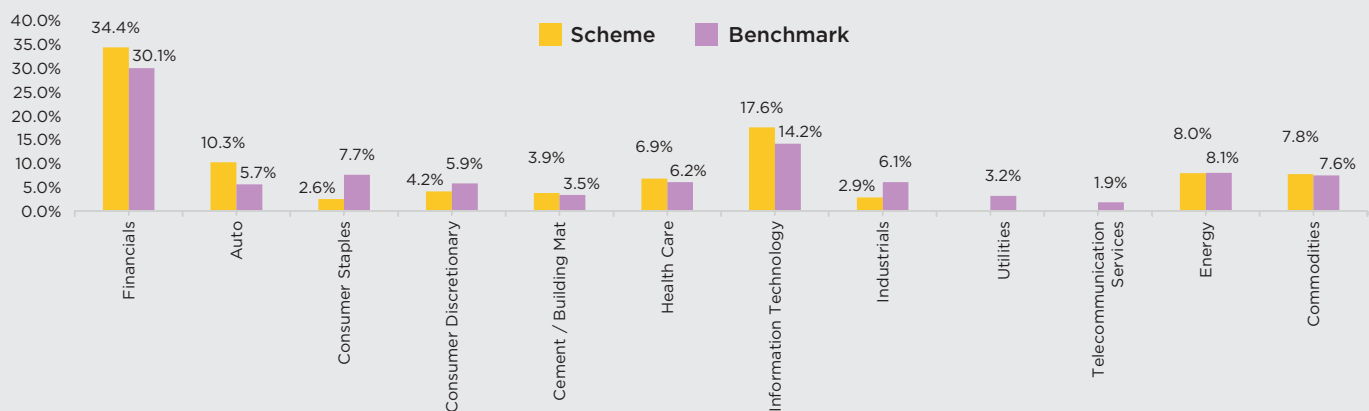
The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

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

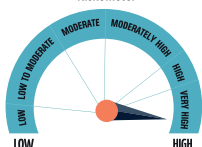
Name of the Instrument	% to NAV
Equity and Equity related Instruments	98.63%
Banks	32.56%
ICICI Bank	9.94%
State Bank of India	7.49%
HDFC Bank	7.29%
Axis Bank	4.11%
The Federal Bank	3.72%
Software	17.62%
Infosys	9.80%
Tata Consultancy Services	4.74%
HCL Technologies	1.97%
Tech Mahindra	1.12%
Petroleum Products	7.95%
Reliance Industries	5.79%
Bharat Petroleum Corporation	2.16%
Pharmaceuticals	6.97%
Natco Pharma	2.55%
Divi's Laboratories	2.41%
Dr. Reddy's Laboratories	2.02%
Auto	6.52%
TVS Motor Company	2.61%
Maruti Suzuki India	2.21%
Mahindra & Mahindra	1.70%
Industrial Products	4.51%
EPL	2.31%
Bharat Forge	2.20%
Consumer Durables	4.14%
Voltas	2.14%
Bata India	2.00%
Cement & Cement Products	3.87%
UltraTech Cement	3.87%
Construction Project	2.93%
Larsen & Toubro	2.93%
Non - Ferrous Metals	2.77%
Hindalco Industries	2.77%
Ferrous Metals	2.75%
Tata Steel	2.75%
Consumer Non Durables	2.57%
Prataap Snacks	2.57%
Finance	1.89%
Bajaj Finance	1.89%
Auto Ancillaries	1.57%
MRF	1.57%
Net Cash and Cash Equivalent	1.37%
Grand Total	100.00%



SECTOR ALLOCATION



Riskometer



Investors understand that their principal will be at Very High risk

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.