



IDFC CORE EQUITY FUND

(Previously known as IDFC Classic Equity Fund w.e.f. May 28, 2018)
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

Equity markets celebrated a “non-taxing” budget, with Nifty crossing the 15,000 mark. With reports of a Covid “tax/cess” gaining ground a week before the presentation of the Union Budget, markets heaved a big sigh of relief and thanks to the Finance Minister, when the Budget focused on correcting fiscal math by including off balance sheet items and forecasting modest revenue collection. The focus on infrastructure spending, also boosted investor sentiments. Also, the government seems committed on reforms like strategic disinvestment including PSU banks, higher FDI in insurance, etc.

For equities, result season, local as well as global, does point to a V shaped earnings recovery. Over 70% of the Nifty companies to have reported earnings in Jan’21 have beaten estimates, a similar trend was evident in the result season across US, Europe and Japan. With most stocks trading above 1x SD (Std Deviation) of their last 5 years average P/E multiples, market is not cheap. Such elevated levels make the market more dependent on liquidity and strong earnings growth (as compared to the situation post Apr’20) to sustain and move forward.

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

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: (Data as on 31st January’21)

Category: Large & Mid Cap

Monthly Avg AUM: ₹2,210.20 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, Dividend - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

Other Parameters:

Beta: 0.98

R Square: 0.98

Standard Deviation (Annualized): 23.93%

PLAN	DIVIDEND 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

PORTFOLIO

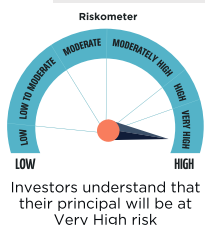
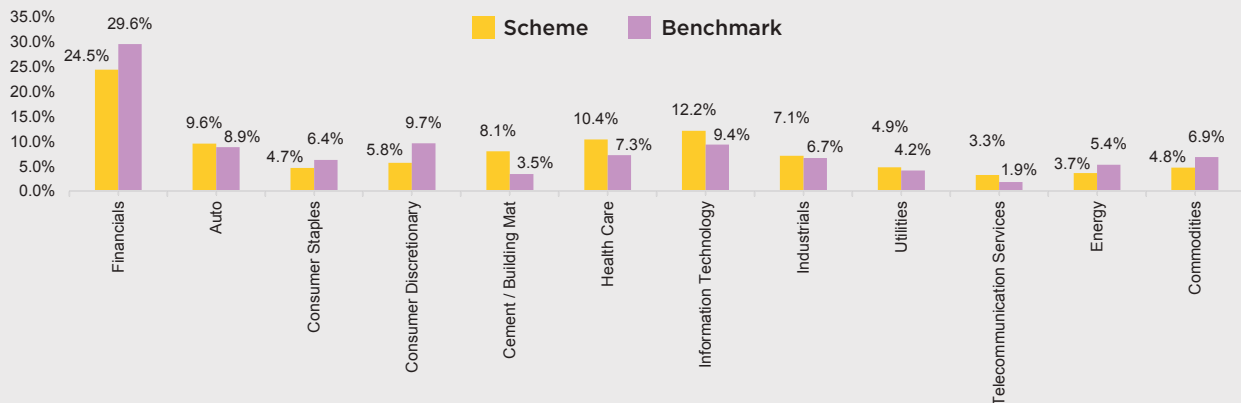
(31 January 2021)



Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	99.24%	The Ramco Cements	1.73%
Banks	21.79%	Ambuja Cements	1.72%
ICICI Bank	7.01%	Consumer Non Durables	4.31%
HDFC Bank	6.08%	Emami	1.49%
State Bank of India	2.45%	Marico	1.33%
Axis Bank	2.24%	Tata Consumer Products	0.83%
The Federal Bank	1.14%	ITC	0.66%
RBL Bank	0.92%	Petroleum Products	3.73%
Kotak Mahindra Bank	0.90%	Reliance Industries	2.36%
HDFC Bank - Equity Futures	0.40%	Bharat Petroleum Corporation	1.37%
The Federal Bank - Equity Futures	0.40%	Power	3.43%
ICICI Bank - Equity Futures	0.25%	Torrent Power	1.78%
Software	12.22%	Kalpataru Power Transmission	1.14%
Infosys	7.35%	Nava Bharat Ventures	0.51%
Birlasoft	1.54%	Telecom - Services	3.35%
Mastek	1.44%	Bharti Airtel	3.35%
HCL Technologies	0.95%	Construction Project	3.18%
Mphasis	0.54%	Larsen & Toubro	1.97%
HCL Technologies - Equity Futures	0.24%	KEC International	1.22%
KPIT Technologies	0.17%	Finance	2.72%
Pharmaceuticals	10.44%	ICICI Securities	1.94%
Cadila Healthcare	1.86%	Mas Financial Services	0.77%
Dr. Reddy's Laboratories	1.73%	Gas	2.60%
Sun Pharmaceutical Industries	1.71%	Mahanagar Gas	1.61%
IPCA Laboratories	1.55%	Gujarat State Petronet	0.99%
Alkem Laboratories	1.22%	Consumer Durables	2.39%
Aurobindo Pharma	0.96%	Voltas	1.31%
Alembic Pharmaceuticals	0.78%	Crompton Greaves Consumer Electricals	1.08%
Indoco Remedies	0.54%	Chemicals	2.10%
Lupin	0.08%	Deepak Nitrite	2.10%
Industrial Products	7.01%	Ferrous Metals	1.96%
Supreme Industries	2.20%	Jindal Steel & Power	1.96%
AIA Engineering	1.85%	Hotels/ Resorts and Other Recreational Activities	1.95%
Bharat Forge	1.28%	The Indian Hotels Company	1.95%
Cummins India	0.97%	Auto	1.90%
EPL	0.71%	Mahindra & Mahindra	1.90%
Auto Ancillaries	6.42%	Retailing	1.46%
MRF	2.07%	Aditya Birla Fashion and Retail	1.46%
Apollo Tyres	1.57%	Commercial Services	0.41%
Bosch	1.08%	3M India	0.41%
Minda Industries	0.81%	Preference Shares	0.01%
Balkrishna Industries	0.68%	Media & Entertainment	0.01%
Asahi India Glass	0.21%	Zee Entertainment Enterprises	0.01%
Cement	5.88%	Net Cash and Cash Equivalent	0.75%
ACC	2.43%	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 in large and mid-cap companies

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