



## 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

The severity of the second wave has taken most by surprise, especially after the hubris of having “tamed” the virus which was prevalent during Jan/Feb 2021 period. Markets, however, continued to chug along, almost unconcerned. The positive outcome of the March 2021 quarterly results was overshadowed by muted outlook for Q1FY21 in most management commentaries.

In FY21, earnings and sales growth of the organized players were not negatively impacted during the last fiscal. The same could be the case going ahead in FY22.

Moreover, a few positives also need to be highlighted – forecast of a normal monsoon, exports as an emerging growth opportunity for Indian corporate sector; a weakened unorganized sector/ imports restrictions have provided organized (listed) players an opportunity to grab market share gains; a deleveraged balance sheet of the Corporate sector & a well-capitalized Banking system.

The pace of vaccination and a return to normalcy will hold the key for economic growth to remain above the forecasted trend line. Moreover, performance going forward shall be a function of supply catching up with growing demand and progress in vaccine inoculations in the Emerging market countries.

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 May'21)

**Category:** Large & Mid Cap

**Monthly Avg AUM:** ₹2,292.30 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<sup>®</sup> - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

**Other Parameters:**

**Beta:** 0.99

**R Square:** 0.98

**Standard Deviation (Annualized):** 24.12%

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

<sup>®</sup>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 May 2021)

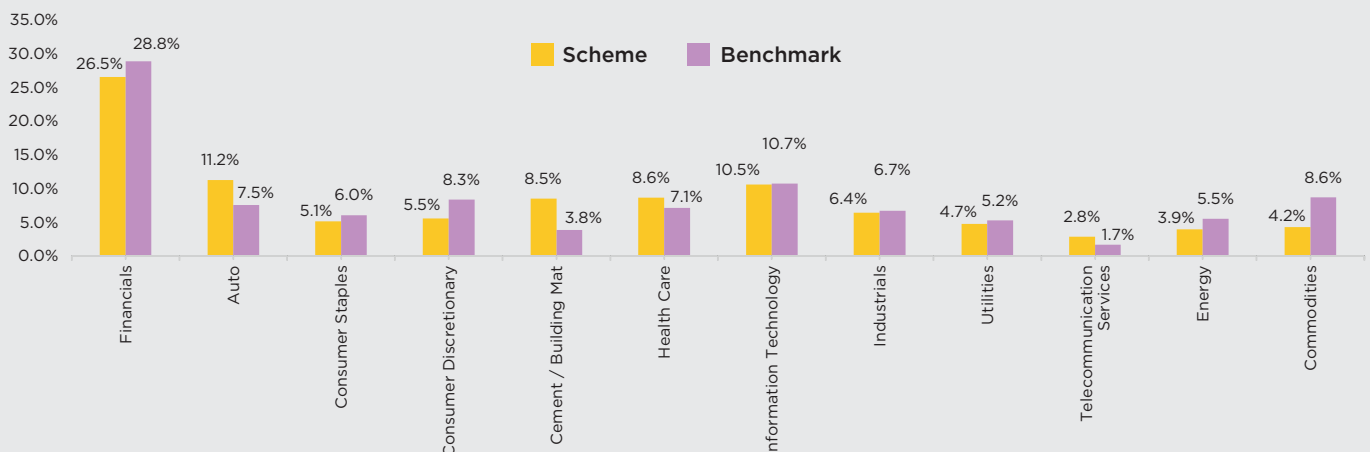


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>98.79%</b>	Godrej Consumer Products	0.77%
<b>Banks</b>	<b>23.24%</b>	ITC	0.62%
ICICI Bank	7.25%	3M India	0.53%
HDFC Bank	5.59%	<b>Power</b>	<b>4.52%</b>
State Bank of India	4.10%	Torrent Power	1.73%
Axis Bank	3.22%	Kalpataru Power Transmission	1.35%
The Federal Bank	1.49%	KEC International	0.99%
Kotak Mahindra Bank	0.83%	Tata Power Company	0.45%
RBL Bank	0.47%	<b>Petroleum Products</b>	<b>3.90%</b>
State Bank of India - Equity Futures	0.20%	Reliance Industries	2.44%
The Federal Bank - Equity Futures	0.09%	Bharat Petroleum Corporation	1.45%
<b>Software</b>	<b>10.55%</b>	<b>Auto</b>	<b>3.09%</b>
Infosys	6.62%	Mahindra & Mahindra	1.88%
Birlasoft	1.49%	Tata Motors	1.21%
HCL Technologies	1.44%	<b>Telecom - Services</b>	<b>2.84%</b>
Mastek	1.00%	Bharti Airtel	2.84%
<b>Pharmaceuticals</b>	<b>8.63%</b>	<b>Gas</b>	<b>2.55%</b>
Dr. Reddy's Laboratories	1.81%	Mahanagar Gas	1.98%
Sun Pharmaceutical Industries	1.46%	Gujarat State Petronet	0.57%
IPCA Laboratories	1.28%	<b>Chemicals</b>	<b>2.44%</b>
Cadila Healthcare	1.24%	Deepak Nitrite	2.44%
Alkem Laboratories	1.06%	<b>Consumer Durables</b>	<b>2.03%</b>
Aurobindo Pharma	0.74%	Voltas	1.19%
Alembic Pharmaceuticals	0.70%	Crompton Greaves Consumer Electricals	0.84%
Indoco Remedies	0.33%	<b>Leisure Services</b>	<b>1.90%</b>
<b>Auto Ancillaries</b>	<b>6.82%</b>	The Indian Hotels Company	1.90%
MRF	1.81%	<b>Ferrous Metals</b>	<b>1.81%</b>
Wheels India	1.22%	Jindal Steel & Power	1.81%
Bosch	1.10%	<b>Retailing</b>	<b>1.67%</b>
Minda Industries	0.94%	Aditya Birla Fashion and Retail	1.67%
Apollo Tyres	0.92%	<b>Insurance</b>	<b>1.60%</b>
Balkrishna Industries	0.83%	SBI Life Insurance Company	0.63%
<b>Cement &amp; Cement Products</b>	<b>6.26%</b>	Max Financial Services	0.61%
ACC	2.49%	SBI Life Insurance Company - Equity Futures	0.36%
Ambuja Cements	2.00%	<b>Capital Markets</b>	<b>1.59%</b>
The Ramco Cements	1.77%	ICICI Securities	1.59%
<b>Industrial Products</b>	<b>6.07%</b>	<b>Construction Project</b>	<b>1.50%</b>
Supreme Industries	2.21%	Larsen & Toubro	1.50%
AIA Engineering	1.61%	<b>Finance</b>	<b>0.72%</b>
Bharat Forge	1.31%	Mas Financial Services	0.72%
Cummins India	0.94%	<b>Preference Shares</b>	<b>0.002%</b>
<b>Consumer Non Durables</b>	<b>5.09%</b>	<b>Entertainment</b>	<b>0.002%</b>
Emami	1.21%	Zee Entertainment Enterprises	0.002%
Marico	1.09%	<b>Net Cash and Cash Equivalent</b>	<b>1.20%</b>
Tata Consumer Products	0.87%	<b>Grand Total</b>	<b>100.00%</b>



## 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