



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 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

Corporates are reporting the lowest ever leverage and as per credit rating agencies, CY21 continued to report more upgrades over downgrades. With interest rates close to their historical lows, Corporates boosted by their balance sheet improvement are expected to announce cap-ex. Government policies like PLI, could be another factor which could spur a cap-ex cycle.

In such a context, the upcoming earnings season assumes greater criticality, as FY23 & FY24 estimates will be reviewed post the results. At first glance, the current commodity induced inflation will play havoc to Q1 FY23 estimates as Gross margins will be sharply impacted. This may have been already factored given the sharp fall during the last fortnight of March'22. What the market will focus on is the management commentary on rest of FY23 – sales growth momentum, price hikes and EBIDTA margin protection going ahead. Unless the commentary from managements underlines despair, FY24 estimates will be largely left untouched, as of now.

For the next couple of quarters, Indian markets could be influenced more by global gyrations rather than domestic news cycle. For investors, investing in periods of higher inflation, declining growth and uncertain geo-politics, caution over aggression may be a better strategy – give up FOMO (Fear of Missing Out) and embrace ALRE (Accept Lower Return Expectations).

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'22)

Category: Focused

Monthly Avg AUM: ₹ 1,328.92 Crores

Inception Date: 16th March 2006

Fund Manager: Mr Sumit Agarwal

(w.e.f 20/10/2016)

Other Parameters:

Beta: 0.90

R Squared: 0.89

Standard Deviation (Annualized): 20.85%

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*: ₹1,00/-

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.

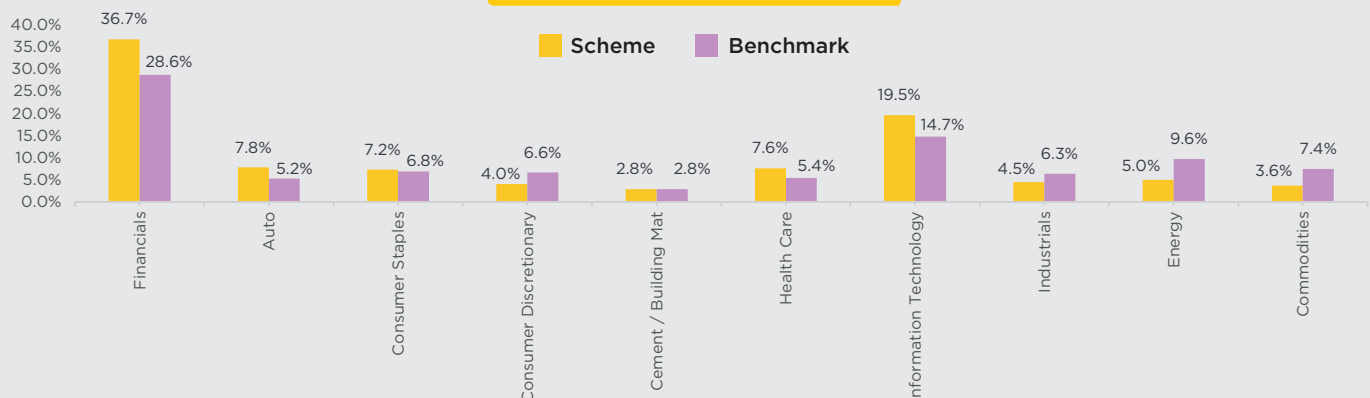
The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

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	98.56%
Banks	28.32%
HDFC Bank	10.04%
ICICI Bank	9.53%
State Bank of India	8.75%
Software	19.55%
Infosys	6.02%
Tata Consultancy Services	2.99%
L&T Technology Services	2.85%
Mphasis	2.65%
Larsen & Toubro Infotech	2.56%
Coforge	2.47%
Finance	8.30%
Bajaj Finance	8.30%
Consumer Non Durables	7.23%
Hindustan Unilever	2.91%
Prataap Snacks	2.53%
3M India	1.79%
Pharmaceuticals	5.40%
Gland Pharma	2.74%
Divi's Laboratories	2.66%
Auto	5.11%
Maruti Suzuki India	3.10%
TVS Motor Company	2.01%
Petroleum Products	4.96%
Reliance Industries	4.96%
Consumer Durables	3.99%
Voltas	2.00%
Bata India	1.99%
Chemicals	3.62%
Anupam Rasayan India	3.62%
Cement & Cement Products	2.83%
UltraTech Cement	2.83%
Industrial Products	2.64%
Bharat Forge	2.64%
Construction	2.58%
Sunteck Realty	2.58%
Healthcare Services	2.16%
Max Healthcare Institute	2.16%
Construction Project	1.87%
Larsen & Toubro	1.87%
Net Cash and Cash Equivalent	1.44%
Grand Total	100.00%



SECTOR ALLOCATION



Scheme risk-o-meter	This product is suitable for investors who are seeking*	Benchmark risk-o-meter
 <p>Investors understand that their principal will be at Very High risk</p>	<ul style="list-style-type: none"> To create wealth over long term. Investment in a concentrated portfolio of equity and equity related instruments of up to 30 companies. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	 <p>S&P BSE 500 TRI</p>