



IDFC INFRASTRUCTURE FUND

An open ended equity scheme investing in Infrastructure sector

A dedicated Infrastructure fund, that invests across the infrastructure value chain with exclusions like Banking, Autos, IT, Pharma and FMCG. It is a diversified portfolio of companies that are participating in and benefitting from the Indian Infrastructure and Infrastructure related activities.

OUTLOOK

How has been the November for Equity markets?

Global equities strengthened across regions (+7.6% MoM/-16.4% YTD). Brazil was the only outlier while all other regions improved (US surging 5%/China +30%/Euro area up 11%).

Indian equities (MSCI India) gained (USD terms, +5% MoM/-3% YTD), while underperforming the region and its peers (MSCI APxJ/EM: -17%/+15% MoM). Performance of both mid-caps (up -2% MoM) and small caps (up -3% MoM) was positive, though weaker than large caps (up -4% MoM). All sectors barring Consumer Discretionary, Auto and Utilities ended the month in the green as NIFTY improved (up -4% MoM), clocking a new lifetime high of 18,758 at the close of the month. INR appreciated by 1.7% MoM, reaching -81.43/USD in November. DXY (Dollar Index) weakened 5% over the month, closing the month at 105.95 (from 111.53 a year earlier).

After the exhilarating moves in CY 20 and CY 21, market movement during CY 22 has been more sedate. Nifty50 till a few weeks back was flirting with negative return on a calendar year basis. Clearly, equity returns have been underwhelming. Yet, the markets have climbed the proverbial "walls of worry" to cross the previous peak touched in Oct'21.

Is the Indian market overvalued, as a result becomes a difficult question to answer. "Are we in bubble territory" would be a relatively easier question to answer - No. A simple, yet effective test of the market valuation would be to compare Small Cap Index earnings to Nifty50. In CY 17, Small cap index traded at a premium to Nifty and needed a trigger to unravel. Thankfully, in the market rally since Apr'2020, Small cap index has never traded at a premium to Nifty. Thus, while valuations may be elevated we are not in bubble territory.

This should be the most important take away for investors, moderate return expectations not equity allocation at the current juncture. this train can chug along for some more time.

CURRENT STRATEGY

The portfolio is built to monetize the existing infrastructure opportunity in India. Despite the argument of environment being slower, we believe that companies with a dominant market share and growing cash flows would consolidate the opportunity going forward. The focus is on companies with healthy balance sheet which are beneficiaries of ongoing capital formation and will capture a large part of that revenue pool. The current portfolio represents our version of such companies from the Construction & Logistics segments, Industrials space, the Utilities and Energy businesses.

FUND FEATURES:

(Data as on 30th November'22)

Category: Sectoral/Thematic

Monthly Avg AUM: ₹ 644.78 Crores

Inception Date: 8th March 2011

Fund Manager: Mr. Sachin Relekar
(w.e.f. 08th December 2020)

Other Parameters:

Beta: 0.89

R Squared: 0.83

Standard Deviation (Annualized):
28.63%

Benchmark: S&P BSE India
Infrastructure 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)

Sip Dates : (Monthly/Quarterly*)

Investor may choose any day of the month except 29th, 30th & 31st of instalment. *Any day of next month from the Quarter end.

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

@Income Distribution cum capital withdrawal
The Scheme was being managed by Mr. Rajendra Kumar Mishra up to December 7, 2020.

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.

PORTFOLIO

(30 November 2022)

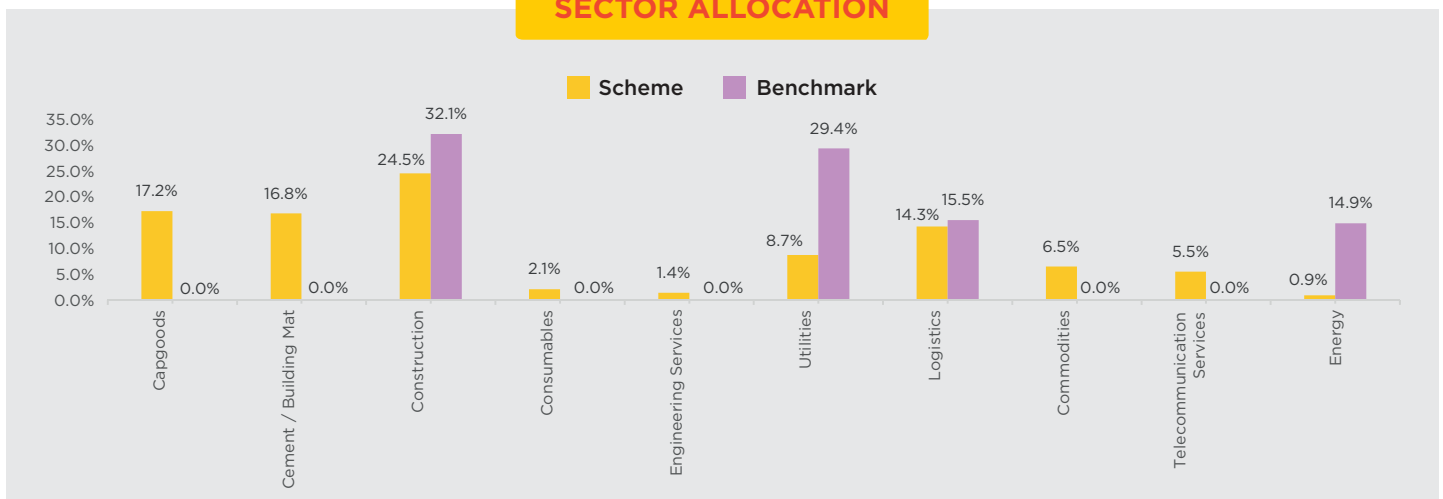


IDFC MUTUAL FUND

| Name of the Instrument | % to NAV | Name of the Instrument | % to NAV |
|--|---------------|--|----------------|
| Equity and Equity related Instruments | 99.25% | Cummins India | 1.09% |
| Construction | 26.81% | Telecom - Services | 5.55% |
| Larsen & Toubro | 10.55% | Bharti Airtel | 5.55% |
| PNC Infratech | 3.27% | Gas | 5.07% |
| H.G. Infra Engineering | 3.04% | Gujarat State Petronet | 2.57% |
| Ahluwalia Contracts (India) | 2.86% | Gujarat Gas | 2.49% |
| ITD Cementation India | 1.94% | Ferrous Metals | 4.70% |
| NCC | 1.62% | Jindal Steel & Power | 3.97% |
| Engineers India | 1.44% | Tata Steel | 0.73% |
| GPT Infraprojects | 1.24% | Aerospace & Defense | 4.30% |
| ISGEC Heavy Engineering | 0.85% | Bharat Electronics | 4.30% |
| Cement & Cement Products | 16.77% | Power | 3.66% |
| UltraTech Cement | 7.82% | Torrent Power | 3.66% |
| JK Cement | 4.58% | Transport Infrastructure | 3.32% |
| Sagar Cements | 3.31% | Adani Ports and Special Economic Zone | 3.32% |
| Nuvoco Vistas Corporation | 1.06% | Realty | 1.18% |
| Transport Services | 10.96% | Mahindra Lifespace Developers | 1.18% |
| Transport Corporation of India | 6.22% | Non - Ferrous Metals | 0.98% |
| Container Corporation of India | 3.32% | Hindalco Industries | 0.98% |
| Gateway Distriparks | 1.42% | Petroleum Products | 0.92% |
| Electrical Equipment | 8.23% | Hindustan Petroleum Corporation | 0.92% |
| ABB India | 4.32% | Paper, Forest & Jute Products | 0.84% |
| Thermax | 3.91% | Century Textiles & Industries | 0.84% |
| Industrial Products | 5.97% | Net Cash and Cash Equivalent | 0.75% |
| Kirloskar Brothers | 2.74% | Grand Total | 100.00% |
| Carborundum Universal | 2.14% | | |



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 predominantly in equity and equity related instruments of companies that are participating in and benefiting from growth in Indian infrastructure and infrastructural related activities. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p> | <p>S&P BSE India Infrastructure TRI</p> |