



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

During the month of January'22, equity markets across the globe were largely impacted by US Fed utterances regarding interest rates and balance sheet contraction. Markets roiled at the prospects of tightening liquidity and a phase of rising interest rates. On domestic front, the Union Budget 2022-23 was largely viewed as a positive by equity markets. The equity markets took solace from the conservative assumptions for revenue collections going in to FY23 and modest expenditure growth with a clear tilt on capital spending across, roads; railways & affordable housing sectors. The early birds in the earnings season have reported a mixed bag – robust sales growth and outlook, shrinking margin due to higher input prices and inability to completely pass on these cost surges. Unseasonal rains had also dampened demand in certain segments/sectors. As a result FY22 & 23 estimates may be downgraded marginally, though analysts seemed to be re-assured by management commentary and FY24 estimates remain largely unchanged.

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 December'21)

Category: Large & Mid Cap

Monthly Avg AUM: ₹2,522.63 Crores

Inception Date: 9th August 2005

Fund Manager: Mr. Anoop Bhaskar (w.e.f. 30/04/2016)

Benchmark: NIFTY 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[®] - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

Other Parameters:

Beta: 1.00

R Squared: 0.96

Standard Deviation (Annualized): 23.22%

PLAN	IDCW@ RECORD DATE	₹/UNIT	NAV
REGULAR	22-Jul-21	0.95	19.1100
	16-Mar-20	1.03	12.0100
	14-Mar-19	0.80	15.4200
DIRECT	22-Jul-21	1.19	23.9400
	16-Mar-20	0.39	13.7900
	14-Mar-19	0.90	17.4700

[®]Income Distribution cum capital withdrawal

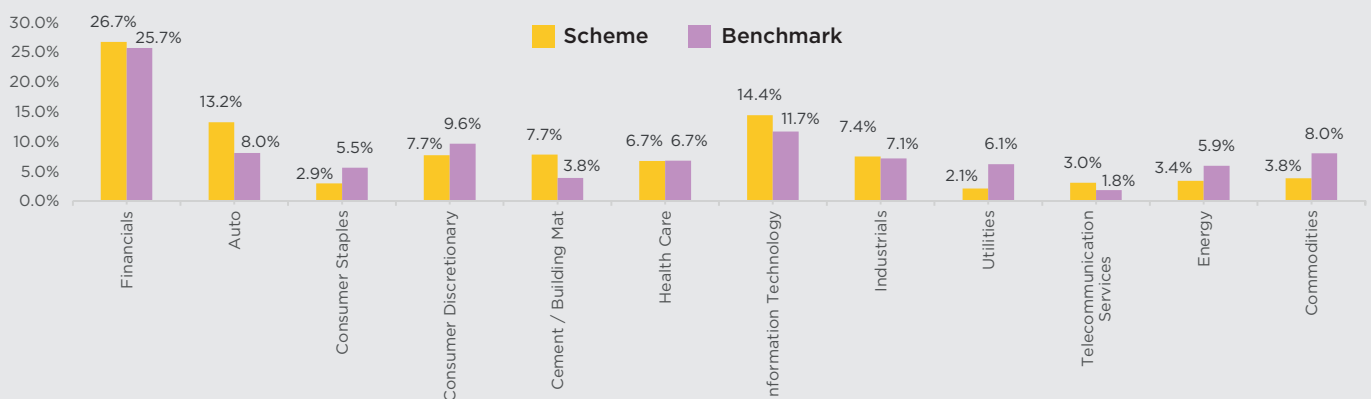
Ratios calculated on the basis of 3 years history of monthly data.

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

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	98.95%	MRF	0.54%
Banks	23.66%	Petroleum Products	3.37%
ICICI Bank	7.17%	Reliance Industries	3.00%
HDFC Bank	5.42%	Bharat Petroleum Corporation	0.37%
State Bank of India	5.06%	Power	3.16%
Axis Bank	2.31%	Torrent Power	1.20%
The Federal Bank	1.53%	Kalpataru Power Transmission	1.05%
Canara Bank	0.81%	KEC International	0.92%
Indian Bank	0.68%	Telecom - Services	3.02%
Bank of Baroda	0.67%	Bharti Airtel	3.02%
Software	14.37%	Consumer Non Durables	2.94%
Infosys	6.60%	Godrej Consumer Products	0.86%
Tata Consultancy Services	2.25%	Emami	0.83%
HCL Technologies	2.14%	Tata Consumer Products	0.83%
Birlasoft	1.10%	3M India	0.42%
Tech Mahindra	0.88%	Leisure Services	2.63%
Mastek	0.78%	The Indian Hotels Company	2.63%
Zensar Technologies	0.61%	Construction Project	2.56%
Pharmaceuticals	6.67%	Larsen & Toubro	2.56%
Sun Pharmaceutical Industries	1.88%	Retailing	2.39%
IPCA Laboratories	1.32%	Aditya Birla Fashion and Retail	2.39%
Alkem Laboratories	1.16%	Ferrous Metals	1.99%
Alembic Pharmaceuticals	1.04%	Jindal Steel & Power	1.99%
Natco Pharma	0.70%	Chemicals	1.80%
Laurus Labs	0.40%	Deepak Nitrite	1.80%
Indoco Remedies	0.18%	Insurance	1.75%
Cement & Cement Products	6.48%	Max Financial Services	0.96%
ACC	1.97%	SBI Life Insurance Company	0.79%
The Ramco Cements	1.62%	Consumer Durables	1.40%
UltraTech Cement	1.21%	Voltas	1.19%
Ambuja Cements	1.03%	Metro Brands	0.20%
Nuvoco Vistas Corporation	0.66%	Entertainment	1.24%
Auto	6.01%	PVR	1.24%
Tata Motors	2.58%	Capital Markets	0.90%
Mahindra & Mahindra	2.51%	ICICI Securities	0.90%
Maruti Suzuki India	0.92%	Gas	0.88%
Industrial Products	5.49%	Gujarat State Petronet	0.88%
Bharat Forge	1.84%	Industrial Capital Goods	0.53%
Cummins India	1.44%	ABB India	0.53%
Supreme Industries	1.26%	Finance	0.36%
AIA Engineering	0.95%	Mas Financial Services	0.36%
Auto Ancillaries	5.37%	Preference Shares	0.002%
Apollo Tyres	1.51%	Entertainment	0.002%
Bosch	1.23%	Zee Entertainment Enterprises	0.002%
Minda Industries	1.05%	Net Cash and Cash Equivalent	1.05%
Wheels India	1.05%	Grand Total	100.00%



SECTOR ALLOCATION



<p>Scheme risk-o-meter</p> <p>Investors understand that their principal will be at Very High risk</p>	<p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> To create wealth over long term. Investment predominantly in equity and equity related instruments in large and mid-cap companies. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p>Benchmark risk-o-meter</p> <p>NIFTY LargeMidcap 250 TRI</p>
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