



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

Performance during the month:

Global equities improved across regions (+4.5% MoM/-21.2% YTD). China (-17.6% MoM) and Taiwan (-6.1% MoM) were in red dragging the EM performance (-3.2% MoM).

Indian equities rose +3.9% MoM (in USD terms), while outperforming the APAC region and its peers (MSCI APxJ/EM: -4.2%/-3.2%). Within India, Mid-caps (+4% MoM) and small caps (+4% MoM) underperformed the large caps (+6.2% MoM). All sectors ended the month in the green with Financials, Metals, Capital Goods, Industrials and Auto outperforming the benchmark NIFTY (+6.8% MoM), reclaiming the 18K level at the close of the month. INR depreciated by 1.7% MoM, reaching -82.79/USD at the end of October. DXY (Dollar Index) weakened marginally over the month and closed at 111.

The divergence of Indian markets with either Emerging markets or even Developed markets is becoming curiouser and curiouser. India shining amidst a pall of global gloom is not a belief we have had to face as investors many a times before. Usually, if Developed (read, US) markets sneezed, emerging markets caught a cold. The case for "global caution" - a term we have coined, is well documented - US markets (MSCI USA) are down by -17% YTD; Europe markets are in a funk (MSCI Europe down -26% YTD), awaiting a "winter of extreme discomfort"; China's Covid policy have forced the Government to defer declaring quarterly GDP growth numbers (MSCI China down -44% YTD); Crude oil production is planned to be reduced by OPEC+ by 2mn barrels per day from Nov'22; inflation in Developed economies is higher than many emerging markets. Yet amidst all this pall of gloom, Indian equity markets continue to defy rules of "equity gravity" - every EM market is destined to fall each & every time US market falls!

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 October'22)

Category: Large & Mid Cap

Monthly Avg AUM: ₹ 2,406.68 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: 0.98

R Squared: 0.97

Standard Deviation (Annualized): 23.53%

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

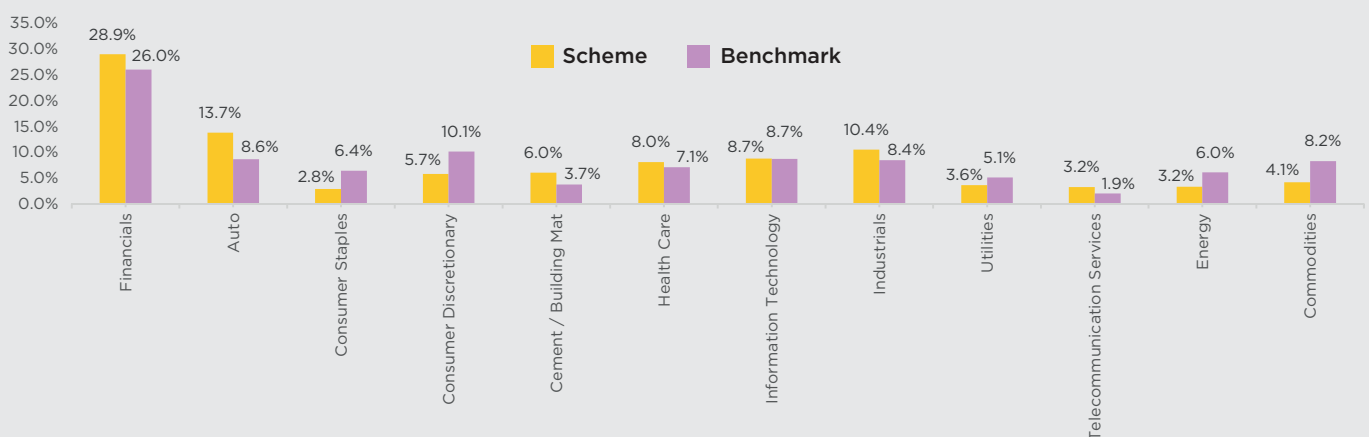
Ratios calculated on the basis of 3 years history of monthly data.

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	98.48%	Nuvoco Vistas Corporation	0.51%
Banks	24.24%	Construction	4.33%
ICICI Bank	6.90%	Larsen & Toubro	3.11%
HDFC Bank	5.04%	Kalpataru Power Transmission	1.22%
State Bank of India	4.61%	Petroleum Products	3.24%
Axis Bank	1.97%	Reliance Industries	3.24%
The Federal Bank	1.46%	Telecom - Services	3.21%
Canara Bank	1.45%	Bharti Airtel	3.21%
IndusInd Bank	1.23%	Leisure Services	2.83%
Bank of Baroda	1.02%	The Indian Hotels Company	2.83%
Indian Bank	0.55%	Finance	2.81%
IT - Software	8.73%	LIC Housing Finance	0.95%
Infosys	5.13%	Mas Financial Services	0.74%
HCL Technologies	1.82%	M&M Financial Services	0.60%
Tata Consultancy Services	1.37%	SBI Cards and Payment Services	0.52%
Zensar Technologies	0.41%	Retailing	2.73%
Pharmaceuticals & Biotechnology	8.01%	Aditya Birla Fashion and Retail	2.73%
Sun Pharmaceutical Industries	2.33%	Ferrous Metals	2.17%
IPCA Laboratories	1.28%	Jindal Steel & Power	2.17%
Alkem Laboratories	1.04%	Electrical Equipment	2.06%
Torrent Pharmaceuticals	0.77%	ABB India	1.25%
Alembic Pharmaceuticals	0.75%	KEC International	0.81%
Cipla	0.70%	Chemicals & Petrochemicals	1.95%
Natco Pharma	0.49%	Deepak Nitrite	1.62%
Lupin	0.33%	Tata Chemicals	0.33%
Zyudus Lifesciences	0.31%	Power	1.79%
Industrial Products	6.56%	NTPC	1.01%
Cummins India	2.06%	Torrent Power	0.78%
Bharat Forge	1.87%	Personal Products	1.78%
AIA Engineering	1.35%	Emami	1.02%
Supreme Industries	1.28%	Godrej Consumer Products	0.76%
Automobiles	6.35%	Gas	1.77%
Mahindra & Mahindra	2.88%	Gujarat Gas	1.11%
Tata Motors	1.69%	Gujarat State Petronet	0.66%
Maruti Suzuki India	1.19%	Insurance	1.19%
Hero MotoCorp	0.59%	Max Financial Services	0.75%
Auto Components	5.48%	Life Insurance Corporation of India	0.44%
Bosch	1.22%	Diversified FMCG	1.06%
Apollo Tyres	1.05%	ITC	1.06%
UNO Minda	1.02%	Capital Markets	0.64%
Wheels India	0.93%	ICICI Securities	0.64%
MRF	0.78%	Diversified	0.64%
Endurance Technologies	0.48%	3M India	0.64%
Schaeffler India	0.002%	Consumer Durables	0.19%
Cement & Cement Products	4.72%	Metro Brands	0.19%
The Ramco Cements	1.51%	Net Cash and Cash Equivalent	1.52%
UltraTech Cement	1.45%	Grand Total	100.00%
ACC	1.25%		



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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