



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

How it went:

During January, 2023 Global equities were stronger across regions (MSCI World +7.1% MoM). India (-3.1% MoM) was the only major outlier in the month, as China (+11.8% MoM) and Euro area (+8.3% MoM) too delivered strong positive performance. Indian equities fell (\$ terms, -2.9% MoM/-9.4% FYTD), while underperforming the region and peers (MSCI APxJ/EM: +8.6%/+7.9% MoM). Mid-caps (-2.1% MoM) and small caps (-2.2% MoM) though weak, outperformed the large caps (-2.7% MoM).

How do we look ahead:

After outperforming the other emerging markets handsomely in the calendar year 2022, the Indian market has lagged recently in the last three months. It is trailing the emerging market index by ~25% (in USD terms). Emerging markets have bounced back after a tough CY 2022 on the prospects of growth revival in China as it opens up post COVID along with the optimism that the worst of the inflation scare is behind us, and hence monetary policy globally will gradually ease.

On one hand, India is faced with challenges of slightly above average valuations and higher interest rates globally. On the other hand, there is relatively higher earnings visibility in India compared to most other markets. The currency has underperformed in the last few months making it more attractive given that the long term growth prospects of the economy are bright. Overall we feel that the market offers steady returns for the long term investor at this point.

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 January'23)

Category: Focused

Monthly Avg AUM: ₹ 1,229.93 Crores

Inception Date: 16th March 2006

Fund Manager: Mr Sumit Agarwal
(w.e.f 20/10/2016)

Other Parameters:

Beta: 0.85

R Squared: 0.92

Standard Deviation (Annualized): 21.05%

Benchmark: S&P BSE 500 TRI

(w.e.f 11/11/2019)

Minimum Investment Amount:

₹ 1,000 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 (Minimum Amount): 100/- Minimum 6 installments)

SIP Dates: (Monthly/Quarterly) Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

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.

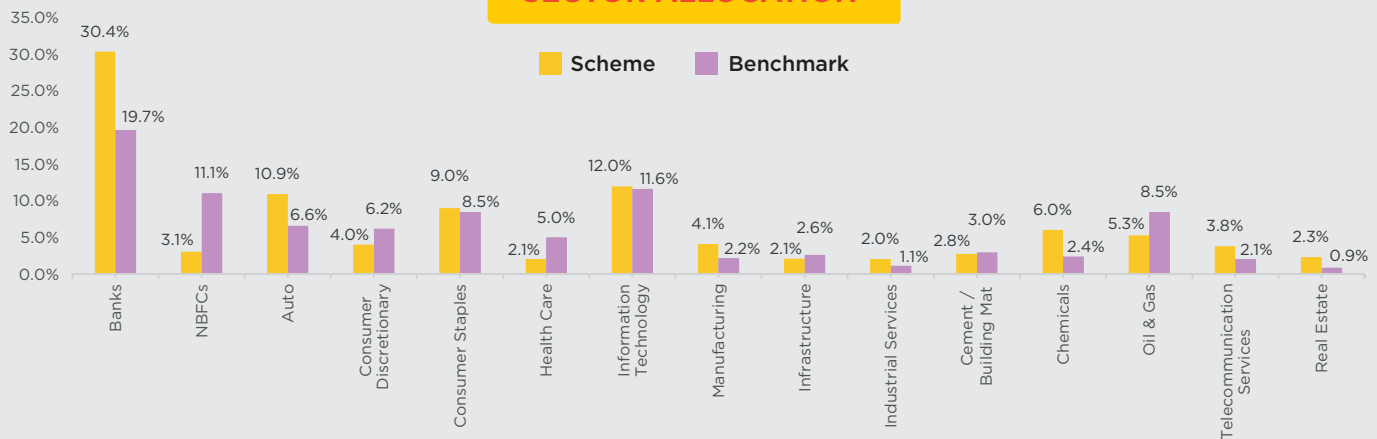
The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

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	99.77%
Banks	30.35%
HDFC Bank	9.86%
ICICI Bank	8.62%
State Bank of India	4.67%
Axis Bank	3.66%
IndusInd Bank	3.54%
IT - Software	9.24%
Infosys	6.72%
LTIMindtree	2.52%
Automobiles	8.87%
Maruti Suzuki India	5.02%
TVS Motor Company	3.85%
Chemicals & Petrochemicals	6.03%
Anupam Rasayan India	3.15%
Rossari Biotech	2.87%
Diversified FMCG	5.92%
ITC	3.91%
Hindustan Unilever	2.01%
Petroleum Products	5.29%
Reliance Industries	5.29%
Telecom - Services	3.79%
Bharti Airtel	3.79%
Finance	3.06%
Cholamandalam Invnt and Fin Co	3.06%
Food Products	3.06%
Prataap Snacks	3.06%
Cement & Cement Products	2.76%
UltraTech Cement	2.76%
IT - Services	2.74%
L&T Technology Services	2.74%
Realty	2.31%
The Phoenix Mills	2.31%
Diversified	2.13%
3M India	2.13%
Construction	2.08%
Larsen & Toubro	2.08%
Pharmaceuticals & Biotechnology	2.05%
Sun Pharmaceutical Industries	2.05%
Transport Services	2.04%
InterGlobe Aviation	2.04%
Industrial Products	2.04%
Bharat Forge	2.04%
Retailing	2.04%
Trent	2.04%
Electrical Equipment	1.98%
ABB India	1.98%
Leisure Services	1.98%
The Indian Hotels Company	1.98%
Net Cash and Cash Equivalent	0.23%
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>