



## IDFC Transportation and Logistics Fund

An open-ended equity scheme investing in transportation and logistics sector

The Scheme seeks to generate long-term capital growth by investing predominantly in equity and equity related securities of companies engaged in the transportation and logistics sector.

### FUND PHILOSOPHY

The fund would invest at least 80% of the corpus in securities of companies that broadly represent the transportation & logistics sector within basic industries like passenger vehicles, commercial vehicles, motorcycles, airlines, shipping, e-commerce companies into delivery business and logistics solution providers etc. The investment would be based on a bottom-up stock selection approach and would take a concentrated bet on certain businesses with stock concentration of 30-40 stocks. Fund would remain market cap agnostic and focus on businesses having long runaways for growth with no or limited technology/obsolescence risk.

### 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.

#### FUND FEATURES:

(Data as on 31st January'23)

**Category:** Sector

**Monthly Avg AUM:** ₹ 248.79 Crores

**Inception Date:** 27 October 2022

**Fund Manager:** Mr. Daylynn Pinto (equity portion), Mr. Harshal Joshi (debt portion) Ms. Nishita Doshi (will be managing overseas investment portion of the scheme.)

**Benchmark:** Nifty Transportation and Logistics Index

#### Minimum Investment Amount:

₹ 1,000/- and in multiples of Re. 1/- thereafter

#### Exit Load:

- ▶ If redeemed/switched out within 1 year from the date of allotment - 1% of applicable NAV.
- ▶ If redeemed/switched out after 1 year from the date of allotment - Nil.

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

#### SIP Dates: (Monthly/Quarterly)

Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

**SIP (Minimum Amount):** 100/- and in multiples of 1 thereafter

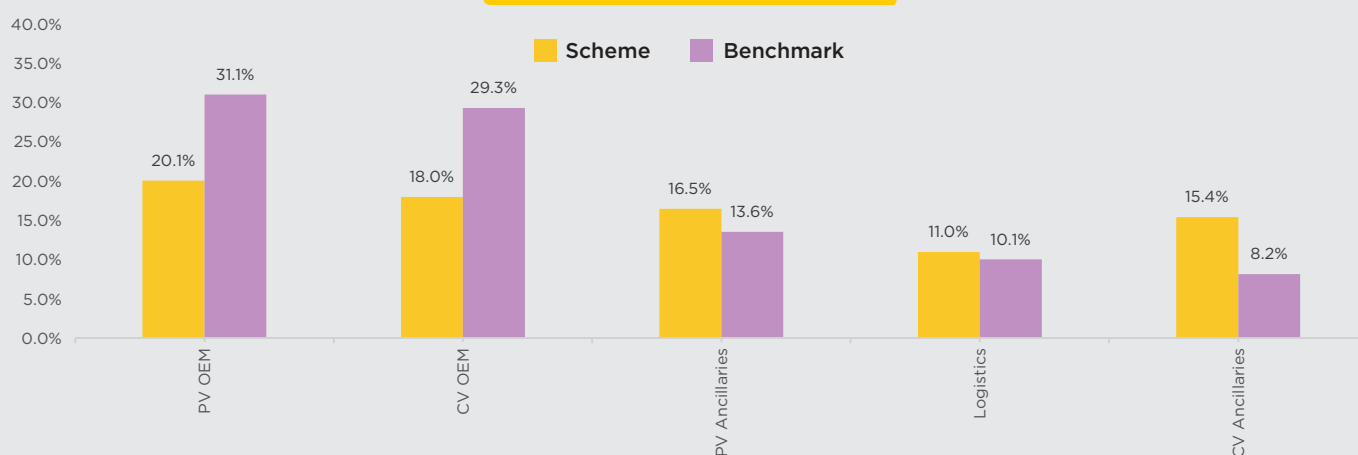
®Income Distribution cum capital withdrawal

Disclaimer: There is no assurance or guarantee that the objectives of the scheme will be realised.

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

**PORTFOLIO**
**(31 January 2023)**

Name of the Instrument	Rating	% to NAV
<b>Equity and Equity related Instruments</b>		<b>81.05%</b>
<b>Automobiles</b>		<b>32.39%</b>
Tata Motors		6.78%
Maruti Suzuki India		6.76%
Mahindra & Mahindra		5.51%
Bajaj Auto		5.34%
Hero MotoCorp		4.09%
Eicher Motors		3.91%
<b>Auto Components</b>		<b>30.20%</b>
Bosch		4.42%
Apollo Tyres		3.21%
MRF		2.54%
Schaeffler India		2.26%
Automotive Axles		2.24%
Motherson Sumi Wiring India		2.06%
Jamna Auto Industries		1.93%
Steel Strips Wheels		1.82%
Sandhar Technologies		1.67%
Exide Industries		1.63%
Alicon Castalloy		1.62%
Samvardhana Motherson International		1.51%
GNA Axles		1.23%
Sundram Fasteners		1.18%
Subros		0.89%
<b>Transport Services</b>		<b>10.99%</b>
VRL Logistics		2.78%
InterGlobe Aviation		2.76%
Container Corporation of India		2.51%
Gateway Distriparks		1.67%
Transport Corporation of India		1.26%
<b>Agricultural, Commercial &amp; Construction Vehicles</b>		<b>5.73%</b>
Escorts Kubota		3.34%
Ashok Leyland		2.39%
<b>Industrial Products</b>		<b>1.75%</b>
Bharat Forge		1.75%
<b>Net Cash and Cash Equivalent</b>		<b>18.95%</b>
<b>Grand Total</b>		<b>100.00%</b>


**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"> <li>To create wealth over a long term.</li> <li>Investment predominantly in equity and equity related instruments of the companies engaged in the transportation and logistics sector.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p>Nifty Transportation and Logistics Index</p>