



IDFC Multi Cap Fund

An open-ended equity scheme investing across large cap, mid cap, small cap stocks

The Fund seeks to generate long term capital appreciation by investing in a diversified portfolio of equity & equity related instruments across large cap, mid cap, small cap stocks.

FUND PHILOSOPHY

The fund will invest in equity and equity related instruments which is diversified across market capitalization viz. Large Cap companies, Mid Cap companies and Small Cap companies spread across sectors.

The Fund Manager will generally invest in a few selected sectors, which in the opinion of the fund manager have potential to grow.

OUTLOOK

How it went:

Global equities declined by 4.3% MoM, positive returns from China, Spain, Malaysia and Japan were not sufficient to cushion downturn. Emerging markets lost 1.6% MoM while India underperformed with a decline of 5.4% MoM after touching all-time high, due to stretched valuations, covid fears returning, persisting Central Banks' hawkish stance, and FII outflows. However, India has outperformed on 6 month, 1 year and 3 year basis by a decent margin. Indian markets closed the year in red in USD terms, however in local currency Indian markets were slightly in green. The Indian stock market delivered 4.3% returns in CY 2022 in INR terms however falling 5.1% in USD terms. PSUs, Financials, Utilities and Industrials outperformed the market, while IT Services, healthcare and consumer durables underperformed the market. Large caps (BSE 100) did better than the mid-caps (BSE 150 Mid Cap) while small-caps (BSE 250 Small Cap) ended the CY2022 with a negative 2% return.

Outlook for 2023:

Going ahead, at the global front - trajectory of rate hike by US Fed and the cumulative impact of the rate hikes since 2022 on the economic growth could be the biggest global factor which investors will track and try to predict/forecast. On the geo-political front, the continuing Ukraine/Russia war may impact commodity prices only if it escalates to a higher level. Any resolution, though, could be a sentiment booster. A bigger impact on commodities could be driven by the state of the Chinese economy, which amidst a slowdown faces the additional challenge of a sharp spurt in Covid-19 related cases. The embattled European economy could slide into a deeper recession if the weight of "oversized" fuel costs does not drop sharply in the coming months. Gas prices today are trading at an equivalent of 2-2.25x current crude oil prices (diesel to generate power would be cheaper than using LNG to generate power in Europe today). Three of our neighboring countries (Bangladesh; Nepal and Sri Lanka) are in different stages of negotiations with World Bank for an economic package to alleviate the post pandemic downturn. Our focus should be on earnings delivery. Surprising to many, yet correct, would be the importance of delivery of earnings growth since Dec '19. While liquidity has been the other pillar on which the market returns have been built upon, earnings growth has been the dominant factor for this uptrend. With valuations at an elevated level - delivery of earnings will be the key driver for the markets ahead.

While global factors are important, delivery of earnings, to us remains paramount. Ceteris paribus, all things remaining the same, market returns would be positive, if earnings get delivered!

FUND FEATURES:

(Data as on 31st December'22)

Category: Multi Cap

Monthly Avg AUM: ₹ 1,204.18 Crores

Inception Date: 2 December, 2021

Fund Manager: Mr. Daylynn Pinto (equity portion), Mr. Harshal Joshi (debt portion)

Benchmark: NIFTY 500 Multicap
50:25:25 TRI

SIP (Minimum Amount): ₹100/- and in multiples of Re. 1 thereafter

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.

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

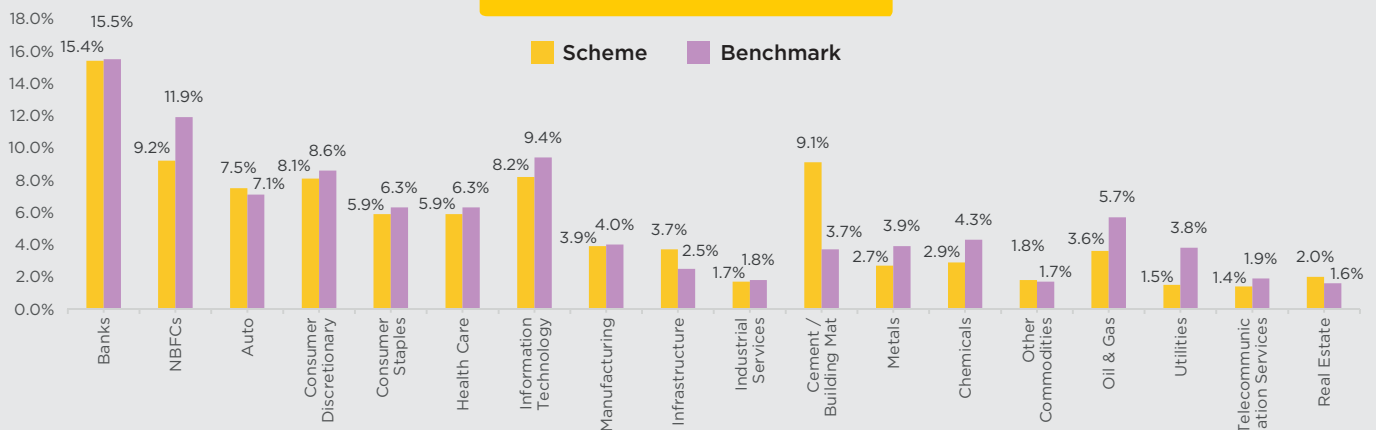
Options Available: Growth, IDCW® - (Payout of Income Distribution cum capital withdrawal option, Reinvestment of Income Distribution cum capital withdrawal option & Transfer of Income Distribution cum capital withdrawal plan (from Equity Schemes to Debt Schemes Only).

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

®Income Distribution and Capital Withdrawal

Name of the Instrument	Ratings	% to NAV	Name of the Instrument	Ratings	% to NAV
Equity and Equity related Instruments		94.34%	Beverages		3.24%
Banks		15.36%	United Breweries		2.27%
ICICI Bank		3.16%	Radico Khaitan		0.97%
HDFC Bank		2.72%	Insurance		3.09%
Axis Bank		2.53%	ICICI Lombard General Insurance Company		1.55%
Canara Bank		1.95%	HDFC Life Insurance Company		1.54%
Bank of Baroda		1.86%	Ferrous Metals		2.42%
Kotak Mahindra Bank		1.75%	Jindal Steel & Power		2.42%
Indusind Bank		1.38%	Leisure Services		2.17%
IT - Software		6.34%	EIH		1.78%
Tata Consultancy Services		1.90%	Sapphire Foods India		0.39%
Infosys		1.89%	Automobiles		2.09%
HCL Technologies		1.30%	Maruti Suzuki India		1.12%
Zensar Technologies		1.25%	Tata Motors		0.97%
Cement & Cement Products		6.12%	Realty		1.99%
JK Lakshmi Cement		2.90%	Mahindra Lifespace Developers		1.44%
The Ramco Cements		1.93%	Keystone Realtors		0.55%
Grasim Industries		1.30%	IT - Services		1.90%
Finance		6.06%	Cyient		1.90%
HDFC		2.20%	Food Products		1.79%
LIC Housing Finance		1.82%	Avanti Feeds		1.79%
M&M Financial Services		1.18%	Transport Services		1.68%
Bajaj Finance		0.86%	Container Corporation of India		0.86%
Pharmaceuticals & Biotechnology		5.91%	VRL Logistics		0.81%
IPCA Laboratories		1.80%	Entertainment		1.65%
Sun Pharmaceutical Industries		1.59%	PVR		1.65%
Dr. Reddy's Laboratories		1.50%	Fertilizers & Agrochemicals		1.60%
Laurus Labs		1.02%	Rallis India		1.60%
Consumer Durables		4.90%	Gas		1.52%
Greenply Industries		1.69%	Gujarat Gas		1.52%
Metro Brands		1.55%	Electrical Equipment		1.49%
Crompton Greaves Consumer Electricals		0.98%	CG Power and Industrial Solutions		0.90%
Kajaria Ceramics		0.68%	Thermax		0.59%
Industrial Products		4.79%	Diversified FMCG		1.38%
Bharat Forge		1.54%	ITC		1.38%
Carborundum Universal		1.28%	Telecom - Services		1.35%
Cummins India		1.15%	Bharti Airtel		1.35%
Finolex Industries		0.63%	Chemicals & Petrochemicals		1.33%
Graphite India		0.19%	Tata Chemicals		1.33%
Auto Components		3.84%	Agricultural Food & other Products		1.28%
Bosch		2.16%	Tata Consumer Products		1.28%
Automotive Axles		1.68%	Retailing		1.00%
Construction		3.70%	V-Mart Retail		1.00%
Kalpataru Power Transmission		1.87%	Industrial Manufacturing		0.76%
Larsen & Toubro		1.83%	Syrma SGS Technology		0.76%
Petroleum Products		3.58%	Net Cash and Cash Equivalent		5.66%
Reliance Industries		2.55%			
Hindustan Petroleum Corporation		1.03%	Grand Total		100.00%

SECTOR ALLOCATION



Scheme risk-o-meter



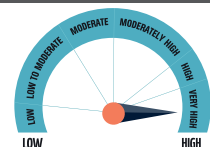
Investors understand that their principal will be at Very High risk

This product is suitable for investors who are seeking*

- To generate short-term optimal returns.
- Investment in a portfolio of large, mid and small cap equity and equity related securities.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Benchmark risk-o-meter



NIFTY 500 Multicap 50:25:25 TRI