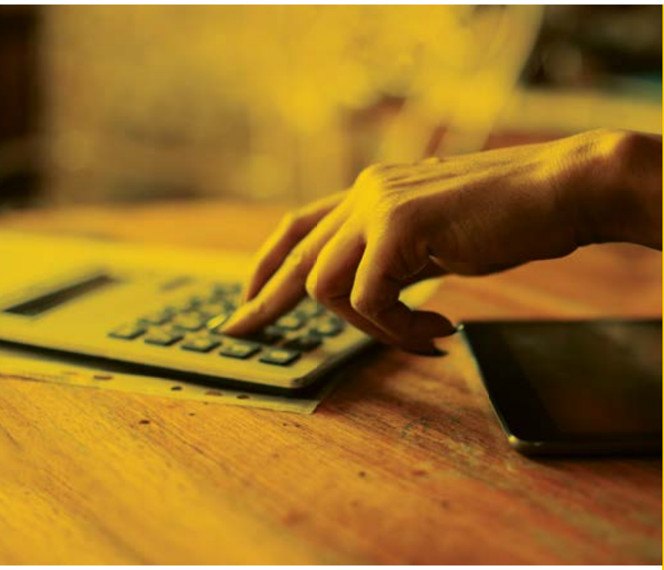
FUND SPOTLIGHT

IDFC MUTUAL FUND



IDFC TAX ADVANTAGE (ELSS) FUND

An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit

The Fund is an Equity Linked Savings Scheme (ELSS) that aims to generate long term capital growth from a diversified equity portfolio and enables investors to avail of a deduction from total income, as permitted under the Income Tax Act, 1961.

FUND FEATURES:
(Data as on 31st December'22)

Category: ELSS

Monthly Avg AUM: ₹ 4,042.01 Crores

Inception Date: 26th December 2008

Fund Manager: Mr. Daylynn Pinto (w.e.f. 20/10/2016)

Other Parameters:
Beta: 1.11
R Squared: 0.94
Standard Deviation (Annualized): 26.13%

Benchmark: S&P BSE 500 TRI (w.e.f. 1st Dec, 2021)

Minimum Investment Amount: ₹500/-

Exit Load: Nil

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.

Options Available: Growth, IDCW@ - Payout and Sweep (from Equity Schemes to Debt Schemes Only)

PLAN	IDCW@ RECORD DATE	₹/UNIT	NAV
REGULAR	22-Jul-21	1.27	25.5500
	27-Mar-19	0.37	16.7300
	27-Sep-18	0.48	16.8600
DIRECT	22-Jul-21	1.60	32.1300
	27-Mar-19	0.58	20.5000
	27-Sep-18	0.52	20.5200

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).
@Income Distribution cum capital withdrawal

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!

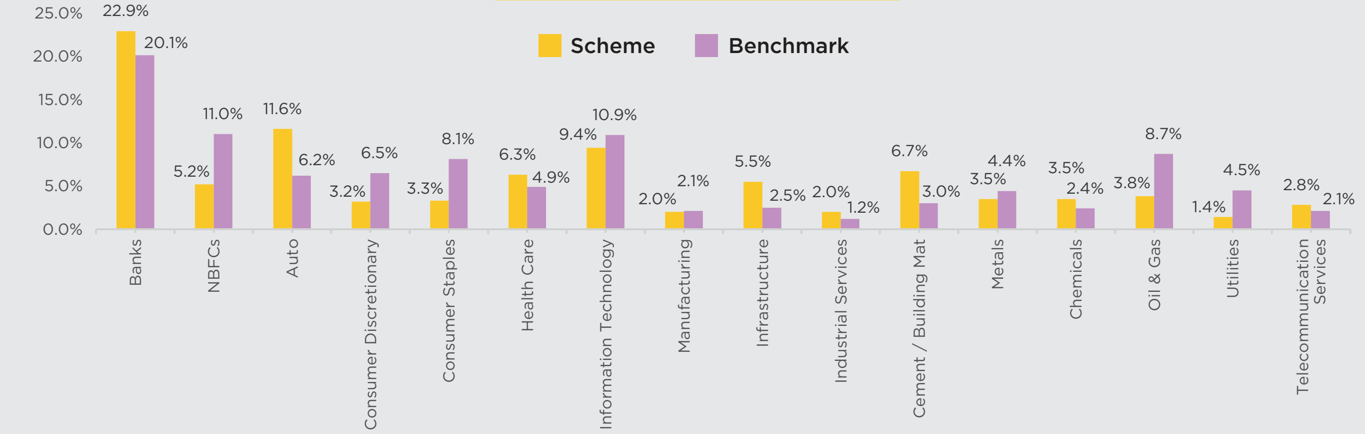
Ratios calculated on the basis of 3 years history of monthly data.

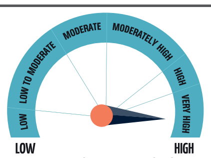
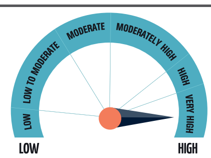
PORTFOLIO (31 December 2022)

IDFC MUTUAL FUND

Name of the Instrument	% to NAV
Equity and Equity related Instruments	**93.10%**
Banks	**22.89%**
ICICI Bank	8.41%
State Bank of India	5.34%
HDFC Bank	4.25%
Axis Bank	3.25%
Canara Bank	1.66%
IT - Software	**9.43%**
Infosys	5.06%
Tata Consultancy Services	1.82%
HCL Technologies	1.81%
Zensar Technologies	0.74%
Pharmaceuticals & Biotechnology	**6.36%**
Cipla	2.00%
Dr. Reddy's Laboratories	1.47%
Laurus Labs	1.07%
Sun Pharmaceutical Industries	0.99%
Lupin	0.82%
Automobiles	**4.99%**
Tata Motors	2.51%
Mahindra & Mahindra	2.48%
Finance	**4.59%**
HDFC	1.80%
Poonawalla Fincorp	1.76%
Mas Financial Services	1.03%
Electrical Equipment	**4.29%**
KEC International	2.27%
CG Power and Industrial Solutions	2.01%
Cement & Cement Products	**3.92%**
UltraTech Cement	1.56%
The Ramco Cements	1.48%
Nuvoco Vistas Corporation	0.88%
Auto Components	**3.86%**
Bosch	1.50%
UNO Minda	1.42%
Sandhar Technologies	0.93%
Petroleum Products	**3.80%**
Reliance Industries	3.80%
Ferrous Metals	**3.66%**
Jindal Steel & Power	2.45%
Kirloskar Ferrous Industries	1.21%
Chemicals & Petrochemicals	**3.55%**
Deepak Nitrite	1.92%
Tata Chemicals	1.63%
Industrial Products	**3.52%**
Bharat Forge	1.53%
Apollo Pipes	1.07%
Graphite India	0.93%
Construction	**3.18%**
NCC	1.88%
PSP Projects	1.30%
Leisure Services	**2.87%**
The Indian Hotels Company	1.46%
EIH	1.41%
Telecom - Services	**2.80%**
Bharti Airtel	2.80%
Consumer Durables	**2.06%**
Greenpanel Industries	1.68%
Khadim India	0.38%
Transport Services	**1.98%**
VRL Logistics	1.98%
Beverages	**1.85%**
United Spirits	1.85%
Power	**1.36%**
NTPC	1.36%
Agricultural Food & other Products	**1.24%**
Tata Consumer Products	1.24%
Insurance	**0.64%**
ICICI Lombard General Insurance Company	0.64%
Diversified FMCG	**0.25%**
ITC	0.25%
Net Cash and Cash Equivalent	**6.90%**
Grand Total	**100.00%**

SECTOR ALLOCATION



Scheme risk-o-meter	This product is suitable for investors who are seeking*	Benchmark risk-o-meter
 Investors understand that their principal will be at Very High risk	• To create wealth over long term. • Investment predominantly in Equity and Equity related securities with income tax benefit u/s 80C and 3 years lock-in. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.	 S&P BSE 500 TRI