



## IDFC BALANCED ADVANTAGE FUND

(previously known as IDFC Dynamic Equity Fund)

An open ended dynamic asset allocation fund

### FUND PHILOSOPHY\*

IDFC Balanced Advantage Fund is a hybrid fund with active equity allocation changing based on the trailing P/E of Nifty 50 index. The fund has a pre-defined model which indicates the range of active equity allocation based on P/E levels, and there are 6 different range of equity allocation possible. Higher the P/E band, lower will be the active equity allocation and vice versa.

Change of bands happen once a month while changes within the band happen dynamically on a day to day basis. The active equity portfolio is managed like a diversified fund. Active stock selection philosophy combines quality stocks with good growth potential. The quality filters for the fund are – conversion of EBIDTA to operating cash – OCF as % of EBIDTA > 33%; Moderate leverage: Debt EBIDTA < 3x; Profitability: EBIDTA / Net operating Assets > 30%. Thus, companies which qualify these parameters and have higher visibility of growth versus peers will form the core portfolio. Depending on P/E levels, the fund can have more large or mid/small cap names. The fund will also use Nifty futures to dynamically manage active equity allocation within a month.

The debt portion of the fund is actively managed. The portfolio emphasizes on maintaining high credit quality and currently has 100% in AAA or equivalent instruments. Further the portfolio is oriented towards short-to-medium duration strategies.

Bloomberg Nifty P/E data as of 30th Nov 2021 indicates a value of 24.29 and Equity band for the month of December will be 40-55%

### OUTLOOK

Q2 FY22 corporate earnings result ended on a strong note and RBI maintained its stance as accommodative and kept the policy rate unchanged in its bi-monthly policy.

Aggregate profit of S&P BSE 200 companies touched higher than the previous peak of Mar'21 quarter.

Going forward, factors which would largely drive the market could be the macroeconomic data and the upcoming state elections on domestic side, while on the global term it would be the decision of central banks as well as the highly mutated Omicron variant of Covid-19 which could change the course of the pandemic.

Key sectors where earnings are forecasted to show strength/sustain in the near term could be the Banks, Automobiles, Telecom and Oil & Gas. Hopefully, the earnings estimate for FY22 and 23 could maintain the path of surprise, as has been the case till now.”

^^W.e.f. December 1, 2021, the benchmark of the scheme will change to NIFTY 50 Hybrid Composite debt 50:50 Index

“IDFC Dynamic Equity Fund” has been renamed as “IDFC Balanced Advantage Fund” with effect from May 03, 2021. Refer the addendum issued in this regard, in the Download center i.e. <https://idfcmf.com/download-centre/notices>

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.

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

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 30th November'21)

**Category:** Dynamic Asset Allocation or Balanced Advantage

**Monthly Avg AUM:** ₹2,811.25 Crores

**Inception Date:** 10th October 2014

**Fund Managers: Equity Portion:** Mr. Arpit Kapoor and Mr. Sumit Agrawal (w.e.f. 01/03/17)

**Debt Portion:** Mr. Arvind Subramanian (w.e.f. 09/11/2015)

**Standard Deviation (Annualized):** 13.37%

**Modified Duration:** 1.30 years\*

**Average Maturity:** 1.51 years\*

**Macaulay Duration:** 1.34 years\*

**Yield to Maturity:** 4.25%\*

\*Of Debt Allocation Only

**Benchmark^^:** 50% S&P BSE 200 TRI + 50%

NIFTY AAA Short Duration Bond Index (w.e.f 11/11/2019)

**Asset allocation:**

**Gross Equity^ (Including Arbitrage):** 65.33%

**Debt:** 34.54%

**Net Equity:** 39.76%

**Market Cap Split:**

**Large Cap:** 69.95%

**Mid and Small Cap:** 30.05%

**Minimum Application Amount:** ₹5,000/- and any amount thereafter.

**Exit Load:** In respect of each purchase of Units:

- For 10% of investment: Nil

- For remaining investment: 1% if redeemed/switched out within 1 year from the date of allotment (w.e.f. July 5, 2017)

**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))

PLAN	IDCW® RECORD DATE	₹/UNIT	NAV
REGULAR	23-Sept-21	0.14	13.7000
	29-Jun-21	0.13	12.9000
	22-Mar-21	0.13	12.4700
DIRECT	23-Sept-21	0.15	14.9600
	29-Jun-21	0.14	14.0300
	22-Mar-21	0.14	13.5100

®Income Distribution cum capital withdrawal

# PORTFOLIO

(30 November 2021)

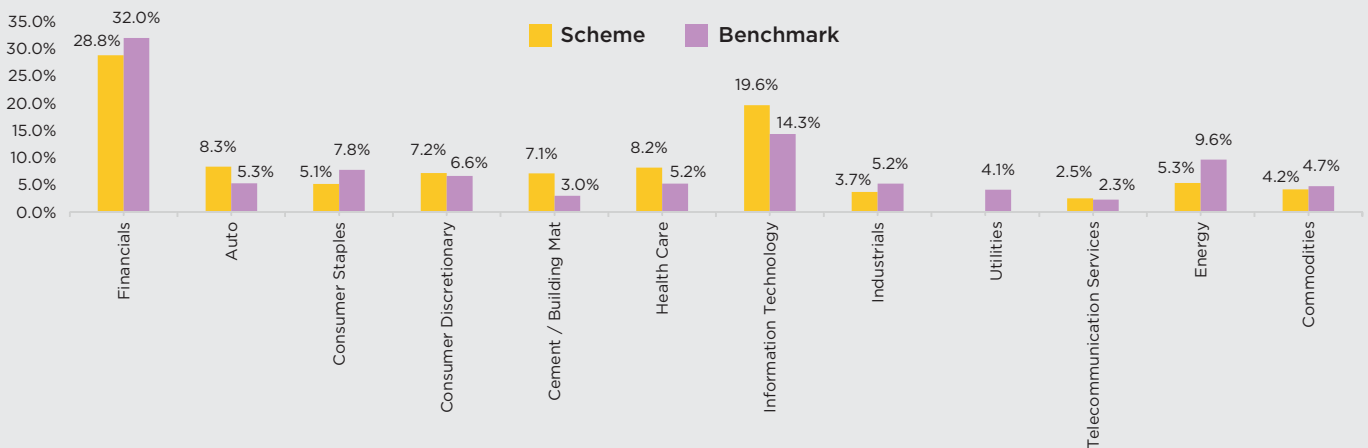


IDFC MUTUAL FUND

Name of the Instrument	Ratings	% to NAV	Name of the Instrument	Ratings	% to NAV
<b>Equity and Equity Related</b>		<b>65.33%</b>	Godrej Consumer Products		1.38%
<b>Net Equity Exposure</b>		<b>39.76%</b>	Godrej Consumer Products - Equity Futures		-0.57%
<b>Software</b>		<b>7.80%</b>	Nestle India		0.51%
Infosys	4.85%		<b>Industrial Products</b>		<b>1.85%</b>
Infosys - Equity Futures	-1.63%		Carborundum Universal		0.65%
Tech Mahindra	2.85%		Shaily Engineering Plastics		0.63%
Tech Mahindra - Equity Futures	-2.86%		Supreme Industries		0.39%
Coforge	1.50%		Bharat Forge		0.27%
Larsen & Toubro Infotech	1.42%		Bharat Forge - Equity Futures		-0.09%
Wipro	0.94%		<b>Insurance</b>		<b>1.04%</b>
Wipro - Equity Futures	-0.16%		Bajaj Finserv		2.04%
Tata Consultancy Services	0.88%		Bajaj Finserv - Equity Futures		-1.00%
<b>Banks</b>		<b>5.75%</b>	HDFC Life Insurance Company		1.47%
ICICI Bank	5.51%		HDFC Life Insurance Company - Equity Futures		-1.47%
ICICI Bank - Equity Futures	-2.76%		<b>Telecom - Services</b>		<b>1.00%</b>
HDFC Bank	3.04%		Bharti Airtel		3.39%
HDFC Bank - Equity Futures	-0.30%		Bharti Airtel - Equity Futures		-2.39%
Suryoday Small Finance Bank	0.25%		<b>Healthcare Services</b>		<b>0.86%</b>
<b>Finance</b>		<b>4.15%</b>	Apollo Hospitals Enterprise		2.92%
Bajaj Finance	3.09%		Apollo Hospitals Enterprise - Equity Futures		-2.06%
Bajaj Finance - Equity Futures	-2.37%		<b>Chemicals</b>		<b>0.79%</b>
Cholamandalam Invnt and Fin Co	1.29%		SRF		0.84%
Cholamandalam Invnt and Fin Co - Equity Futures	-0.17%		SRF - Equity Futures		-0.35%
Muthoot Finance	1.23%		Clean Science and Technology		0.30%
Muthoot Finance - Equity Futures	-0.16%		<b>Industrial Capital Goods</b>		<b>0.43%</b>
HDFC	1.17%		Honeywell Automation India		0.43%
HDFC - Equity Futures	-0.89%		<b>Construction</b>		<b>0.38%</b>
SBI Cards and Payment Services	0.81%		PNC Infratech		0.38%
Mas Financial Services	0.14%		<b>Pesticides</b>		<b>0.24%</b>
<b>Retailing</b>		<b>3.33%</b>	PI Industries		0.64%
Zomato	1.15%		PI Industries - Equity Futures		-0.40%
Avenue Supermarkets	1.09%		<b>Consumer Durables</b>		<b>0.03%</b>
FSN E-Commerce Ventures	0.59%		Bata India		0.71%
PB Fintech	0.51%		Bata India - Equity Futures		-0.68%
<b>Auto Ancillaries</b>		<b>3.14%</b>	<b>Treasury Bill</b>		<b>11.36%</b>
Minda Industries	1.10%		182 Days Tbill - 2021	SOV	9.41%
Tube Investments of India	0.58%		364 Days Tbill - 2022	SOV	1.77%
Jamna Auto Industries	0.55%		182 Days Tbill - 2022	SOV	0.18%
Sandhar Technologies	0.50%		<b>Government Bond</b>		<b>10.07%</b>
Endurance Technologies	0.43%		5.63% - 2026 G-Sec	SOV	6.22%
<b>Cement &amp; Cement Products</b>		<b>2.43%</b>	5.22% - 2025 G-Sec	SOV	2.13%
UltraTech Cement	1.74%		7.17% - 2028 G-Sec	SOV	1.73%
UltraTech Cement - Equity Futures	-0.71%		<b>Commercial Paper</b>		<b>3.52%</b>
JK Cement	0.92%		HDFC	A1+	2.63%
Ambuja Cements	0.48%		LIC Housing Finance	A1+	0.89%
<b>Pharmaceuticals</b>		<b>2.38%</b>	<b>Certificate of Deposit</b>		<b>3.48%</b>
Divi's Laboratories	2.76%		Axis Bank	A1+	3.48%
Divi's Laboratories - Equity Futures	-1.29%		<b>Corporate Bond</b>		<b>2.19%</b>
Gland Pharma	0.57%		Power Finance Corporation	AAA	0.91%
IPCA Laboratories	0.34%		NABARD	AAA	0.73%
<b>Petroleum Products</b>		<b>2.11%</b>	REC	AAA	0.54%
Reliance Industries	4.27%		NTPC	AAA	0.01%
Reliance Industries - Equity Futures	-2.16%		<b>Net Cash and Cash Equivalent (incl. Fixed Deposit)</b>		<b>4.95%</b>
<b>Consumer Non Durables</b>		<b>2.04%</b>	<b>Grand Total</b>		<b>100.00%</b>
Hindustan Unilever	1.84%				
Hindustan Unilever - Equity Futures	-1.12%				



## 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 Moderately High risk</p>	<ul style="list-style-type: none"> <li>To create wealth over long term.</li> <li>Dynamic allocation towards equity, derivatives, debt and money market instruments.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p>50% S&amp;P BSE 200 TRI + 50% NIFTY AAA Short Duration Bond Index</p>

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