



IDFC CORE EQUITY FUND

(Previously known as IDFC Classic Equity Fund w.e.f. May 28, 2018)
Large & Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks

IDFC Core Equity Fund is a diversified equity fund with a large & mid cap bias currently. The focus of the fund is to build a portfolio of Quality companies while being cognizant of the relative valuation.

FUND PHILOSOPHY*

The fund builds a portfolio of quality stocks with lower relative valuations. Quality (for non-financial stocks) is ascribed on three fronts - conversion of EBIDTA to operating cash - OCF as % of EBIDTA > 33%; Moderate leverage: Debt/EBIDTA < 3x; Profitability: EBIDTA / Net operating Assets > 30%. Companies that qualify on these three parameters and those which are relatively cheaper within a peer group on P/B basis form part of the 'quality' universe. Roughly 50% of the portfolio will comprise of such quality companies; ~30% would be for financial sector and balance 20% would be invested in benchmark heavyweights and themes, which we expect to play out over next 6/12 months. On a tactical basis, the fund may take a part of its overall holding through near month stock futures.

OUTLOOK

- With the spread of the pandemic and the lockdown during Q1 FY21, earnings for the year FY21 were sharply downgraded.
- However, the swifter than expected economic recovery led to a more robust Q2 FY21.
- Upgrades exceeded downgrades 3x, a rarity, after years of earnings disappointment.
- FY21 estimates, quickly rebounded from negative to positive territory, despite the Q1 debacle.
- The fall during Mar'20 lasted less than 35 trading days, erasing between 36-43% across the indices - Large, Mid and Small Caps. Supportive action from Central Banks was quicker.
- As investors searched for stable earnings, rotation from one sector to another, as exhibited from Apr-Dec'20 phase was evident.
- Staples after outperforming in Mar-Apr, have underperformed since then. Pharma and IT services outperformed during May-Sept; Banks/NBFC, after underperforming from Mar-Sept,20; outperformed during Oct-Dec'20.
- After the debacle of Mar'20, Small caps outshone the rest of the market - for the first time since CY17.
- If economic recovery is robust and RBI does not move aggressively into high real interest zone, Small caps could benefit the most.

FUND FEATURES: (Data as on 31st December'20)

Category: Large & Mid Cap

Monthly Avg AUM: ₹2,199.75 Crores

Inception Date: 9th August 2005

Fund Manager: Mr. Anoop Bhaskar (w.e.f. 30/04/2016)

Benchmark: LargeMidcap 250 TRI (w.e.f. 7th October 2019)

Minimum Investment Amount: ₹5,000/- 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 Frequency: Monthly (Investor may choose any day of the month except 29th, 30th and 31st as the date of instalment.)

Options Available: Growth, Dividend - (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

Other Parameters:

Beta: 0.98

R Square: 0.98

Standard Deviation (Annualized): 23.94%

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	16-Mar-20	1.03	12.0100
	14-Mar-19	0.80	15.4200
	12-Mar-18	1.01	16.4254
DIRECT	16-Mar-20	0.39	13.7900
	14-Mar-19	0.90	17.4700
	12-Mar-18	1.13	18.3717

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.

*The benchmark of the fund has been revised from S&P BSE 200 TRI to Nifty LargeMidcap 250 TRI w.e.f. 7th October 2019

Face Value per Unit (in ₹) is 10

Dividend is not guaranteed and past performance may or may not be sustained in future. Pursuant to payment of dividend, the NAV of the scheme would fall to the extent of payout and statutory levy (as applicable).

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

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

PORTFOLIO

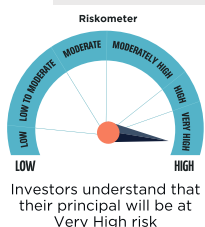
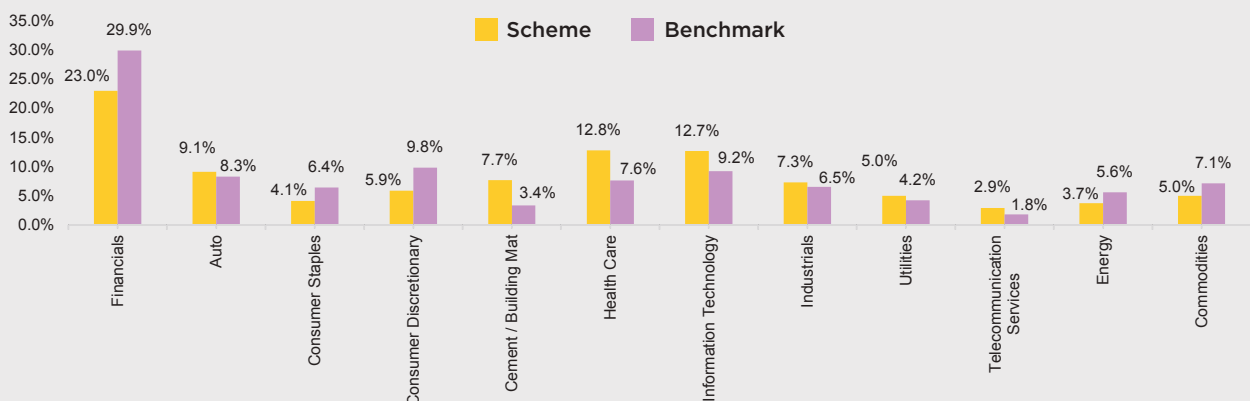
(31 December 2020)



Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
Equity and Equity related Instruments	99.31%	The Ramco Cements	1.69%
Banks	19.73%	Ambuja Cements	1.68%
ICICI Bank	6.67%	Consumer Non Durables	4.12%
HDFC Bank	6.00%	Emami	1.24%
Axis Bank	2.00%	Marico	1.23%
State Bank of India	1.79%	Tata Consumer Products	0.84%
The Federal Bank	1.01%	ITC	0.81%
Kotak Mahindra Bank	1.00%	Petroleum Products	3.73%
RBL Bank	0.95%	Reliance Industries	2.43%
The Federal Bank - Equity Futures	0.22%	Bharat Petroleum Corporation	1.30%
RBL Bank - Equity Futures	0.10%	Power	3.48%
Pharmaceuticals	12.81%	Torrent Power	1.75%
IPCA Laboratories	2.89%	Kalpataru Power Transmission	1.11%
Cadila Healthcare	2.02%	Nava Bharat Ventures	0.62%
Dr. Reddy's Laboratories	1.87%	Construction Project	3.35%
Sun Pharmaceutical Industries	1.65%	Larsen & Toubro	1.81%
Aurobindo Pharma	1.13%	KEC International	1.33%
Alkem Laboratories	1.13%	Larsen & Toubro - Equity Futures	0.21%
Alembic Pharmaceuticals	0.76%	Finance	3.28%
Lupin	0.71%	ICICI Securities	2.11%
Indoco Remedies	0.66%	Mas Financial Services	0.77%
Software	12.68%	Sundaram Finance	0.40%
Infosys	7.40%	Telecom - Services	2.94%
Mastek	1.48%	Bharti Airtel	2.94%
Birlasoft	1.45%	Gas	2.64%
HCL Technologies	0.94%	Mahanagar Gas	1.58%
Mphasis	0.81%	Gujarat State Petronet	1.06%
KPIT Technologies	0.39%	Consumer Durables	2.34%
Infosys - Equity Futures	0.21%	Crompton Greaves Consumer Electricals	1.20%
Industrial Products	6.76%	Voltas	1.14%
AIA Engineering	2.05%	Chemicals	2.14%
Supreme Industries	1.91%	Deepak Nitrite	2.14%
Bharat Forge	1.19%	Hotels/ Resorts and Other Recreational Activities	2.05%
Cummins India	0.82%	The Indian Hotels Company	2.05%
EPL	0.79%	Ferrous Metals	2.05%
Auto Ancillaries	6.08%	Jindal Steel & Power	2.05%
MRF	2.30%	Auto	1.83%
Apollo Tyres	1.53%	Mahindra & Mahindra	1.83%
Bosch	0.77%	Retailing	1.50%
Balkrishna Industries	0.67%	Aditya Birla Fashion and Retail	1.50%
Minda Industries	0.53%	Preference Shares	0.005%
Asahi India Glass	0.23%	Media & Entertainment	0.005%
Bosch - Equity Futures	0.05%	Zee Entertainment Enterprises	0.005%
Cement	5.79%	Net Cash and Cash Equivalent	0.69%
ACC	2.42%	Grand Total	100.00%



SECTOR ALLOCATION



This product is suitable for investors who are seeking*:

- To create wealth over long term
- Investment predominantly in equity and equity related instruments in large and mid-cap companies

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