



IDFC FOCUSED EQUITY FUND

An open ended equity scheme investing in maximum 30 stocks with multi cap focus

IDFC Focused Equity Fund is a concentrated portfolio of up to 30 stocks with the flexibility to invest across sectors and across market cap.

FUND PHILOSOPHY*

IDFC Focused Equity Fund is an equity oriented fund investing across the market cap curve. It holds a concentrated portfolio comprising of a mix of core and tactical ideas limited to a maximum of 30 stocks. The core portfolio of the fund primarily invests in businesses that are growth oriented and have superior quality characteristics. The tactical part of the portfolio largely comprises of businesses that have the potential to turnaround driven by change in internal/external environment.

Under the newly defined SEBI scheme classification, IDFC Focused Equity Fund is categorized under "Focused" Funds. At an industry level, while these funds are classified as "Focused", their market cap orientation is not defined clearly and by this nature they are also "Multi-Cap".

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.

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).

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

Category: Focused

Monthly Avg AUM: ₹1,455.47 Crores

Inception Date: 16th March 2006

Fund Manager: Mr Sumit Agarwal
(w.e.f 20/10/2016)

Other Parameters:

Beta: 0.91

R Square: 0.90

Standard Deviation (Annualized):
21.80%

Benchmark: S&P BSE 500 TRI
(w.e.f 11/11/2019)

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)

Minimum SIP Amount*: ₹1,000/-

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))

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	16-Mar-20	0.67	10.7600
	26-Mar-18	0.83	13.4883
	10-Nov-17	2.00	15.6283
DIRECT	26-Mar-18	0.25	19.0688
	24-Jan-17	1.20	14.6625
	28-Jan-16	1.00	13.4869

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

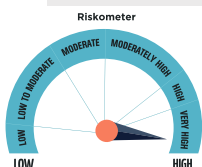
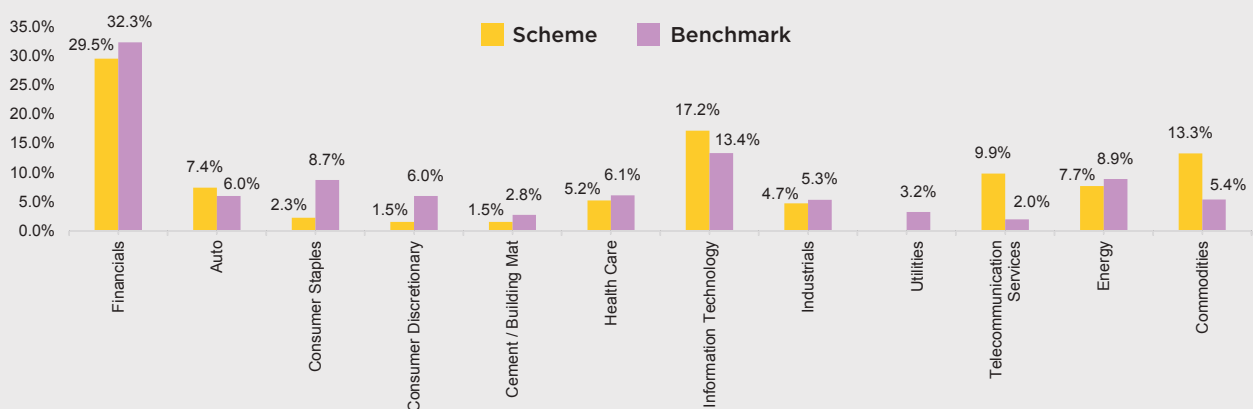
The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

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

Name of the Instrument	% to NAV
Equity and Equity related Instruments	100.19%
Banks	26.42%
ICICI Bank	7.85%
HDFC Bank	7.55%
State Bank of India	4.77%
Axis Bank	3.15%
The Federal Bank	3.08%
Software	17.17%
Infosys	7.84%
Tata Consultancy Services	5.14%
HCL Technologies	2.11%
Tech Mahindra	2.08%
Telecom - Services	9.85%
Bharti Airtel	9.85%
Industrial Products	8.99%
EPL	5.99%
Prince Pipes And Fittings	1.54%
Bharat Forge	1.46%
Petroleum Products	7.67%
Reliance Industries	7.67%
Chemicals	7.31%
Fine Organic Industries	7.31%
Pharmaceuticals	5.21%
Aurobindo Pharma	1.07%
Dr. Reddy's Laboratories	1.07%
Divi's Laboratories	1.05%
Cadila Healthcare	1.03%
IPCA Laboratories	0.99%
Commercial Services	4.71%
Security and Intelligence Services (India)	4.71%
Auto	4.47%
Maruti Suzuki India	1.54%
Hero MotoCorp	1.47%
Mahindra & Mahindra	1.46%
Finance	3.09%
M&M Financial Services	3.09%
Consumer Non Durables	2.29%
Prataap Snacks	2.29%
Consumer Durables	1.53%
Bata India	1.53%
Auto Ancillaries	1.47%
MRF	1.47%
Net Cash and Cash Equivalent	-0.19%
Grand Total	100.00%



SECTOR ALLOCATION



Investors understand that their principal will be at Very High risk

This product is suitable for investors who are seeking*:

- To create wealth over long term
- Investment in a concentrated portfolio of equity and equity related instruments of up to 30 companies.

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