



## 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.

### PRODUCT HIGHLIGHT

During the quarter, the weightages across most sectors were marginal. In few of the case like Autos, IT services, Banking and Industrials, the weights were reduced by 1.8%, 1.3%, 1.1% and 0.9% respectively. On the other hand, the weights in Consumer Staples, Energy and Healthcare were increased by 2.6%, 1.6% and 1.1% respectively. Overall, the weight of large caps increased from 48.9% to 51.1% while small cap weights was reduced from 11.9% to 8.9%. Mid caps weights were marginally increased from 35.4% to 36.1% during the quarter. 5 stocks entered the portfolio i.e., Alkem Laboratories, City Union Bank, Hindustan Unilever, Cummins India and IPCA Laboratories, while 4 exited i.e., Bharat Financial Inclusion, Cholamandalam, Mahindra CIE Automotive and Tech Mahindra. Amongst the larger sector, we remain underweight on Financials, on twin concerns - excessive valuations in select pockets and over ownership, Consumer Staples and IT Services - mainly on valuation concerns. On the other hand, we remain overweight on Cement, Industrials and Metals. While this positioning has underperformed in the near term, we remain comfortable on the valuation front and the high visibility of near term earnings. Automobile, another sector where we have maintained overweight, however, three-fourth of the sector exposure is on ancillaries with a focus on tyres, should benefit from favourable raw material pricing.

### WHO IS THIS FUND FOR?

- Investors who can invest for over 5 years and can bear market fluctuations

#### FUND FEATURES:

**Category:** Large & Mid Cap

**Monthly Avg AUM:** ₹2,880.79 Crores

**Inception Date:** 9th August 2005

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

**Benchmark:** S&P BSE 200 TRI

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

**Exit Load:** 1% if redeemed within 365 days from the date of allotment. (w.e.f. 10th May 2016)

**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:** 0.99

**R Square:** 0.95

**Standard Deviation (Annualized):**  
14.98%

PLAN	DIVIDEND RECORD DATE	₹/UNIT	NAV
REGULAR	12-Mar-18	1.01	16.4254
	27-Feb-17	1.18	15.0036
	29-Feb-16	1.00	11.7719
DIRECT	12-Mar-18	1.13	18.3717
	27-Feb-17	1.30	16.4933
	29-Feb-16	1.00	12.6553

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.

\*The allocation mentioned is as per current strategy and market conditions; this is however subject to change without notice.

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

# PORTFOLIO

(31 December 2018)

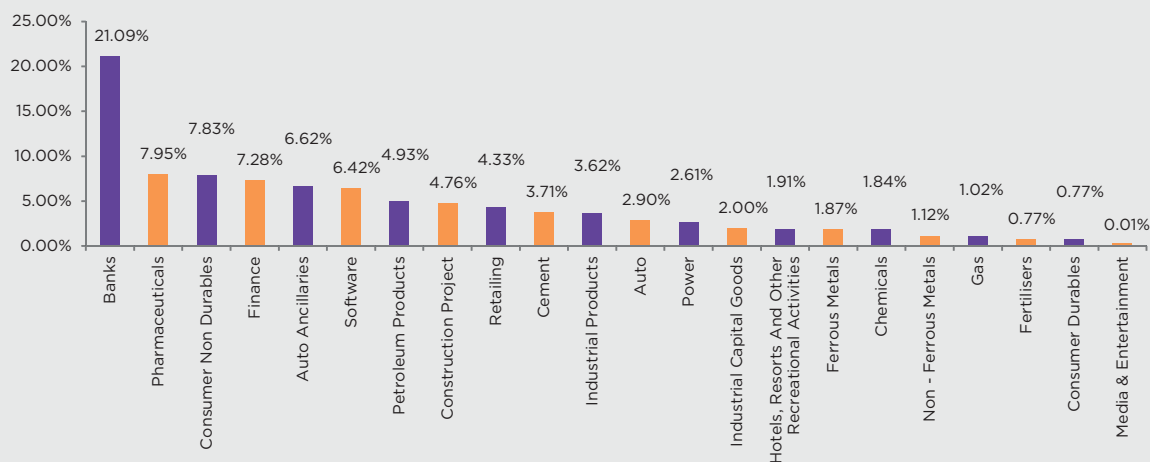


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>95.34%</b>	<b>Construction Project</b>	<b>4.76%</b>
<b>Banks</b>	<b>21.09%</b>	Larsen & Toubro	2.83%
HDFC Bank	6.30%	KEC International	1.07%
ICICI Bank	3.62%	Voltas	0.86%
State Bank of India	2.60%	<b>Retailing</b>	<b>4.33%</b>
Axis Bank	2.48%	Future Retail	2.43%
Kotak Mahindra Bank	2.15%	Future Lifestyle Fashions	1.17%
RBL Bank	2.06%	Aditya Birla Fashion and Retail	0.72%
The Federal Bank	0.92%	<b>Cement</b>	<b>3.71%</b>
Bank of Baroda	0.57%	Ambuja Cements	1.31%
City Union Bank	0.40%	The Ramco Cements	1.04%
<b>Pharmaceuticals</b>	<b>7.95%</b>	ACC	1.02%
Dr. Reddy's Laboratories	1.46%	Deccan Cements	0.34%
Sun Pharmaceutical Industries	1.36%	<b>Industrial Products</b>	<b>3.62%</b>
Cadila Health	1.31%	ALA Engineering	1.32%
Indoco Remedies	1.16%	Supreme Industries	1.16%
IPCA Laboratories	0.92%	Bharat Forge	0.53%
Natco Pharma	0.76%	Graphite India	0.32%
Alkem Laboratories	0.55%	Cummins India	0.28%
Biocon	0.43%	<b>Auto</b>	<b>2.90%</b>
<b>Consumer Non Durables</b>	<b>7.83%</b>	Mahindra & Mahindra	2.20%
ITC	2.36%	Hero MotoCorp	0.70%
GlaxoSmithKline Consumer Health	1.58%	<b>Power</b>	<b>2.61%</b>
Colgate Palmolive (India)	1.41%	Torrent Power	1.03%
Nestle India	1.12%	Nava Bharat Ventures	0.83%
Dabur India	0.96%	Kalpataru Power Transmission	0.75%
Hindustan Unilever	0.41%	<b>Industrial Capital Goods</b>	<b>2.00%</b>
<b>Finance</b>	<b>7.28%</b>	Thermax	1.32%
M&M Financial Services	2.06%	Bharat Electronics	0.68%
Sundaram Finance	1.35%	<b>Hotels, Resorts And Other</b>	
HDFC	1.35%	<b>Recreational Activities</b>	<b>1.91%</b>
ICICI Securities	0.97%	The Indian Hotels Company	1.91%
Max Financial Services	0.81%	<b>Ferrous Metals</b>	<b>1.87%</b>
TI Financial Holdings	0.75%	Jindal Steel & Power	1.47%
<b>Auto Ancillaries</b>	<b>6.62%</b>	Steel Authority of India	0.40%
MRF	1.79%	<b>Chemicals</b>	<b>1.84%</b>
Apollo Tyres	1.75%	Tata Chemicals	1.35%
Exide Industries	1.18%	Deepak Nitrite	0.49%
Balkrishna Industries	1.03%	<b>Non - Ferrous Metals</b>	<b>1.12%</b>
Minda Industries	0.47%	National Aluminium Company	1.12%
Asahi India Glass	0.39%	<b>Gas</b>	<b>1.02%</b>
<b>Software</b>	<b>6.42%</b>	GAIL (India)	1.02%
Infosys	4.29%	<b>Fertilisers</b>	<b>0.77%</b>
Wipro	0.81%	Coromandel International	0.77%
KPIT Technologies	0.74%	<b>Consumer Durables</b>	<b>0.77%</b>
Mastek	0.58%	Crompton Greaves Consumer Electricals	0.77%
<b>Petroleum Products</b>	<b>4.93%</b>	<b>Preference Shares</b>	<b>0.01%</b>
Reliance Industries	3.46%	<b>Media &amp; Entertainment</b>	<b>0.01%</b>
Bharat Petroleum Corporation	0.90%	Zee Entertainment Enterprises	0.01%
Hindustan Petroleum Corporation	0.57%	<b>Net Cash and Cash Equivalent</b>	<b>4.65%</b>
		<b>Grand Total</b>	<b>100.00%</b>



## INDUSTRY 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.

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