



## IDFC INFRASTRUCTURE FUND

An open ended equity scheme investing in Infrastructure sector

A dedicated Infrastructure fund, that invests across the infrastructure value chain with exclusions like Banking, Autos, IT, Pharma and FMCG. It is a diversified portfolio of companies that are participating in and benefitting from the Indian Infrastructure and Infrastructure related activities.

### OUTLOOK

Though domestic macros deteriorated during last year from the pristine levels of FY 16 and FY 17, they are nowhere close to the alarming levels of FY 11-13.

While risks around Crude/Currency/Yields have moderated lately, the risks around political uncertainties and adverse financial events remain. We believe infrastructure would continue to be primary on the Government agenda irrespective of the outcome of the general election in 2019. Road ordering is expected to pick up in Q4 of FY 19 even as rail/metro capex continues, while industrial capex is to pick-up over the next 6-12 months.

There is lot of noise over uncertainty around the outcome of the general election in 2019. However, looking back at the past 20 years, every successive government has supported the infrastructure creation in the country:

- 1999-04 (NDA1) : Golden quadrilateral, NSEW corridor
- 2004-14 (UPA 1 & UPA2) : Industrial capex, Thermal power, Mining, DFC
- 2014-19 (NDA2) : NH/Expressways/Bharatmala, Railway capex, Renewables

Hence, hypothesis of the long term infrastructure creation in the country is intact in our view, irrespective of the election outcome.

The current volatility in the market has pushed many companies to cyclical low valuation. The farther the market pendulum goes towards one extreme (Risk-off), the greater the opportunity when market direction swings back in favour of Cyclical (Risk-On).

### CURRENT STRATEGY

The portfolio is built to monetize the existing infrastructure opportunity in India. Despite the argument of environment being slower, we believe that companies with a dominant market share and growing cash flows would consolidate the opportunity going forward. The focus is on companies with healthy balance sheet which are beneficiaries of ongoing capital formation and will capture a large part of that revenue pool. The current portfolio represents our version of such companies from the Construction & Logistics segments, Industrials space, the Utilities and Energy businesses.

#### FUND FEATURES:

**Category:** Sectoral

**Monthly Avg AUM:** ₹924.51 Crores

**Inception Date:** 8th March 2011

**Fund Manager:** Mr. Rajendra Kumar Mishra (w.e.f 27/06/2013)

**Beta:** 0.99

**R Square:** 0.80

**Standard Deviation (Annualized):** 20.52%

**Benchmark:** Nifty Infrastructure TRI

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

**Exit Load:** 1.00% if redeemed before 365 days from the date of allotment.

**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))

# PORTFOLIO

(31 December 2018)

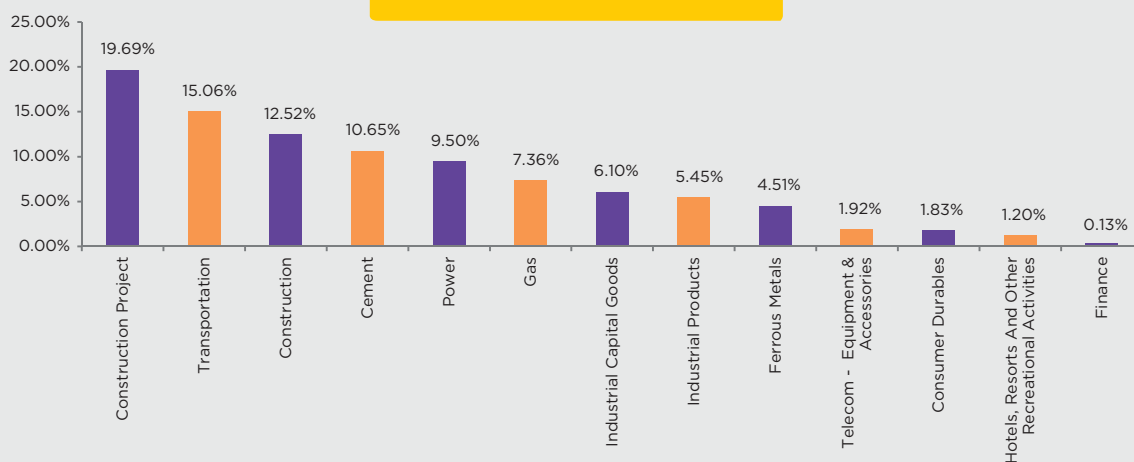


IDFC MUTUAL FUND

Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>95.94%</b>	<b>Power</b>	<b>9.50%</b>
<b>Construction Project</b>	<b>19.69%</b>	NTPC	4.42%
Larsen & Toubro	7.08%	Torrent Power	2.63%
Engineers India	3.48%	PTC India	2.44%
NCC	3.22%	<b>Gas</b>	<b>7.36%</b>
Sadbhav Engineering	2.68%	Gujarat State Petronet	2.61%
RITES	1.78%	GAIL (India)	2.48%
H.G. Infra Engineering	1.46%	Gujarat Gas	2.27%
<b>Transportation</b>	<b>15.06%</b>	<b>Industrial Capital Goods</b>	<b>6.10%</b>
Adani Ports and Special Economic Zone	5.34%	BEML	1.89%
Container Corporation of India	4.62%	Bharat Heavy Electricals	1.69%
Transport Corporation of India	2.62%	Siemens	1.42%
Gateway Distriparks	1.52%	ISGEC Heavy Engineering	1.10%
Navkar Corporation	0.96%	<b>Industrial Products</b>	<b>5.45%</b>
<b>Construction</b>	<b>12.52%</b>	Cummins India	4.05%
PNC Infratech	3.06%	Kirloskar Brothers	1.41%
NBCC (India)	1.89%	<b>Ferrous Metals</b>	<b>4.51%</b>
Ahluwalia Contracts (India)	1.59%	Jindal Saw	1.56%
Dilip Buildcon	1.46%	Jindal Steel & Power	1.48%
Gayatri Projects	1.39%	Maharashtra Seamless	1.47%
ITD Cementation India	1.06%	<b>Telecom - Equipment &amp; Accessories</b>	<b>1.92%</b>
PSP Projects	1.02%	Tejas Networks	1.92%
J.Kumar Infraprojects	0.61%	<b>Consumer Durables</b>	<b>1.83%</b>
GPT Infraprojects	0.44%	Blue Star	1.83%
<b>Cement</b>	<b>10.65%</b>	<b>Hotels, Resorts And Other Recreational Activities</b>	<b>1.20%</b>
UltraTech Cement	4.86%	Taj GVK Hotels & Resorts	1.20%
JK Cement	2.30%	<b>Finance</b>	<b>0.13%</b>
Ambuja Cements	2.03%	PTC India Financial Services	0.13%
Sagar Cements	1.47%	<b>Net Cash and Cash Equivalent</b>	<b>4.06%</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 of companies that are participating in and benefiting from growth in Indian infrastructure and infrastructural related activities.

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

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