

Why keep multiple keys when you can have a Master Key?



IDFC Multi Cap Fund

(Multi Cap Fund - An open-ended equity scheme investing across large cap, mid cap, small cap stocks)

New Fund Offer

Opens on: November 12, 2021

Closes on: November 26, 2021

Table of Contents

- Why invest in Multi Cap fund?
- Is now the right time?
- Why **IDFC Multi Cap Fund**?



Why invest in Multi Cap fund?



...And the winner for the next year is...



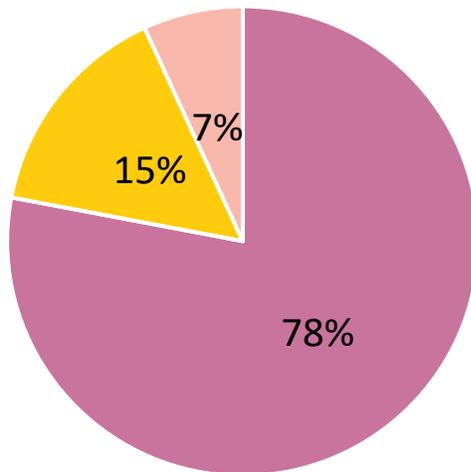
Category	CYTD	CY20	CY19	CY18	CY17	CY16	CY15	CY14	CY13	CY12	CY11	CY10
Nifty 100 TRI (Large Cap)	27.8	16.0	11.8	2.6	33.0	5.0	-1.3	34.9	7.9	32.3	-25.0	19.3
Nifty Midcap 150 TRI	45.6	25.5	0.6	-12.6	55.9	6.5	9.7	62.7	-1.3	46.4	-31.1	20.1
Nifty Smallcap 250 TRI	55.3	26.4	-7.3	-26.0	58.6	1.4	11.3	71.7	-6.4	40.2	-35.2	17.6

- Different market caps perform differently in each period
- It is not easy to gauge which segment will outperform and which will underperform
- Focus on diversification rather than prediction

How is Multi Cap different from Nifty 500?

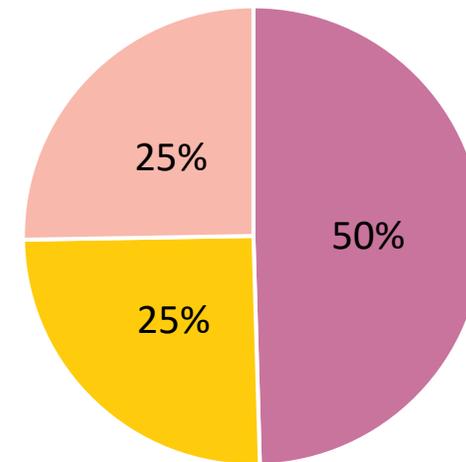
- A Diversified portfolio like Nifty 500 is skewed towards Large Cap
- A Multi Cap portfolio like Nifty 500 Multicap 50:25:25 offers more diversification

Nifty 500 Index



■ Large cap (%) ■ Mid Cap (%) ■ Small Cap (%)

Nifty 500 Multicap 50:25:25 Index



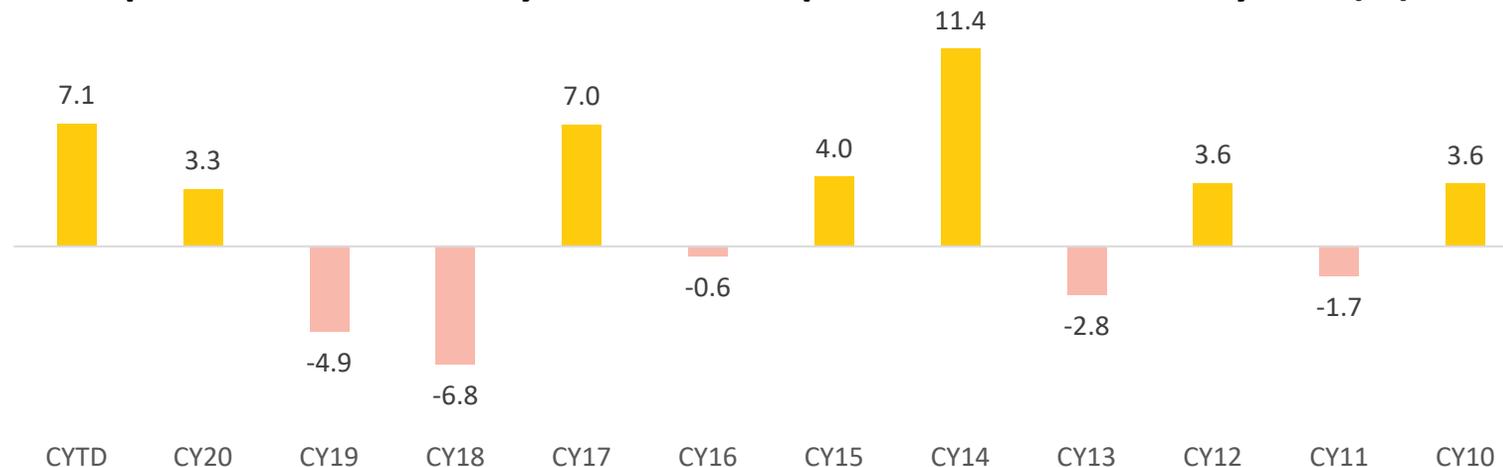
■ Large cap (%) ■ Mid Cap (%) ■ Small Cap (%)

Lower drawdowns and Higher up moves

- Multi Cap approach has outperformed more times than the diversified approach of Nifty 500
- Multi Cap has also seen a sharper bounce back after a muted/lower return year

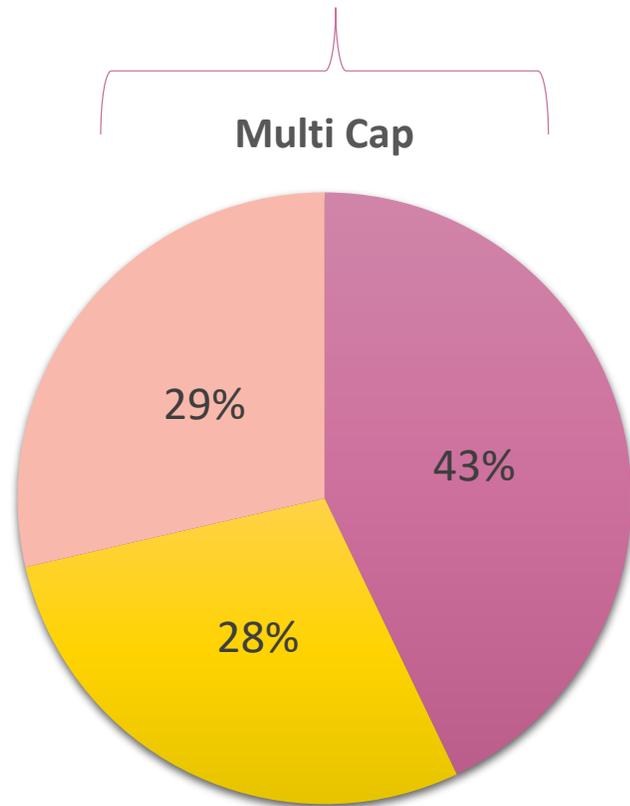
Scheme Name	CYTD	CY20	CY19	CY18	CY17	CY16	CY15	CY14	CY13	CY12	CY11	CY10	CAGR
NIFTY 500 Multi Cap 50:25:25 TRI (%)	38.9	21.1	4.1	-8.9	44.8	4.6	4.2	50.7	2.0	36.9	-28.2	18.9	13.7
Nifty 500 TRI (%)	31.8	17.8	9.0	-2.1	37.8	5.1	0.2	39.3	4.8	33.3	-26.5	15.3	12.5

Out/under performance of Nifty 500 Multi Cap 50:25:25 versus Nifty 500 (%)

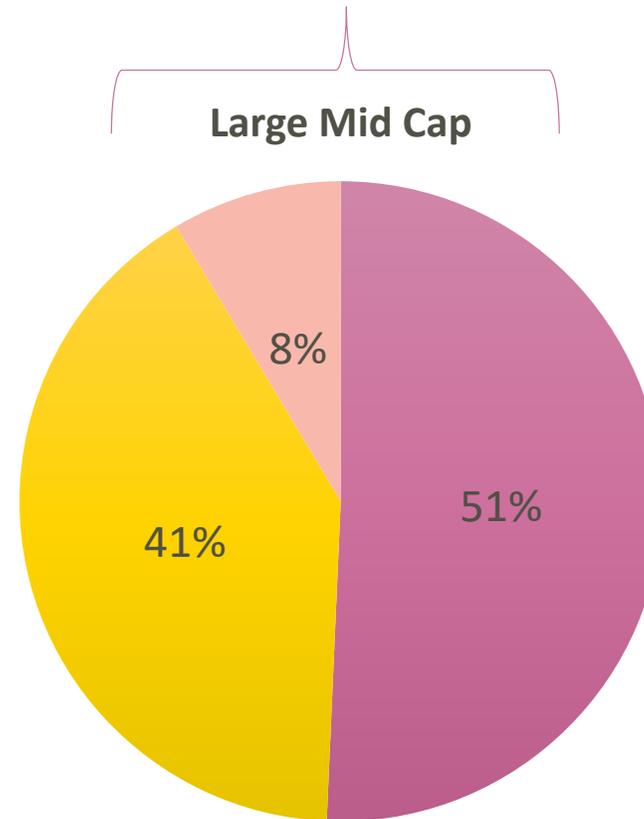


How is Multi Cap different from Large Mid and Flexi Cap?

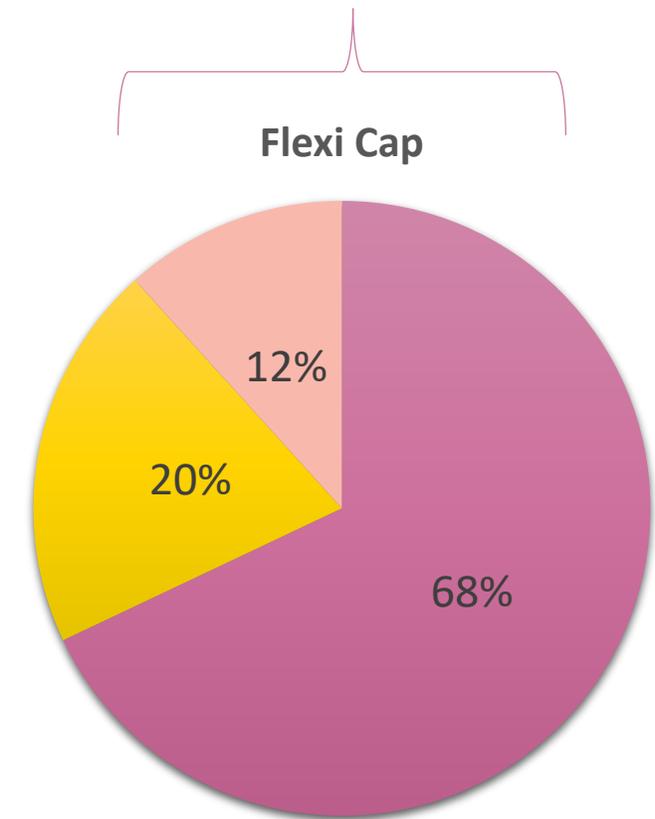
Category mandate ensures higher diversification



Historically the category has seen >50% allocation to Large Cap*



Historically the category has seen >65% allocation to Large Cap*



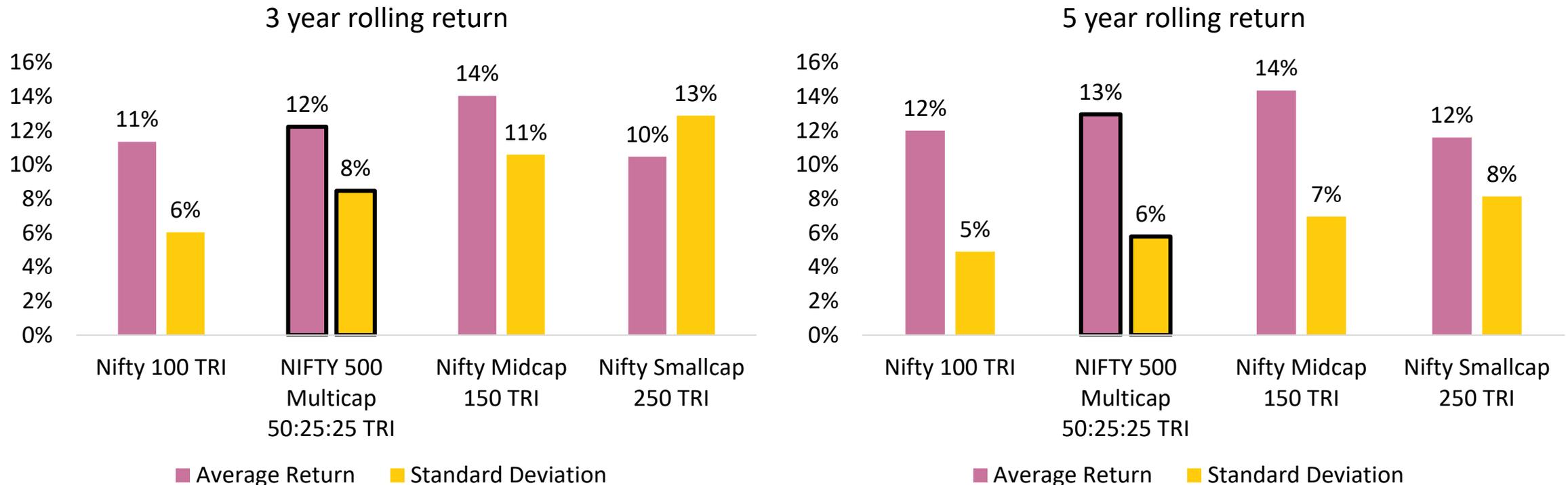
■ Large cap (%) ■ Mid Cap (%) ■ Small Cap (%)

Allocations mentioned on this slide are average allocations of all funds in the category. Data as on 30th September 2021. Source: MFI Explorer

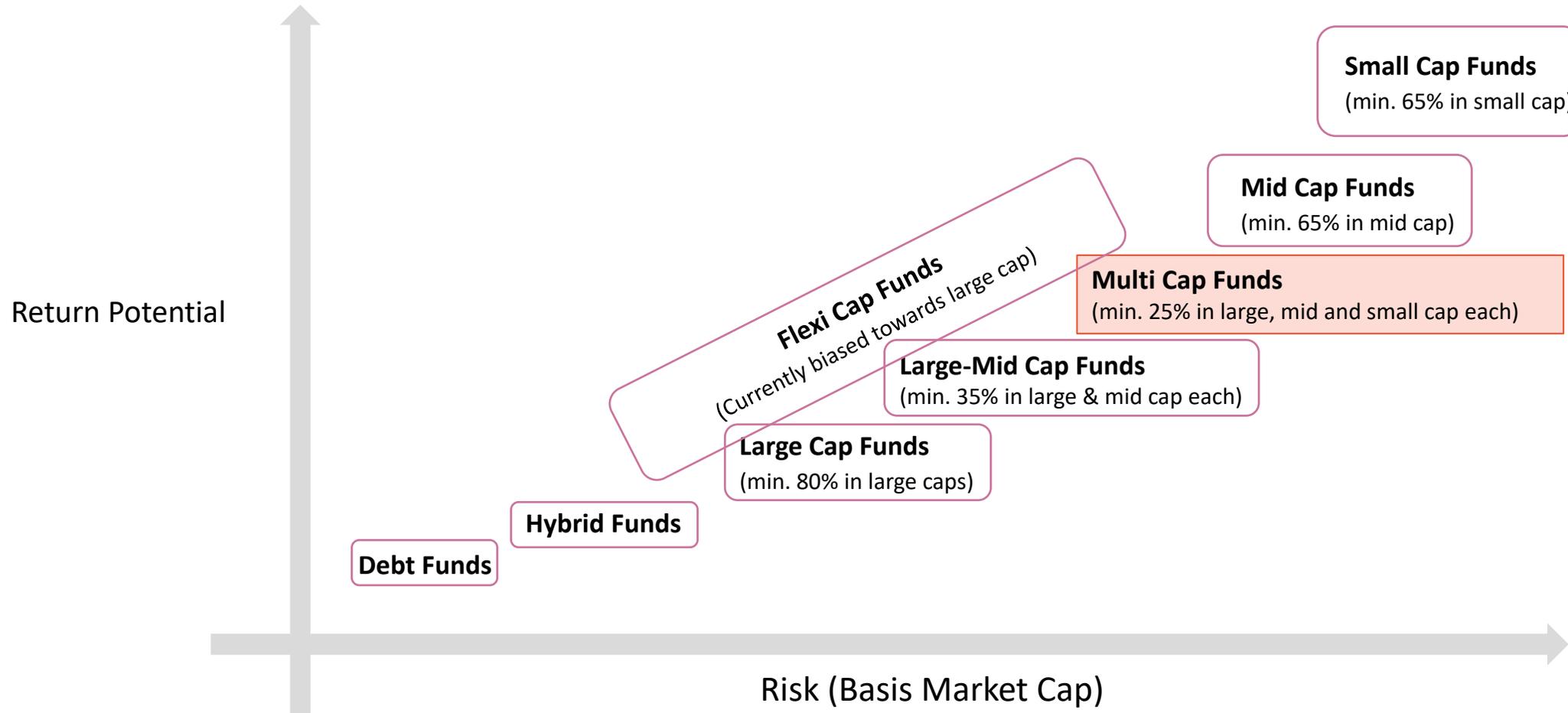
*Based on average allocation towards Large cap on a quarterly basis since September 2018

Higher growth potential with relatively lower volatility

- The Multi Cap category aims to benefit from higher growth potential offered by mid and small caps, while aiming to reduce volatility via its exposure to large cap stocks



Risk & Reward Potential – An illustration



This is just for illustration purpose

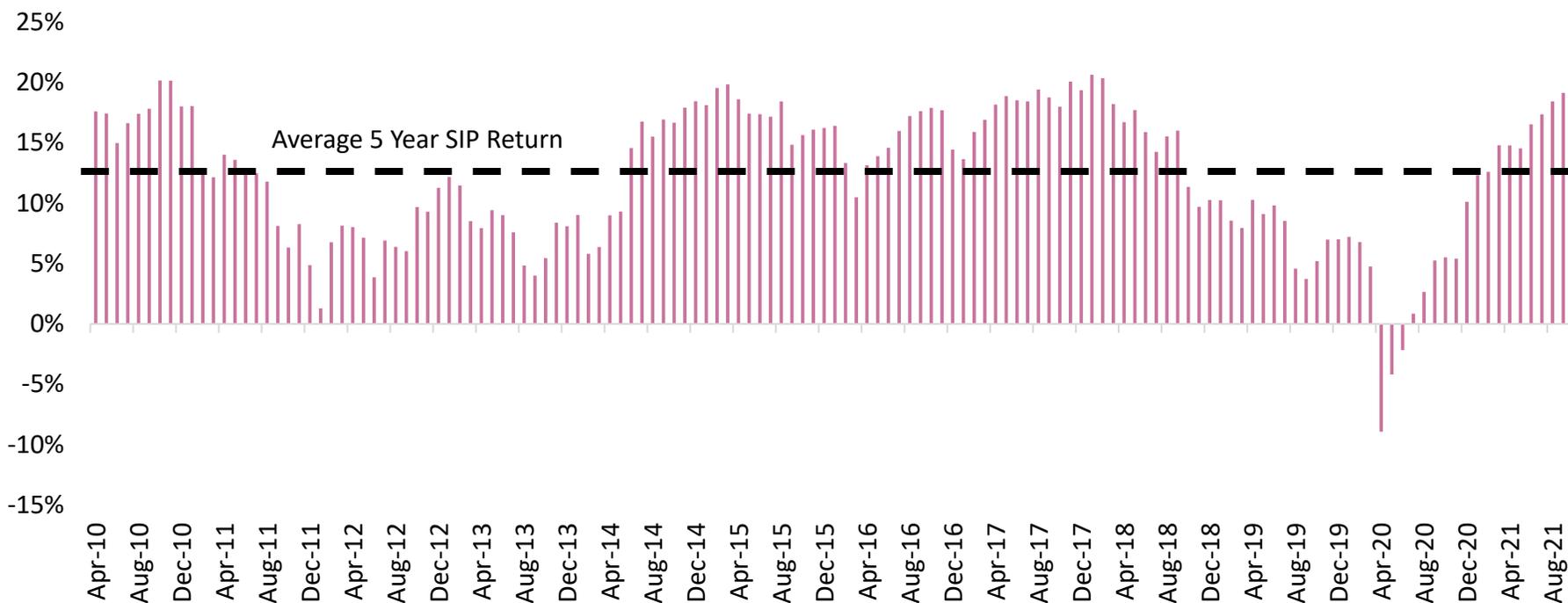
Is now the right
time?



Timing : 5-year SIP investments

- A 5-year SIP in Multi Cap has yielded an average return of 12% over the last 11 years

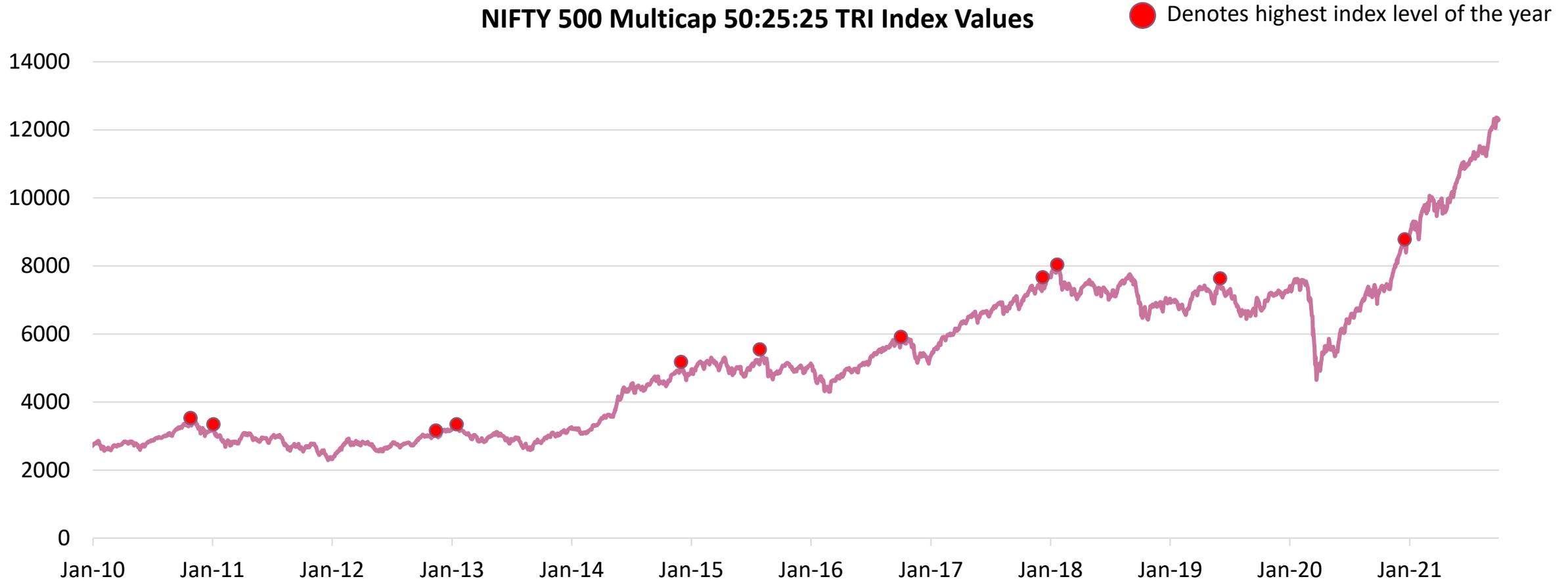
5 Year SIP Returns (annualized)



Average SIP returns	12%
Min. SIP returns	-9%
Max. SIP returns	21%
% times SIP returns were negative	2%
% times SIP returns >10%	62%

Past performance may or may not be sustained in future. This is a performance of 5-year SIP on a rolling basis. The performances given are of Nifty 500 Multicap 50:25:25 Index and for 5-year SIP period return from 1st April 2010. Total 138 rolling SIPs taken into consideration. SIP is calculated using INR10,000 invested systematically on the first business day of every month over a period of time. Returns are calculated by using XIRR approach. XIRR helps in calculating return on investment given an initial and final value and a series of cash inflows and outflows with the correct allowance for the time impact of the transactions. For e.g. a 5-year SIP started on 1st of January 2007 would end on 1st December 2011. The next 5-year rolling SIP duration would be 1st of February 2007 to 1st January 2012, and so on. Data as on 1st September 2021.

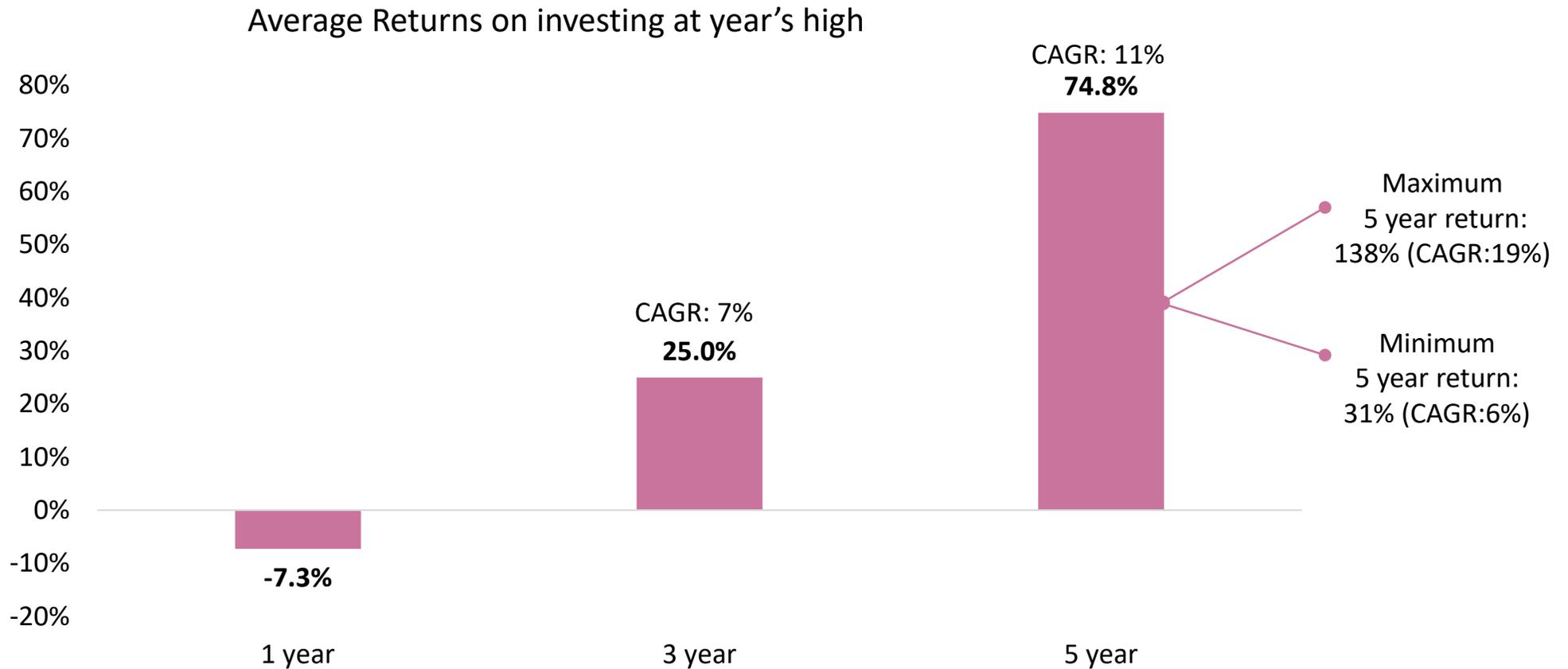
Lumpsum : Investing at year's high



Past performance may or may not be sustained in future. Source: MFI explorer

Timing : Lumpsum investments made at market high - Yearly

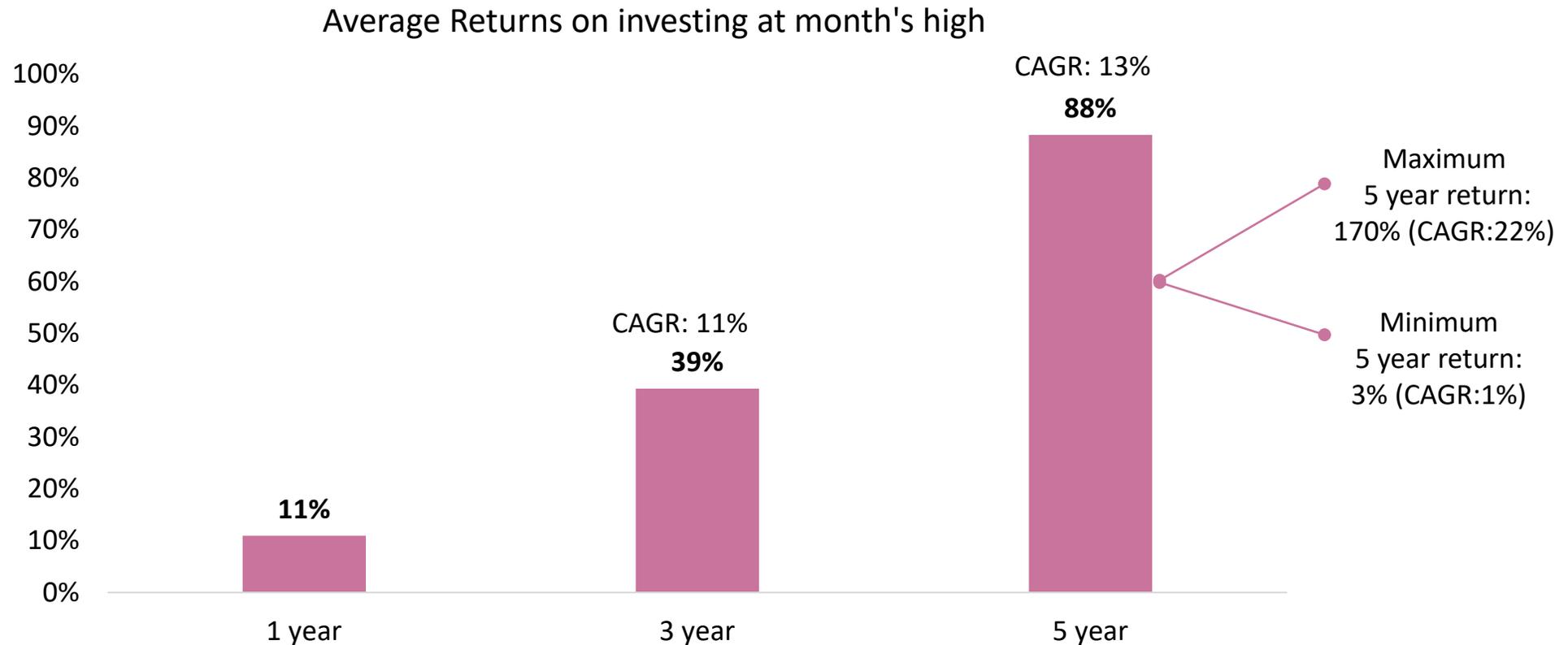
- Even if one invests at highest market level during the **year**, the long term Multi Cap returns have been attractive



Past performance may or may not be sustained in future. Average returns generated if one were to invest on the day Nifty 500 Multicap 50:25:25 TRI was highest in a year. Since 2010 to 2019. 1year readings – 10 counts, 3year readings – 9 counts, 5year readings – 6 counts. Both CAGR and absolute returns are presented

Timing : Lumpsum investments made at market high - Monthly

- Even if one invests at highest market level during the **month**, the long term Multi Cap returns have been attractive

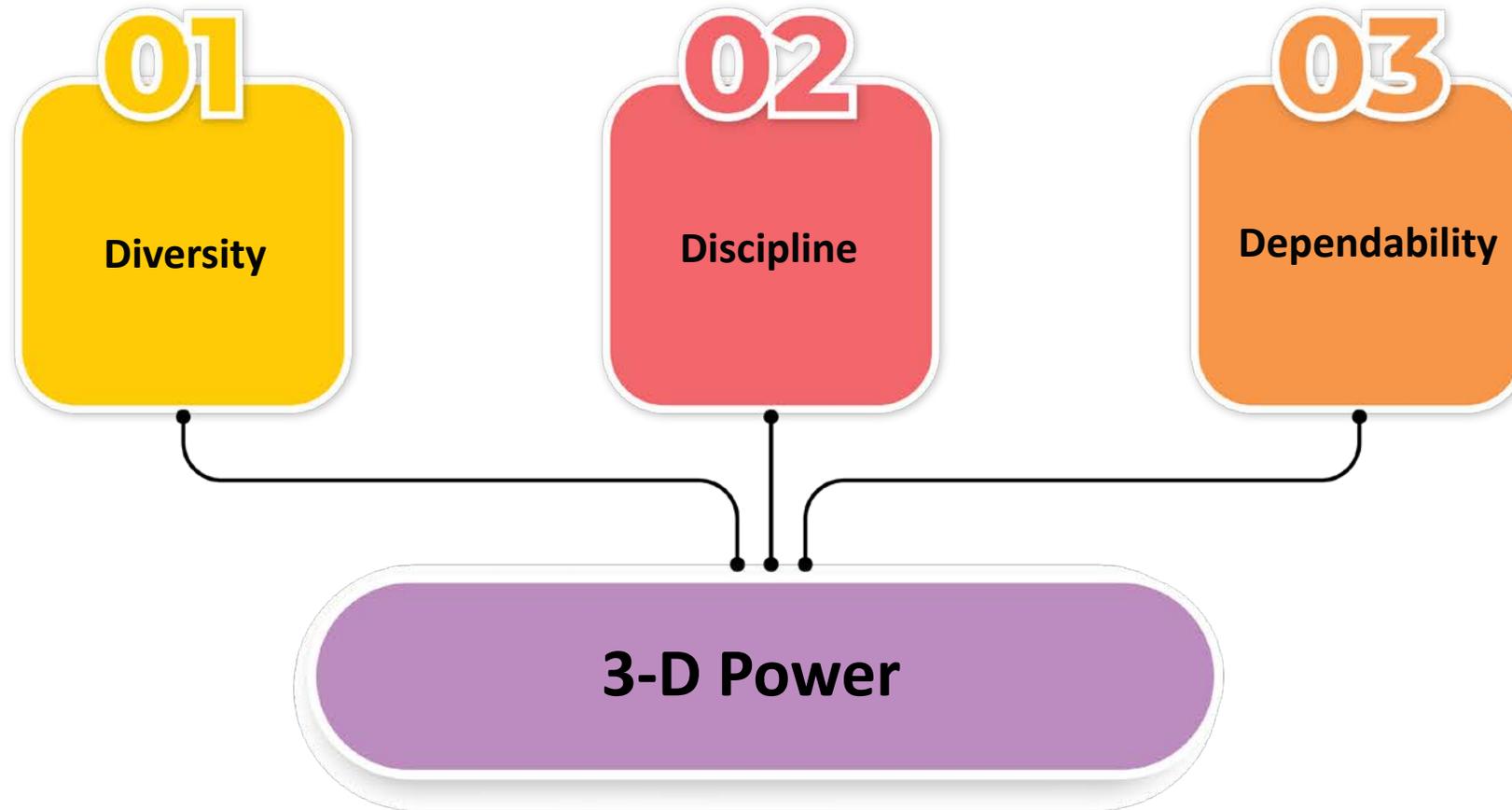


Past performance may or may not be sustained in future. Average returns generated if one were to invest on the day Nifty 500 Multicap 50:25:25 TRI was highest every month since 2010 to 2019. 1year readings – 129 counts, 3year readings – 106 counts, 5year readings – 81 counts. Both CAGR and absolute returns are presented

Why IDFC Multi Cap Fund?



Robust Investment Strategy



Power of Diversity



Allocation across market caps

- Mandated allocation across Large, Mid and Small Caps
- Large Cap, Mid Cap and Small Cap each at minimum 25%

Allocation across sectors

- Intent to have a wide representation of sectors across market cap
- Avoid significant overweight/underweight to a sector vs. benchmark
- Overall portfolio would endeavour to maintain Stable and Cyclical weights in a tight band with respect to the benchmark

Power of Discipline



Limits for Mid and Small Cap allocation

- Mid Cap and Small Cap allocation limit restricted to reduce risk exposure
- Large Cap allocation to be kept at a minimum of 30%* to add stability

Quarterly rebalancing of weights

- Portfolio will be rebalanced quarterly to realign within these limits

Power of Dependability



Stock selection is focused on:

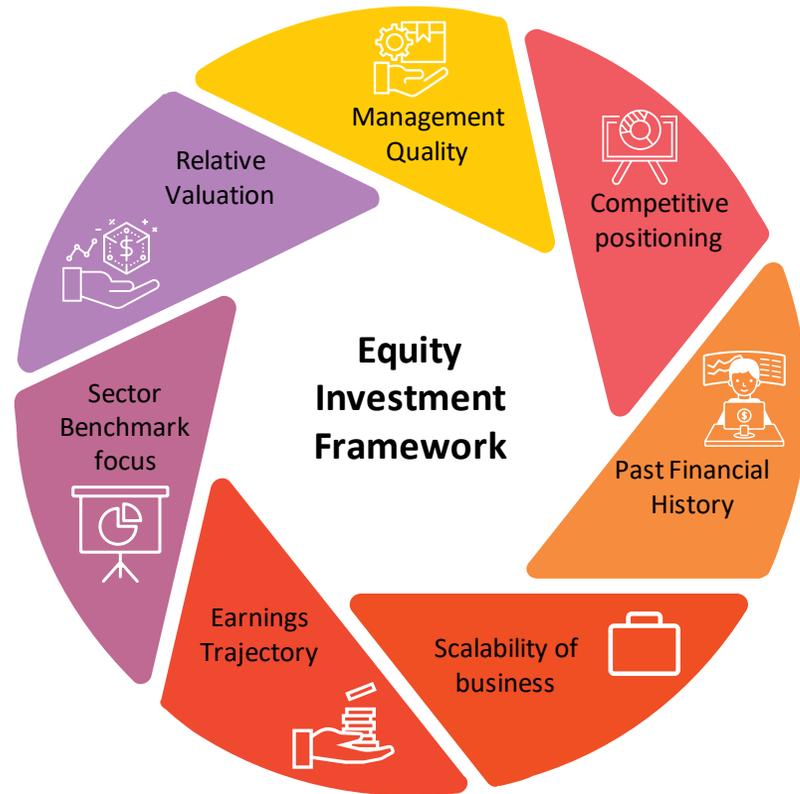
1. Quality management & track record

- Strong corporate governance
- Focused capital allocation policies
- Track record of return of capital (dividend or buyback)

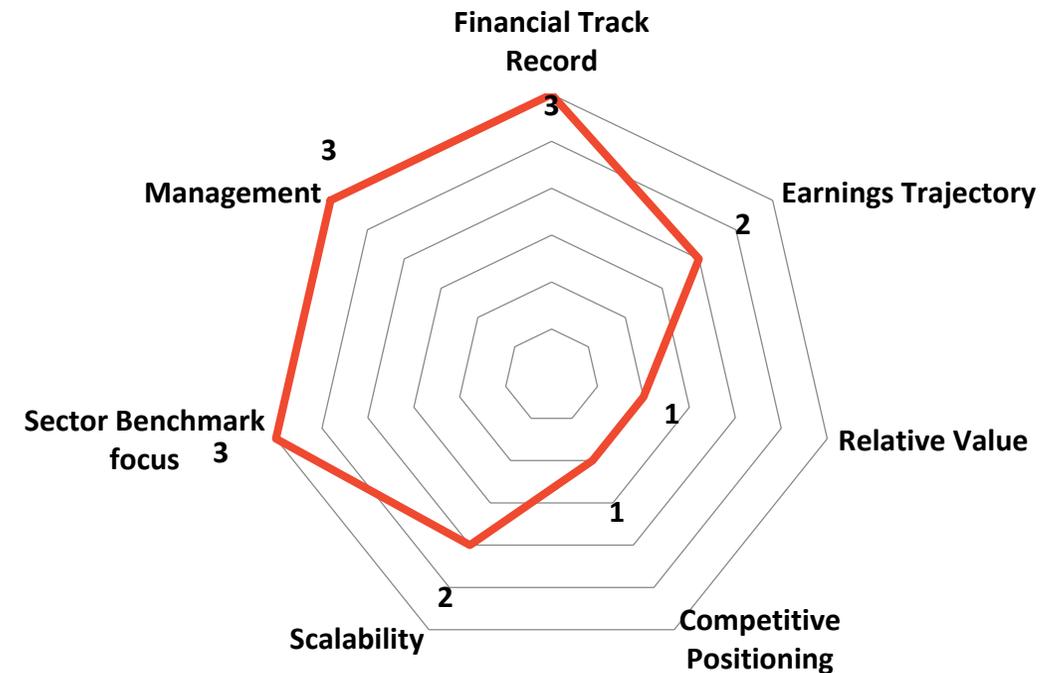
2. Strong balance sheet

- Low Debt to EBIDTA
- Businesses with positive operating cash flows

Fitment in the IDFC 7-factor equity investment framework



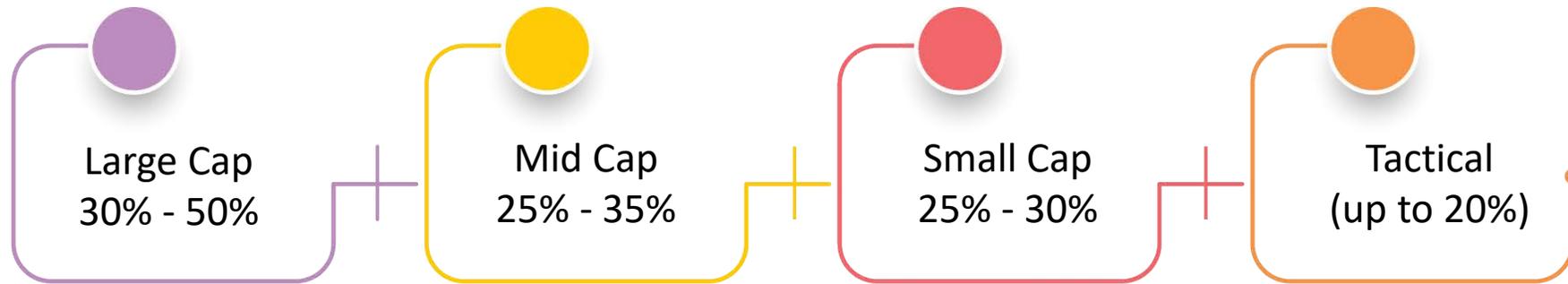
IDFC Multi Cap Fund



1. Quality Management
2. Focus on sectors that form part of the benchmark
3. Eye on the company's financial track record

Each portfolio follows a specific fitment to the 7 factors basis its strategy tilt where 3=Very Important, 1=Least Important . Each portfolio will have 3 factors categorised as very important, 2 as important and 2 as less important. These 7-factors are rated on a relative basis to highlight their respective significance for each portfolio / strategy. The numbers do not have any significance in absolute terms. Further, the stock selection process also undergoes a disciplined research that defines the overall investment universe. This is applicable for all the equity strategies offered by IDFC AMC.

Multi Cap Allocation Strategy



- ✓ Themes – IPOs, New age businesses, momentum themes – Maximum 20%
- ✓ Tactical Cash – Maximum 10%
- ✓ International (equity, equity mutual funds) - Maximum 10%

The fund will seek to rebalance weights within one month of every quarter end in case of deviation

Allocations mentioned on this slide are as per our current proposed strategy. This may change in future depending on market opportunities and fund manager views and would be subject to SID limits. The SID limits shall prevail at all points in time. * Minimum allocation as per SID is 25% for large cap, mid cap and small cap each. Maximum allocation as per SID is 50% for large cap, mid cap and small cap each.

For whom is this fund suitable?



Investors who want to **benefit from discipline** – rather than having to time and shift allocations across market cycles



The fund maintains sizeable allocation to all market caps across market cycles, restricting any fund manager bias



Long term investors who believe in **spending time in the market, rather than timing the market**



A multi-cap approach has provided attractive returns across long term cycles



Investors looking for **higher long-term growth prospects** than pure Large Cap, Large-Mid or Flexi Cap* funds



Access broad range of growth opportunities across market caps as well as select tactical themes

*Based on current average allocations of all funds in the flexi cap category that shows overweight towards large cap. Data as on 30th September 2021. Source: MFI Explorer
Past performance may or may not be sustained in future.

About the Fund Manager – Mr. Daylynn Pinto (Equity portion)



Daylynn Pinto

Senior Fund Manager – Equity

Mr. Daylynn Pinto has over 15 years of experience in the Indian Mutual Fund space and has been associated with IDFC AMC since October 2016. His investment philosophy is rooted in being patient and believing in the growth potential that equity investing can generate. It also drives him to look for businesses where the management focuses on balancing scalability and stake holder returns. His expertise lies primarily in multi-cap strategies. He currently manages IDFC Sterling Value Fund and IDFC Tax Advantage (ELSS) Fund).

Prior to joining IDFC AMC, he was associated with UTI Asset Management Co. Ltd. as Fund Manager, responsible for fund management and equity research.

He holds Post Graduate Diploma in Management (PGDM) and Bachelor's degree in Commerce.

Performance of a diversified strategy managed by Daylynn Pinto

IDFC Tax Advantage (ELSS) Fund

(An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit)

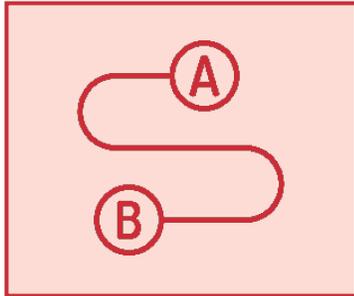
Scheme Name	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
IDFC Tax Advantage (ELSS) Fund - Reg - Growth	75.88	20.56	17.82	15.75	17.94	19.22
S&P BSE 200 TRI (Benchmark)	61.22	19.44	16.85	14.36	15.7	17.83
Excess return over benchmark	14.66	1.12	0.97	1.39	2.24	1.39

Fund Manager: Mr. Daylynn Pinto (w.e.f. 20th October 2016)

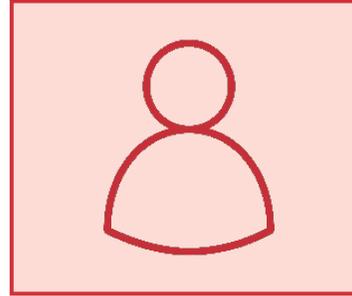
Data as on 30th September 2021. Source: MFI Explorer

Past performance may or may not be sustained in future. Returns over 1 year period are annualized. For performance of other schemes managed by Mr. Daylynn Pinto, please click here: <https://cmsstgaccount.blob.core.windows.net/prod-idfc-website-files/inline-files/IDFC-Performance-Table-September-2021.pdf>

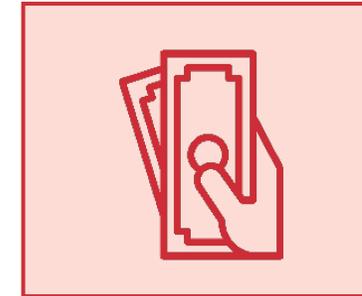
NFO Details



NFO Opens: 12th November 2021
NFO Closes: 26th November 2021



Fund Managers: *
Mr. Daylynn Pinto (equity portion)
Mr. Harshal Joshi (debt portion)



Minimum Application Amount:
INR 5000 and in multiples of
Re. 1 thereafter



Exit Load: If redeemed/switched out within 1 year from the date of allotment - 1% of applicable NAV;
If redeemed/switched out after 1 year from the date of allotment – Nil



Benchmark:
NIFTY 500 Multicap
50:25:25 TRI

*Mr. Viraj Kulkarni will be managing overseas investment portion of the scheme.

Product Label

IDFC MULTI CAP FUND

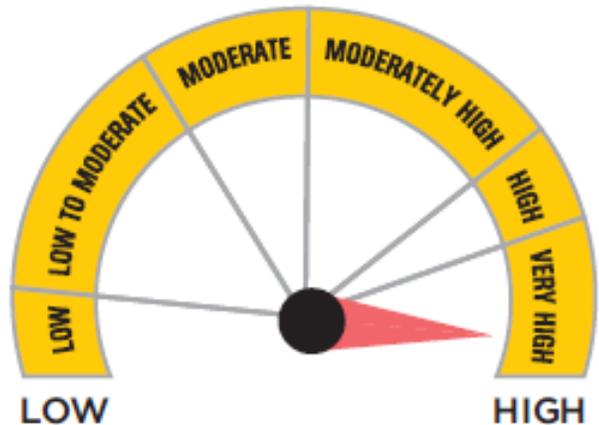
(Multi Cap Fund - An open-ended equity scheme investing across large cap, mid cap, small cap stocks)

This product is suitable for investors who are seeking*:

- To create wealth over a long term
- Investment in a portfolio of large, mid and small cap equity and equity related securities

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

Scheme Risk-o-meter



Investors understand that their principal will be at Very High Risk

Product Label

IDFC Tax Advantage (ELSS) Fund

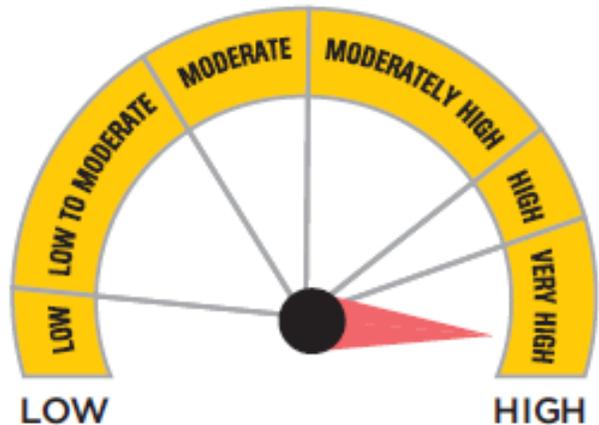
(An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit)

This product is suitable for investors who are seeking*:

- To create wealth over a long term
- Investment predominantly in Equity and Equity related securities with income tax benefit u/s 80C and 3 years lock-in.

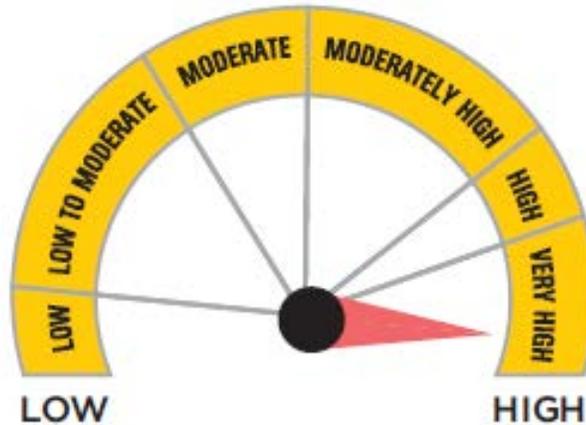
**Investors should consult their financial advisers if in doubt about whether the product is suitable for them.*

Scheme Risk-o-meter



Investors understand that their principal will be at Very High Risk

Benchmark Risk-o-meter



S&P BSE 200 TRI

Disclaimer

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

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THANK YOU