



## Bandhan Core Equity Fund<sup>§</sup>

Large & Mid Cap Fund - An open ended equity scheme investing in both large cap and mid cap stocks

Bandhan 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

#### How it went:

Global equities remained weak across countries (MSCI AC World -2.5% MoM with Spain and Italy being the only outliers with positive returns. India declined by -4.8% MoM while Emerging markets were down -6.5% MoM largely led by China (-10.4% MoM). Euro area held on with flattish (-0.8% MoM) returns. Indian equities has corrected sharply on a YTD basis (\$ terms, -7.6% YTD) compared to the World (\$ terms, 4.3% YTD) and Emerging countries (\$ terms, 0.8% YTD) which are holding their which are still in positive.

Looking at market cap wise performance, there has been a decline in MoM returns across market caps with Mid-caps (-1.8% MoM) performing slightly better than small caps (-2.9% MoM) and large caps (-2.2% MoM).

#### How do we look ahead:

The December quarter results on a broad level indicated weak volume trends and easing of pricing pressures. Consensus FY23 EPS estimates for MSCI India were cut by ~5% this December quarter following a 4% cut post previous quarter results. Nifty FY23E EPS estimates has seen 1-2% cut with downgrades in commodities offset by upgrades in banks. The management outlook going ahead also saw some bit of moderation both from demand as well as margin perspective (barring staples and non-Auto Discretionary) reflecting the slowing global macro environment.

At a global level the macro outlook has turned challenging due to inflation data turning adverse. Across countries like USA, India, Germany etc. the recent inflation data has turned out higher than expected which is pushing global bond yields higher. The 2 year bond yield in USA is the highest since 2007. Higher bond yields are a big headwind to equities, and inflation will need to moderate for equities to perform. The silver lining for India is that earnings outlook is fairly resilient and over last few quarters valuation multiples have corrected.

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.

<sup>^</sup>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

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

#### FUND FEATURES:

(Data as on 28th February'23)

**Category:** Large & Mid Cap

**Monthly Avg AUM:** ₹ 2,441.62 Crores

**Inception Date:** 9th August 2005

**Fund Manager:** Mr. Manish Gunwani  
(w.e.f. 28 January, 2023)

**Benchmark:** NIFTY LargeMidcap 250 TRI  
(w.e.f. 7th October 2019)<sup>^</sup>

**Minimum Investment Amount:** ₹ 1,000/- 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 Dates : (Monthly/Quarterly)** Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

**Options Available:** Growth, IDCW<sup>®</sup>  
- (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

#### Other Parameters:

**Beta:** 0.98

**R Squared:** 0.96

**Standard Deviation (Annualized):** 23.48%

**SIP (Minimum Amount):** ₹ 100/- (Minimum 6 instalments)

PLAN	IDCW@ RECORD DATE	₹/UNIT	NAV
REGULAR	22-Jul-21	0.95	19.1100
	16-Mar-20	1.03	12.0100
	14-Mar-19	0.80	15.4200
DIRECT	22-Jul-21	1.19	23.9400
	16-Mar-20	0.39	13.7900
	14-Mar-19	0.90	17.4700

<sup>®</sup>Income Distribution cum capital withdrawal

<sup>§</sup>With effect from 13th March 2023, the name of “IDFC Core Equity Fund” has changed to “Bandhan Core Equity Fund”

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.**

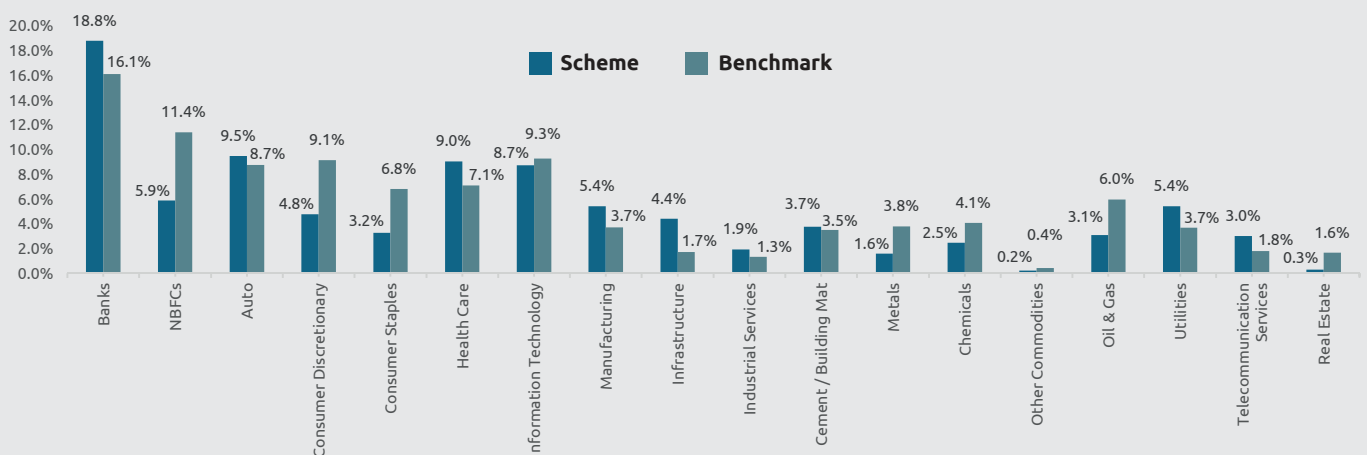
# PORTFOLIO

(28 February 2023)

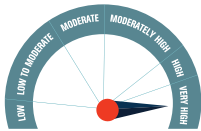


Name of the Instrument	% to NAV	Name of the Instrument	% to NAV
<b>Equity and Equity related Instruments</b>	<b>91.32%</b>	Gujarat Gas	1.64%
<b>Banks</b>	<b>18.79%</b>	Gujarat State Petronet	1.43%
ICICI Bank	7.08%	<b>Telecom - Services</b>	<b>2.99%</b>
HDFC Bank	6.97%	Bharti Airtel	2.99%
Axis Bank	2.62%	<b>Retailing</b>	<b>2.64%</b>
The Federal Bank	0.76%	Aditya Birla Fashion and Retail	1.05%
Canara Bank	0.75%	Trent	0.80%
Indian Bank	0.61%	Zomato	0.78%
<b>Pharmaceuticals &amp; Biotechnology</b>	<b>9.04%</b>	<b>Chemicals &amp; Petrochemicals</b>	<b>2.47%</b>
Sun Pharmaceutical Industries	1.72%	Deepak Nitrite	1.25%
Alkem Laboratories	1.38%	Tata Chemicals	1.22%
IPCA Laboratories	1.19%	<b>Power</b>	<b>2.33%</b>
Lupin	1.06%	NTPC	2.33%
Alembic Pharmaceuticals	0.73%	<b>Transport Services</b>	<b>1.91%</b>
Gland Pharma	0.72%	InterGlobe Aviation	1.20%
Torrent Pharmaceuticals	0.72%	Container Corporation of India	0.71%
Cipla	0.57%	<b>Cement &amp; Cement Products</b>	<b>1.91%</b>
Zydus Lifesciences	0.51%	The Ramco Cements	1.05%
Natco Pharma	0.46%	JK Cement	0.86%
<b>IT - Software</b>	<b>8.71%</b>	<b>Ferrous Metals</b>	<b>1.57%</b>
Infosys	5.04%	Jindal Steel & Power	1.01%
LTIMindtree	1.48%	Steel Authority of India	0.35%
Mphasis	1.36%	Tata Steel	0.22%
Zensar Technologies	0.82%	<b>Insurance</b>	<b>1.47%</b>
<b>Industrial Products</b>	<b>5.74%</b>	Max Financial Services	1.47%
Cummins India	1.91%	<b>Diversified FMCG</b>	<b>1.41%</b>
AIA Engineering	1.76%	ITC	1.41%
Supreme Industries	1.52%	<b>Electrical Equipment</b>	<b>1.40%</b>
Bharat Forge	0.55%	KEC International	0.87%
<b>Auto Components</b>	<b>5.32%</b>	ABB India	0.53%
Bosch	1.39%	<b>Personal Products</b>	<b>1.08%</b>
UNO Minda	1.00%	Emami	1.08%
MRF	0.86%	<b>Entertainment</b>	<b>0.88%</b>
Apollo Tyres	0.82%	Zee Entertainment Enterprises	0.88%
Wheels India	0.79%	<b>Consumer Durables</b>	<b>0.83%</b>
Endurance Technologies	0.47%	Metro Brands	0.51%
<b>Finance</b>	<b>4.39%</b>	Kajaria Ceramics	0.32%
LIC Housing Finance	1.31%	<b>Beverages</b>	<b>0.76%</b>
M&M Financial Services	1.14%	United Breweries	0.76%
Cholamandalam Invt and Fin Co	1.12%	<b>Leisure Services</b>	<b>0.72%</b>
Mas Financial Services	0.83%	The Indian Hotels Company	0.72%
<b>Automobiles</b>	<b>3.60%</b>	<b>Diversified</b>	<b>0.65%</b>
Mahindra & Mahindra	2.44%	3M India	0.65%
Tata Motors	1.16%	<b>Aerospace &amp; Defense</b>	<b>0.55%</b>
<b>Construction</b>	<b>3.52%</b>	Bharat Electronics	0.55%
Larsen & Toubro	2.10%	<b>Realty</b>	<b>0.27%</b>
Kalpataru Power Transmission	1.42%	Mahindra Lifespace Developers	0.27%
<b>Petroleum Products</b>	<b>3.08%</b>	<b>Textiles &amp; Apparels</b>	<b>0.19%</b>
Reliance Industries	3.08%	K.P.R. Mill	0.19%
<b>Gas</b>	<b>3.08%</b>	<b>Net Cash and Cash Equivalent</b>	<b>8.68%</b>
		<b>Grand Total</b>	<b>100.00%</b>

## SECTOR ALLOCATION



### Scheme risk-o-meter



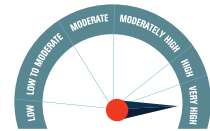
Investors understand that their principal will be at Very High risk

### This product is suitable for investors who are seeking\*

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

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

### Benchmark risk-o-meter



NIFTY LargeMidcap 250 TRI