

SEPTEMBER 03, 2008

IDFC Strategic Sector (50-50) Equity FUND

@ Rs 10/unit during NFO Period
NFO closing September 18, 2008

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A fund designed to work as a blend of opportunity fund and diversified equity fund.....!

Investment objective

It is an open-ended equity oriented scheme to provide long term capital appreciation by investing in equity and equity related instruments.

Investment Strategy

The fund will invest in equity and equity related securities, which has depth and a core part of the Indian economy, by investing upto 50% of the assets of the scheme in a chosen sectors(sector specific) and balance in companies across market capitalization and across sectors(diversified exposure). The holding period in a particular sector will be around 1-2 years and can vary (depending on the market) with less than or more than this period. This allows taking a) concentrated position in the companies in that sector b) Benefits from the positive movement in the sector. The fund will have a top down approach to narrow down on the sector and then cherry pick companies within those sectors.

Conclusion

The scheme will work as a blend of thematic/ opportunistic and diversified equity fund and hence would aim to generate additional returns compared to pure diversified equity fund. On risk side, fund would have higher risk than pure diversified fund but less risk than a thematic/opportunistic fund. Hence, this fund is suitable for those investors who want to take slightly higher risk than diversified equity fund to get additional returns.

Issue Details

Minimum Investment	Rs. 5,000/-
Benchmark	S&P CNX Nifty Index
Option	Growth, Dividend-Payout and Reinvestment option

Load Structure (During NFO period)

	Investment Amt (Rs)
Entry Load	Below 5 Cr: 2.25% 5 Cr & above: NIL
Exit Load	Below 5 Cr: 1% (if redeemed within 1 year) 5 Cr & above: NIL)

Asset Allocation

Equities & Equity Related Security	65-100%
Debt/money market instrument	0-35%
Securitized debt instruments	0-35%

Performance of other equity schemes of the Fund

Returns as on Sep 02, 2008.					
Scheme – Growth	6 m*	1 Year	2 Years	3 Years	Since Inception
IDFC Classic Equity fund-Growth	-16.82	-6.04	13.76	16.24	19.28
IDFC Premier Equity Fund-Growth	-14.31	9.02	33.81	N.A	25.09
IDFC Imperial Equity Fund-Growth	-7.85	-4.84	15.86	N.A	15.25

*6 month return is taken as absolute and others are annualized.

Risk Factors: Mutual Fund investments are subject to market risk. Please read the offer document carefully before investing.

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