

# ■ HDFC Equity Fund.

Performing with consistency and discipline\*.



HDFC Equity Fund - Growth Option awarded 'Best Fund over Ten Years\*\*' in the 'Equity India Category' at the 'Lipper Fund India Awards 2010' (from amongst 53 schemes for the period ending December 31, 2009) for fifth year in a row.

Toll Free No.: 1 800 233 6767  
Website: www.hdfcfund.com

- Over 14 years track record
  - Rs.6,734.63 crores in Net Assets
  - Over 4.64 lakh investors
- The above information is as of June 30, 2010.

**HDFC**  
**EQUITY**  
**FUND**  
An Open-ended Growth Scheme

**HDFC**  
**MUTUAL FUND**  
Continuing a tradition of trust.

\*Past performance may or may not be sustained in the future.

\*\*Past performance is no guarantee of future results. Please refer Award Methodology and Disclaimer below.

Registered Office: Ramon House, 3rd Floor, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai 400 020. Tel.: 022-6631 6333. Fax.: 022-2282 1144.

**LIPPER FUND AWARDS METHODOLOGY & DISCLAIMER:** The funds considered were funds registered for sale in the respective country as of December 31, 2009/2008/2007/2006/2005 (from amongst 53/34/23/18/14 schemes respectively) with at least 36 months of performance history as of the said date. All calculations are based on Lipper's risk adjusted Consistent Returns measure, before sales charge. The highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determines the fund classification winner over three, five or ten years. Please refer to <http://www.lipperweb.com> for further information on the Ranking Methodology. **Disclaimer:** Although Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Lipper. **Award Source and Publisher:** Lipper. **Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market. Past performance of the Sponsors and their affiliates / AMC / Mutual Fund and its Scheme(s) do not indicate the future performance of the Scheme of the Mutual Fund. There is no assurance or guarantee to unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. Investors in the Scheme are not being offered any guaranteed / assured returns. The NAV of the units issued under the Scheme may be affected, inter-alia by changes in the interest rates, trading volumes, settlement periods, transfer procedures and performance of individual securities. The NAV will inter-alia be exposed to Price / Interest Rate Risk and Credit Risk. **HDFC Equity Fund, an open-ended growth scheme is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and returns. Please read the Scheme Information Document and Statement of Additional Information before investing. Investment Objective:** To achieve capital appreciation. HDFC Equity Fund benchmarked to S&P CNX 500 Index is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). IISL is not responsible for any errors or omissions or the results obtained from the use of such index and in no event shall IISL have any liability to any party for any damages of whatsoever nature (including lost profits) resulted to such party due to purchase or sale or otherwise of such product benchmarked to such index. Applications for subscriptions/redemptions/switches would be accepted at official points of acceptance on all Business Days at NAV based prices. The AMC will calculate and publish NAV on all Business Days. **Statutory Details:** HDFC Mutual Fund has been set up as a trust sponsored by Housing Development Finance Corporation Limited and Standard Life Investments Limited (liability restricted to their contribution of Rs. 1 lakh each to the corpus) with HDFC Trustee Company Limited as the Trustee (Trustee under the Indian Trusts Act, 1882) and with HDFC Asset Management Company Limited as the Investment Manager.

# HDFC Equity Fund

(An Open-ended Growth Scheme)

HDFC Equity Fund is an open-ended growth scheme, which aims to generate long-term capital appreciation. The Scheme maintains a focused portfolio predominantly of large cap stocks, though there is controlled exposure to mid caps. The Scheme however always remains diversified across sectors. Moreover, the sectoral allocation is done with a view to diversify across sectors that are weakly co-related with each other to reduce risk.

The underlying theme while managing the Scheme is to invest in business that are sustainable and of good quality. Though the Scheme has invested in cyclical stocks at times, there is a preference for secular growth companies as this reduces risk over time. Further, for both large cap stocks and mid cap stocks there is a preference for investing in companies that enjoy a strong position (preferably number 1 or 2) in the respective businesses.

The above strategy has worked well in the past and the Scheme has delivered significantly better returns\* than the benchmark (see table alongside). This is particularly true for 2-3 years and longer time periods. No wonder, the Scheme earns confidence of over 4 lakh investors.

\*Past performance may or may not be sustained in the future.

**INVESTMENT OBJECTIVE:** To achieve capital appreciation.

## FEATURES:

### Asset Allocation:

Equity & Equity related instruments: 80%-100%; Debt & Money Market Instruments: 0%-20%.

Investments in securitised debt, if undertaken, would not exceed 20% of the net assets of the scheme.

**Options:** Growth & Dividend. The Dividend Option offers Dividend Payout and Reinvestment facility.

### Minimum Application Amount (Under each Option):

- Purchase: Rs.5,000 and any amount thereafter.
- Additional Purchase: Rs.1,000 and any amount thereafter.

## LOAD STRUCTURE:

### Entry Load: Not Applicable.

Upfront commission shall be paid directly by the investor to the ARN Holder (AMFI registered Distributor) based on the investors' assessment of various factors including the service rendered by the ARN Holder.

### Exit Load:

- In respect of each purchase / switch-in of units, an Exit Load of 1.00% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.
- No Exit Load is payable if Units are redeemed / switched-out after 1 year from the date of allotment.

No Entry / Exit load shall be levied on bonus units & units allotted on dividend reinvestment.

The Trustee reserves the right to change/modify the load structure from a prospective date, subject to SEBI (Mutual Funds) Regulations, 1996.

## NAV (as at June 30, 2010)

	NAV per Unit (Rs.)
Growth Option	253.288
Dividend Option	46.551

## Relative Performance ^ (Growth Option)-as at June 30, 2010

Date	Period	NAV per Unit (Rs.)	Returns (%) ^	Benchmark Returns (%) #
June 30, 2009	Last 1 Year (365 days)	172.871	46.52	27.41
June 29, 2007	Last 3 Years (1097 days)	165.313	15.25	6.82
June 30, 2005	Last 5 Years (1826 days)	73.768	27.96	18.31
June 30, 2000	Last 10 Years (3652 days)	21.780	27.79	15.20
Jan 1, 1995	Since Inception (5659 days)	10.000	23.18	10.25

^Past performance may or may not be sustained in the future  
Above returns are compounded annualized (CAGR).  
#S&P CNX 500

## Benefits of Systematic Investment Plan (SIP)

To illustrate the advantages of SIP investments, this is how your investments would have grown if you had invested say Rs. 1,000 systematically on the first Business Day of every month over a period of time.

SIP Investments	Since Inception	10 Year SIP	5 Year SIP	3 Year SIP	1 Year SIP
Total Amount Invested (Rs.'000)	186.00	120.00	60.00	36.00	12.00
Market Value as on June 30, 10 (Rs.'000)	2,684.94	705.27	111.26	56.95	15.65
Returns (Annualised)* %	30.13	33.27	24.97	32.18	60.82
Benchmark Returns (Annualised) % #	16.49	21.47	15.29	18.52	37.73

Past performance may or may not be sustained in the future  
# S&P CNX 500 \*Load is not taken into consideration and the Returns are of Growth Option. Investors are advised to refer to the Relative Performance table furnished above for non-SIP returns. Past performance may or may not be sustained in the future. Please refer to SIP enrolment form or contact nearest ISC for SIP load structure.  
**Disclaimer:** The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. The AMC/ Mutual Fund is not guaranteeing or promising or forecasting any returns. SIP does not assure a profit or guarantee protection against a loss in a declining market.

Distributed by:



Continuing a tradition of trust.

www.hdfcfund.com