

[FUND PICK] CANARA ROBECO BLUECHIP EQUITY FUND

A consistent performer

Launched in August 2010, Canara Robeco Bluechip Equity Fund has featured in the top 30 percentile of the large-cap category in the CRISIL Mutual Fund Ranking (CMFR) for three quarters ended June 2020. The fund has been managed by Shridatta Bhandwadar and Sanjay Bembalkar since July 2016 and October 2019, respectively. The month-end AUM of the fund has grown over 6x over the past three years, from ₹107 crore in September 2017 to ₹702 crore in August 2020.

The investment objective of the fund is to provide capital appreciation by predominantly investing in companies with a large market capitalisation.

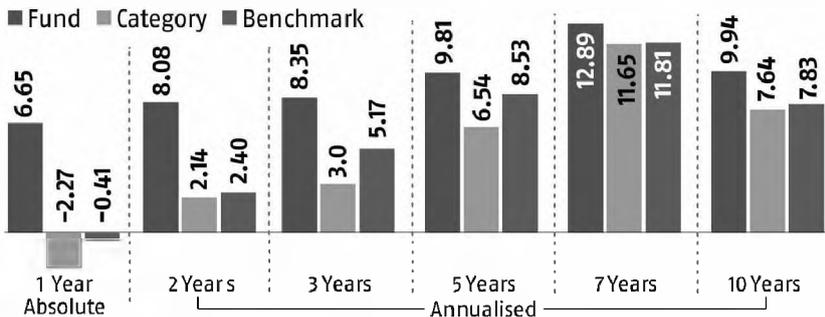
Trailing returns

The fund has consistently outperformed the benchmark (S&P BSE 100 TRI) and its peers (funds ranked under the large-cap funds category in June 2020 CMFR) in all the trailing periods under analysis.

An investment of ₹10,000 in the fund on August 20, 2010 (inception of the fund), would have grown to ₹27,270 on September 30, 2020, at an annualised rate of 10.42 per cent, as compared to the category and the benchmark which would have grown to ₹22,201 (8.20 per cent per annum) and ₹22,971 (8.56 per cent per annum), respectively.

Systematic investment plan (SIP) is

POINT-TO-POINT RETURNS*



*As on September 30, 2020

a disciplined mode of investing offered by mutual funds via which one can invest a certain amount of money at regular intervals. A monthly investment of ₹10,000 for the last 10 years in the fund, totalling ₹12 lakh, would have grown to ₹21.15 lakh (10.92 per cent annualised returns), as compared to ₹19.40 lakh (9.29 per cent annualised returns) in the benchmark as on September 30, 2020.

Portfolio analysis

During the past three years, the fund, being true to its label, has maintained its predominant allocation to large-cap stocks. The exposure to large-cap stocks averaged 87.41 per cent during the past three years. The exposure to mid-cap and small-cap stocks averaged 7.91 per

cent and 0.12 per cent, respectively.

The portfolio was diversified across 26 sectors over the past three years. Banks had the highest average allocation of 24.41 per cent, followed by consumer non-durables (12.98 per cent), software (9.34 per cent), finance (9.13 per cent), and petroleum products (6.17 per cent). The fund also took exposure to 89 stocks and held 11 stocks consistently. Reliance Industries, Infosys, HDFC Bank, and Hindustan Unilever have been the major contributors to the fund's performance and were also consistently held. Other major contributors include Divi's Laboratories and Britannia Industries.