



FINSERV

# INDIA'S FIRST **BALANCED ADVANTAGE FUND** WHERE BEHAVIORAL SCIENCE MEETS FINANCIAL INSIGHTS.



**NFO Period** 24<sup>th</sup> Nov - 8<sup>th</sup> Dec, 2023

## Presenting

### **Bajaj Finserv Balanced Advantage Fund**

An Open Ended Dynamic Asset Allocation Fund

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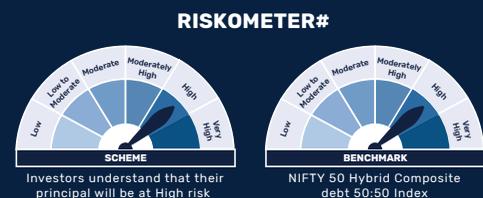
### Product label

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

- To generate wealth creation over long term
- Dynamic asset allocation between equity and equity related instruments including derivatives, and fixed income instruments

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

#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.



Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

**BAJAJ FINSERV ASSET MANAGEMENT LIMITED**



**Ganesh Mohan**  
CEO, Bajaj Finserv AMC

Dear All,

I am pleased to announce that in October 2023, Bajaj Finserv AMC achieved a total of Rs 6,000 crore in assets under management (AUM). By the end of the month, our fund house's total AUM reached Rs 6,171 crore. Specifically, our flagship equity scheme, Bajaj Finserv Flexi Cap Fund, had an AUM at Rs 1,669 crore, along with more than 82,000 folios. Our total fixed income AUM at the end of the month amounted to Rs 4,252 crore.

Our first fixed-income duration product, Bajaj Finserv Banking and PSU Fund\*, will close its New Fund Offer (NFO) on November 6th. Our analysis suggests that the global interest rate cycle is approaching its peak. While some volatility may persist due to geopolitical and supply challenges, we anticipate a long-term decline in interest rates. This offers a unique opportunity for fixed income investors in the short-to-medium term to benefit from potential gains over a 2-3 year period. Bajaj Finserv Banking and PSU Fund is designed to provide traditional long-term fixed income investors with an opportunity to capture high-quality corporate yields while also offering the potential for moderate capital gains if interest rates decrease. It's a low-risk strategy focused on performance, and we believe it presents a suitable opportunity for investors in the current market environment.

We will launch also a dynamic asset allocation product, the Bajaj Finserv Balanced Advantage Fund\* in the November month. The NFO for this fund will be open from November 24th to December 8th, 2023. This product is uniquely designed to balance the financial understanding of market valuations and the impact of behavioural elements. Together, these two factors can lead to extended periods of market highs and lows. For that reason, our approach combines both quantitative and behavioural finance to help investors remain invested in the market throughout various market cycles, minimizing the impact of loss aversion during market downturns and moderating excessive enthusiasm during market rallies.

We believe that the Indian equity market offers a generational growth opportunity, but factors like low risk tolerance and loss aversion often keep investors from fully benefiting from India's growth story. For that reason, continued investor participation through dynamic asset allocation is essential to address loss aversion while still delivering potential returns. Bajaj Finserv Balanced Advantage Fund is an enduring initiative in that direction.

I also invite you to explore our Fund house's YouTube channel, @bajajfinservmf, where you can find 57 videos discussing the

basics of behavioural finance titled "The Third Source." These videos break down different aspects of behavioural finance, explaining how they influence the market and impact investment decisions in a simple and straightforward manner. This channel offers an entertaining and easy-to-understand approach to a complex topic. It's worth noting that this channel has already accumulated more than 62 million views and gained over 10,000 subscribers in a short period. We believe that our Fund house's unique perspective on behavioural finance will add value to your investment journey.

Wishing you a very Happy Diwali and a great holiday season.

\*Please refer to page 18 & 19, 20 for fund name, product label, riskometer, scheme type and PRC



**Nimesh Chandan**  
CIO, Bajaj Finserv AMC

## The Ayurveda Chronicles and Alchemy of Investments:

Embarking a journey back in time, nearly 5,000 to 7,000 years ago, emerged two intriguing concepts in the world of Ayurveda: Asava and Arista. These two methods of medicine-making harness the power of fermentation. In essence, they involve combining the right ingredients and allowing them to ferment over time, unlocking their medicinal properties to address various health concerns. In the realm of Ayurveda, it's believed that Asava and Arista have an indefinite shelf life, and the older they get, the more potent they become. This concept can be applied to investments as well. Just like these medicinal concoctions, long-term investments require the right ingredients and a patient approach to yield the best results. It's crucial to focus on your financial goals and have a long-term perspective.

Much like Ayurveda's selection of ingredients from over 1,200 different plant species to create unique combinations, we too, had a vision when we launched our Flexi Cap Fund. Our goal was to capitalize on investment opportunity that improves with time. We adopted a strategy of identifying megatrends to guide our investments. Megatrends represent long-term, influential shifts in technology, regulation, economics, nature, demographics, and social dynamics that impact economies and businesses. Our approach is to pinpoint the sectors and companies positioned favourably within these megatrends.

Regarding the market outlook, while we've been discussing the possibility of a soft landing in the US market until October of this year, we are now witnessing a shift in focus. The emphasis is moving from economic concerns to political and geopolitical factors. In the current landscape, geopolitical events, elections in two major economies, the US and India, and the dynamics of global trade are emerging as elements of uncertainty. Navigating geopolitics requires a different strategy compared to managing issues like inflation or economic growth. This shift introduces complexity and volatility to the market, underscoring the importance of adopting a long-term perspective. Simultaneously, this volatility can be leveraged to make informed long-term investment decisions.

With ongoing global conflicts, such as the Israel-Hamas situation, and issues between Russia and Ukraine, the world faces uncertainties that affect commodity prices and global trade. In addition, the trade wars between US and China adds to the global trade hiccups. Within the US there are concerns over the rising fiscal deficit, inflation, debt to GDP. There is an increasing debate between the Republican and Democrats about the debt ceiling. There are overhangs in the real estate sector, especially the commercial real estate. To sum up the global economic situation, there seems to be lots of

uncertainties prevailing currently. However, India appears to be standing out of the otherwise gloomy situation worldwide with macro stability, earnings stability, healthy banking system with good credit growth and expected political stability in a few month.

However, India is not immune to the world. It is connected to the world in 3 ways, viz. Trades (imports and exports), Prices (inflation and deflation) and Flows (FIIs, FDIs and FPIs). Based on the signals exhibited by the results from the export-based sector, we are likely to experience a slowdown in the exports. With regard to the flows, we have seen some selling from the foreign investors, and expected to continue for some time due to the rising interest rates. This in turn may add to some strain to the balance of payment position of India. However, the inclusion of Indian bonds on the JP Morgan Bond Index comes at an opportune time. This adds to the comfort that from Jun 2024 onwards, India would receive foreign flows, and new buyers would invest in our government securities market. With long term view on India's economy, the near term volatility may be an appropriate opportunity for investors to create long term wealth.

To take the advantage of the market conditions, we thought of launching products that can potentially benefit our investors both in the fixed as well as equities categories. Based on our contrarian call on the interest rates, we believe that this is an appropriate time to lock-in the high interest rates. Currently, there are good carry available with low interest rate risk in high quality debt instruments. The Banking and PSU Fund capitalizes on such market conditions with high-interest rates to provide attractive yields while managing risk. On the equity side, our Balanced Advantage Fund, set to launch next month. This fund seeks to leverage short-term market volatility to position portfolios for the long term. These two products offer solutions for asset allocation in both fixed income and equities.

Our Flexi Cap Fund reflects our dedication to constructing a diversified portfolio that captures the essence of various market trends. It includes large-cap, mid-cap, and small-cap companies, providing a balanced representation across sectors and market capitalizations.

Regarding small-cap stocks, while some may argue they are overvalued, historical data suggests they are not in a bubble. This category has seen significant growth but remains in line with historical averages. While certain pockets may undergo price corrections, we should not generalize this trend to all small caps.

In the ever-changing market, opportunities arise when the crowd focuses on specific sectors, creating a potential overvaluation. However, uncharted territories and overlooked businesses can offer attractive returns. Considering triggers like the upcoming cricket World Cup and festive seasons, India's consumer spending is expected to rise. Elections and cultural events are further catalysts for growth.

In summary, we understand that global uncertainties persist, but we see them as opportunities. With our new fixed income and equity products, we aim to help investors navigate this environment while securing attractive returns. We encourage you to embrace a long-term perspective, identifying the right ingredients for success in your financial journey.

With best wishes for the festive season.

## US - Macro Factors



Source: US Bureau of Labour Statistics

### Inflation

In Sep 2023, the US inflation rate held steady at 3.7%, defying market predictions of a slight decrease to 3.6%. This was due to a less significant drop in energy prices, which declined by 0.5% following a 3.6% decrease in Aug, primarily because fuel prices rebounded. Furthermore, price increases were more moderate in several categories, including food (3.7% vs 4.3%), new vehicles (2.5% vs 2.9%), apparel (2.3% vs 3.1%), medical care commodities (4.2% vs 4.5%), shelter (7.2% vs 7.3%), and transportation services (9.1% vs 10.3%). The core Consumer Price Index (CPI), which excludes the volatile food and energy prices, slowed to 4.1%, reaching its lowest level since Sep 2021. On a monthly basis, consumer prices increased by 0.4%, which was a decrease from the 0.6% gain in Aug but exceeded market expectations of 0.3%.

Amid the United States grappling with elevated inflation and the corresponding measures implemented by the Federal Reserve, there has been a noticeable drop in job growth, with 150,000 new hires in October. While this figure still appears reasonable, it is significantly lower when compared to the robust job growth of 297,000 witnessed in September. Employers in the US have become more cautious in response to the US Federal Reserve's decision to maintain the benchmark rates within the 5.25%-5.50% range, without any indications of rate reductions. Consequently, the US unemployment rate rose from 3.8% to 3.9% in October.

Job gains occurred in health care, government, and social assistance. Employment declined in manufacturing due to strike activity. Both the labor force participation rate, at 62.7 percent, and the employment-population ratio, at 60.2 percent, changed little in October.



Source: US Bureau of Labour Statistics

### Gross Domestic Product (GDP)

According to the initial estimate provided by the Bureau of Economic Analysis, the real GDP grew at an annual rate of 4.9% in the 3rd quarter of 2023. In the previous quarter, the real GDP had increased by 2.1%. When compared to the second quarter, the faster growth of the real GDP in the third quarter can be attributed to increased consumer spending, greater private inventory investment, and higher federal government spending. Additionally, there were improvements in exports and residential fixed investment. However, these positive factors were somewhat balanced by a decrease in non-residential fixed investment and a slowdown in state and local government spending. Imports also saw an increase.

### Purchasing Manager's Index (PMI)

In October 2023, the US manufacturing sector contracted for the 11th consecutive month with an Institute of Supply Management (ISM) Manufacturing PMI of 46.7, well below expectations of 49. This decline is attributed to the impact of higher borrowing costs by the Federal Reserve. New orders fell sharply (45.5), production slowed (50.4), employment decreased, and input prices saw a sixth consecutive month of decline.

### Consumer Sentiment

Consumer sentiment confirmed its early-month reading, falling back about 6% in Oct following two consecutive months of very little change. This decline was driven in large part by higher-income consumers and those with sizable stock holdings, consistent with recent weakness in equity markets. Across all consumers, one-year expected business conditions plunged 16% and expectations over consumers' own personal finances in the year ahead fell 8%, reflecting ongoing concerns about inflation and, to a lesser degree, uncertainty over the implications of negative news both domestically and abroad.

### Dollar Index

The dollar index, that gauges the greenback's strength against a basket of six currencies. An escalation in the dollar index signifies a strengthened dollar, resulting in the depreciation of the Indian rupee. A weaker rupee, in turn, amplifies the costs of imports and adversely affects the profitability of Indian companies due to heightened production expenditures. The resultant increase in operating costs compels companies to raise the prices of goods and services, ultimately contributing to inflationary pressures. The overall impact is felt on the GDP, which encounters a deceleration when the dollar gains strength.



Source: Bloomberg

### US Fed Update

Recent economic indicators suggest that the economy experienced notable growth in the third quarter. Although job gains have moderated compared to earlier this year, they continue to be substantial, and the unemployment rate has remained at a low level. Inflation levels continued at above average levels. The U.S. banking system appears to have stabilized. However, tighter financial and credit conditions for both households and businesses are expected to exert downward pressure on economic activity, hiring, and inflation. The exact magnitude of these effects remains uncertain and is being closely monitored by the Federal Open Market Committee for potential risks associated with inflation. Primarily its objectives are to achieve maximum employment and maintain a 2 percent inflation rate over the long term. To support these goals, the FOMC has decided to keep the target range for the federal funds rate at 5.25% to 5.50%. The Fed continues to evaluate additional information and its implications for monetary policy. When determining the extent of additional policy adjustments required to bring inflation back to 2 percent over time, the FOMC may consider the cumulative tightening of monetary policy, the time lags involved in the effects of monetary policy on economic activity and inflation, as well as economic and financial developments. Furthermore, the FOMC is expected proceed with the reduction of its holdings of Treasury securities, agency debt, and agency mortgage-backed securities, as outlined in previously disclosed plans.



Source: NSO; MoSPI

It's worth noting that India's GDP growth in the April-June quarter of FY 2024 was 7.8%, showing a decline from the 13.1% growth rate observed in the same period of FY 2022-23. Meanwhile, the World Bank has also maintained its growth forecast for India in FY24 at 6.3%. This growth is expected to be driven by investment. However, the World Bank has revised its inflation projection upward from 5.2% to 5.9%.



Source: NSO; MoSPI

### Inflation

For 2023-2024, the RBI forecasts CPI inflation at 5.4%, with Q2 expected to see an increase to 6.4%, Q3 to 5.6%, and Q4 to reach 5.2%. The first-quarter CPI is expected to rise by 5.2% in 2024-2025. The current fiscal year's inflation was predicted to be 5.4%. Retail inflation dipped to 5.02% in September, but it still remained significantly above than the central bank's comfort zone of 2%-6%.

### Service PMI

The S&P Global India Services Purchasing Managers' Index (PMI) fell to 58.4 in October from 61 in September. India's services sector growth slowed to a seven-month low in October due to low demand and higher costs.



## India - Macro Factors

### GDP

The Monetary Policy Committee (MPC) of the Reserve Bank of India recently maintained its previous estimate, projecting a 6.5% GDP growth for India in the fiscal year 2023-24. However, there are several factors, such as geopolitical tensions, global economic instability, volatility in financial markets, an uneven monsoon, and global economic slowdown, that pose potential risks to this outlook. Taking these factors into account, the real GDP growth for different quarters of 2023-24 is expected to be as follows: 6.5% in Q2, 6.0% in Q3, and 5.7% in Q4. The risks to this forecast are considered balanced. Additionally, the real GDP growth for Q1 of the fiscal year 2024-25 is projected at 6.6%.

## Manufacturing PMI

In October 2023, the S&P Global India Manufacturing PMI unexpectedly fell to 55.5, down from 57.5, which was below the market consensus of 57.7. This marked the 28th consecutive month of growth in factory activity, but it was the slowest pace of growth since February.



Source: Bloomberg

## High Frequency Data (Y-o-Y change in %)

Indicator	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Medium Commercial Vehicle Sales	23.5	5.7	13.4	10.9	0.2
Heavy Commercial Vehicle Sales	18.2	6.1	5.9	8.6	11.2
Two Wheeler Sales	9.6	7.1	8.5	6.7	21.8
Passenger Vehicle Sales	6.5	6.3	5.7	8.2	18.1
Tractor Sales	10.2	37.6	21.9	15.1	-8.5
Construction Vehicles Sales	31.2	19.9	23.8	47.4	43.9
Non-Food Credit	15.6	16.4	14.9	15	15.3
Bank Deposits	10.9	12.9	12.1	12.3	12.4
Domestic Aviation Passenger Traffic	15.1	18.7	24.3	22.2	17.7
Electricity Generation	0.8	4.2	8	15.3	9.9
Merchandise Exports	-10.3	-22	-15.9	-6.8	-2.6
Merchandise Imports	-6.6	-17.5	-17	-5.2	-15
Services Exports	7.4	3.2	8.1	8.4	-2.7
Services Imports	4.5	-1	-2.2	-0.8	-10.3
Total GST Collections	11.5	11.9	11.6	11.6	10.8
Central Government Expenditure	3.5	17.3	84.5	10.6	3.2
EWay Bills Generated	20	15.9	16	19.6	11.6
Industrial Production	5.7	3.8	6	10.3	NA
Core Industries Production	5.2	8.4	8.4	12.5	8.1
Cargo at All Ports	7.7	-1.8	5.4	9.5	2.4
Broad Money Supply	10.1	11.3	11.3	11.5	11.5
Reserve Money	8.1	6.3	5.3	9.8	6.4
Retail Non-Cash Payments	21.5	16.9	20.1	23.1	13.4
Retail Non-Cash Transactions	39.5	42.4	43.6	45.1	41.5
Railway Freight	1.9	-2	1.6	6.4	6.8
Railway Passengers	17.7	12.5	10.3	9.4	3.9

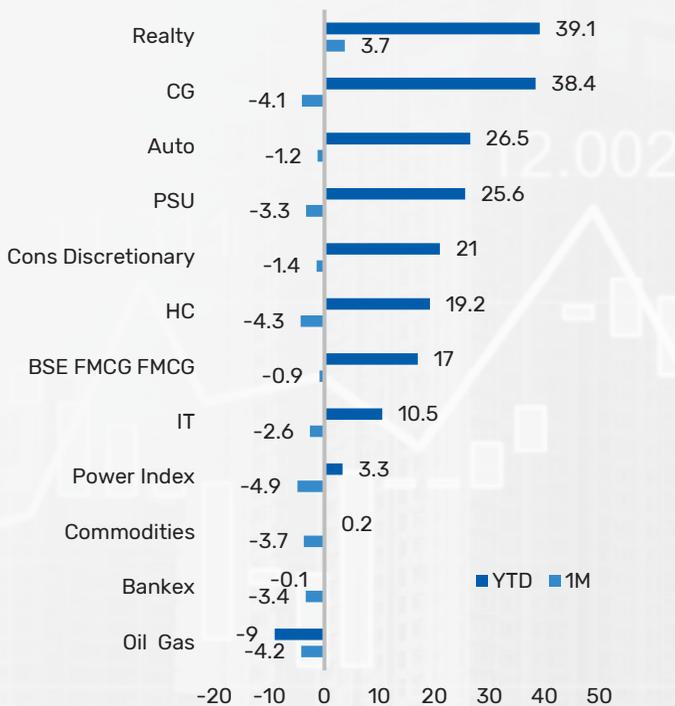
Source: NSO; MoSPI; RBI

Low High

## Equity Market Insights

October, historically recognized for stock market volatility, holds an intriguing position. It's noteworthy that, contrary to common perception, September has witnessed more historical instances of market declines. Nevertheless, October has experienced notable stock market downturns throughout different decades, contributing to its reputation. These events include the Panic of 1907, Black Tuesday (1929), Black Thursday (1929), Black Monday (1929), and Black Monday (1987).

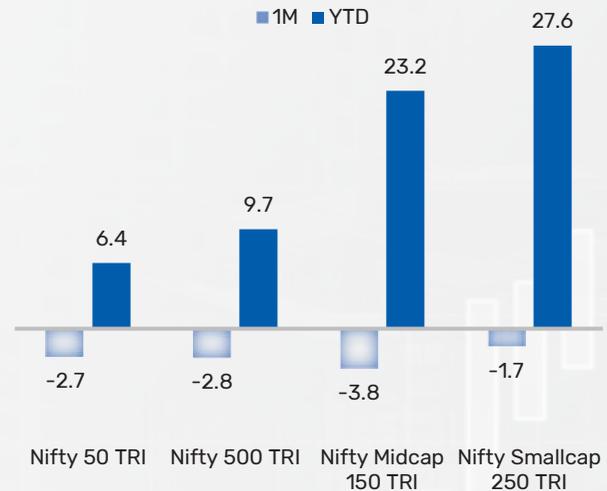
Interestingly, the triggers for both the 1929 crash and the 1907 panic unfolded in September or even earlier. The market response to these triggers was merely delayed until October, creating an association between October and stock market downturns. This historical perspective invites a nuanced approach to the upcoming month, offering investors the opportunity to navigate and potentially capitalize on market movements.



Source: MFIE

### Fund Flows (FPI)

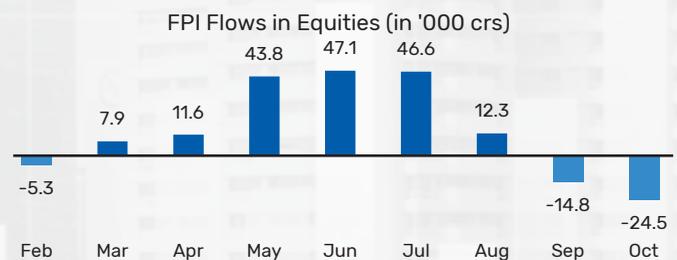
During the month of October, Foreign Portfolio Investors (FPIs) continued their trend of selling Indian equities, with a total withdrawal of ₹24,548 crore. This shift towards selling began in September when FPIs sold equities amounting to ₹14,768 crore. This change in behavior followed a period of consistent buying that began in March and lasted until August. The decision to sell in October was influenced by the increase in US Treasury yields and rising crude oil prices.



Source: MFIE

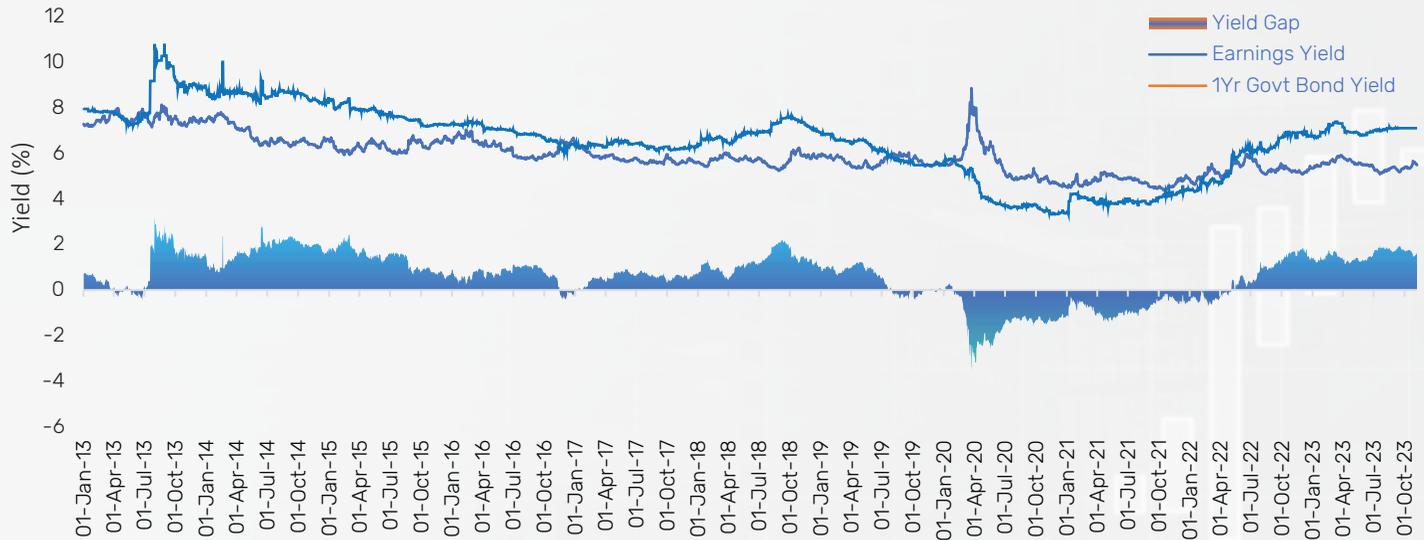
Indian stocks faced a challenging October due to a combination of factors:

1. Ongoing Israel-Palestine Conflict: The persisting Israel-Palestine conflict contributed to the market's struggles.
2. Foreign Portfolio Investor (FPI) Outflow: FPIs withdrew investments from Indian markets, affecting stock performance.
3. Surging US Bond Yields: The increase in US bond yields added to the market's difficulties.
4. Strengthening US Dollar: A stronger US dollar further impacted Indian stocks.
5. Impact on Mid- and Small-Cap Stocks: The negative trend in October affected not only large-cap stocks but also mid- and small-cap stocks, reversing the positive momentum observed from April to September.
6. Volatility from Q2FY24 Earnings Season: The Q2FY24 earnings season introduced market volatility, as major Indian IT companies reported results below Street expectations and adjusted their revenue guidance.
7. Continued FPI Selling: FPIs continued their selling streak in October, influenced by rising US Treasury yields.



Source: NSDL

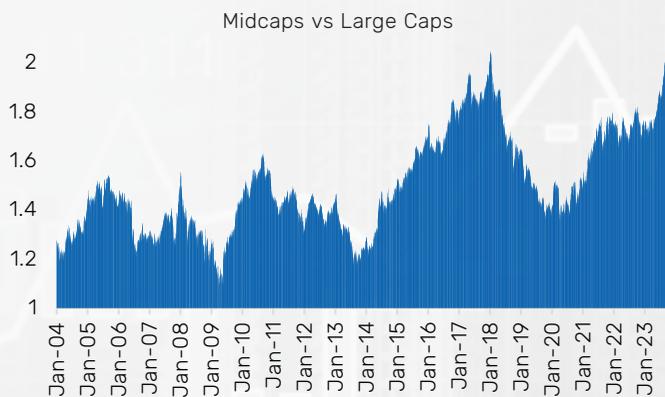
## Yield Gap



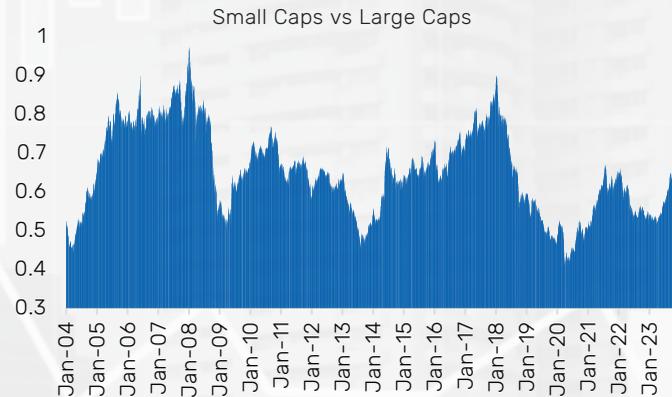
Source: Bloomberg; Internal Research

Yield gap between 1 year G Sec Yield and 1 year forward Nifty Earnings Yield (Earning Yield = 1/1Year Fwd PE) remains higher than the long term average.

## Relative Valuations



Source: Bloomberg; Internal Research; Data as on 30th Sep 2023.



Source: Bloomberg; Internal Research ; Data as on 30th Sep 2023.

Nifty Midcap 100 and Nifty Small Cap 100 vs Nifty 50 ratio is currently at 2.04 and 0.66 respectively. The trend has been in an upward move, indicating that the midcap and small cap indices has been outperforming the large cap index.

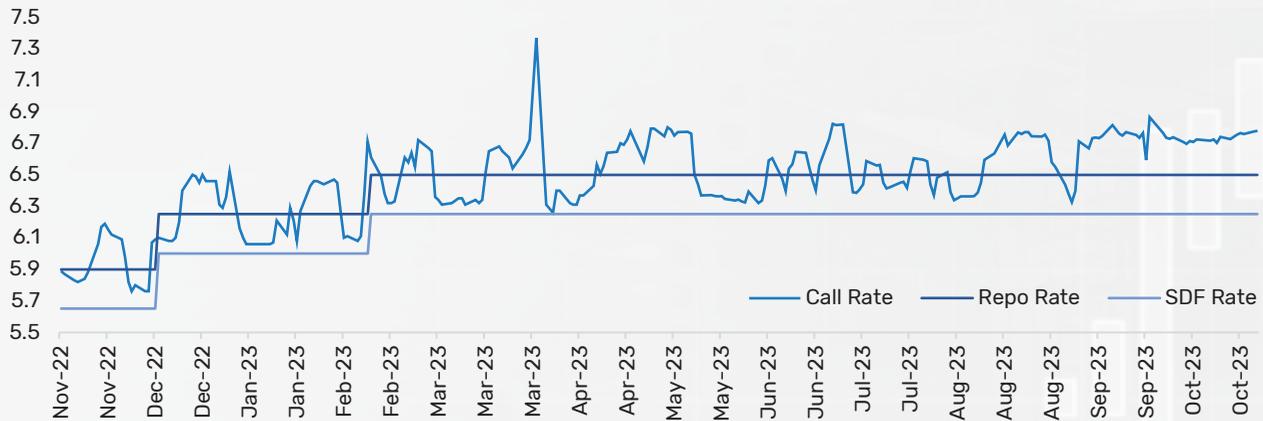
## Commodities Performance

Commodities	1 Month	3 month	6 Month	1 Year	3 Year	5 Year
Gold	5.95%	2.93%	1.87%	21.58%	6.40%	13.99%
Silver	0.40%	-2.40%	-2.66%	25.87%	5.85%	13.61%
Crude	-10.14%	3.43%	12.29%	-5.38%	37.87%	7.07%
WTI	-8.25%	1.82%	8.48%	-3.76%	32.67%	4.98%

Source: ICRA; Data as on 31<sup>st</sup> Oct 2023.

## Fixed Income Market Insights

### Key Policy Rates



Source: Bloomberg; Data as on 31<sup>st</sup> Oct 2023.

For the majority part of Oct 2023, the Call Money Rate remained above the RBI Repo Rate amidst the liquidity deficit in the system

### Bond Spread

Spread (in bps)	Last*	1M	3M	6M	12M
1Y AAA	79	85	70	54	58
3Y AAA	54	53	77	40	2
5Y AAA	39	37	43	41	51
10Y AAA	42	34	37	46	144
1Y AA	118	118	112	108	72
3Y AA	85	83	94	88	63
5Y AA	79	79	88	76	89
10Y AA	122	123	95	96	151

Source: ICRA; Data as on 31<sup>st</sup> Oct 2023. \*31<sup>st</sup> Oct 2023

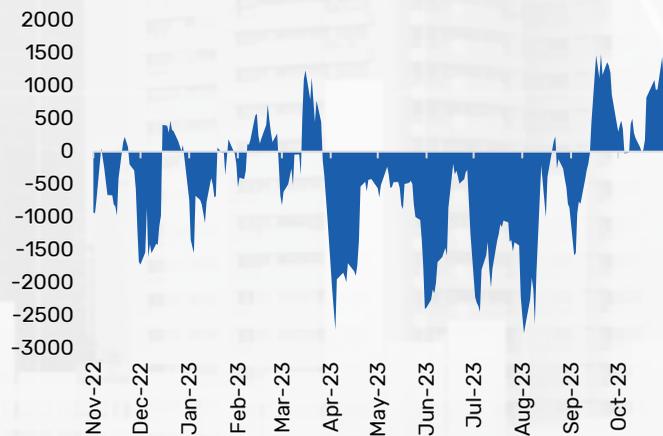
### Money Market

Broad Indices	Last*	1M	3M	6M	12M
Call Rate	6.78%	6.87%	6.52%	6.78%	6.21%
T-Repo	6.76%	6.80%	6.37%	6.78%	6.13%
Repo	6.50%	6.50%	6.50%	6.50%	5.90%
Reverse Repo	3.35%	3.35%	3.35%	3.35%	3.35%
3 Month CP	7.33%	7.04%	7.02%	7.18%	7.03%
1 Year CP	7.75%	7.49%	7.48%	7.53%	7.72%
3 Month CD	7.36%	7.01%	7.04%	7.12%	6.99%
1 Year CD	7.83%	7.40%	7.35%	7.46%	7.64%

Source: ICRA; Data as on 31<sup>st</sup> Oct 2023. \*31<sup>st</sup> Oct 2023

### Market Liquidity

Banking system's liquidity deficit widened over the course of the week. The RBI governor in his policy statement advised banks to lend money on the interbank market rather than parking it at the standing deposit facility. Market participants anticipate an improvement in liquidity by the first week of Nov due to government spending and the maturity of government bond.



Source: Bloomberg

## Foreign Exchange

India's forex reserves jumped by \$2.579 billion to settle at \$586 billion during the week ending 27 October. The foreign currency assets, which form the major component of India's forex reserves jumped \$2.303 billion to \$518 billion during the period. The foreign currency assets include the impact of the rise or fall in the value of non-US currencies, such as the euro, pound, and yen, which are held within the foreign exchange reserves.

	Foreign Exchange Reserves* (in USD mn)			
	27-Oct-23	Week	Mar-23	Year
1 Total Reserves	586111	2579	7662	55030
1.1 Foreign Currency Assets #	517504	2303	7813	46657
1.2 Gold	45923	499	723	8161
1.3 SDRs	17910	-15	-482	286
1.4 Res Position in the IMF	4773	-208	-393	-74

Source: RBI; \*Difference, if any, is due to rounding off. # Excludes (a) SDR holdings of the Reserve Bank, as they are included under the SDR holdings; (b) investment in bonds issued by IIFC (UK); and (c) amounts lent under the SAARC Currency swap arrangements.

## Brent Crude

India is a net importer of crude oil which fulfils as much as 85 per cent of its energy needs through imports. India may see a heavier import bill if international crude oil prices keep rising throughout the year.

Crude sustaining above the \$90-level could be a downside risk for core inflation



Source: Bloomberg

## Market Outlook

### Equity

Corporate India has reported a mixed H1FY24 earnings. While capex driven businesses have done well, the export-oriented industries have lagged in performance. Clearly, slowdown in the western world is having a negative impact on the export-oriented industries while companies with high domestic exposure are doing better. The silver lining has been positive management commentaries by rural focused companies. First time after Covid-19, rural demand is picking up. The festive demand has been good & long winter wedding season augurs well for continuation of consumption demand.

Indian equity markets have seen strong outflows from the Indian equity markets in last 2 months (approximately US\$ 4.8 bn), but strong DII inflow has provided great support. Over the next six to eight months the equity markets have to fathom uncertainties on state election outcome, global interest rate cycles, geopolitical tensions, Union elections & US presidential elections. This will ensure a volatile ride for market participants in first half of calendar year 2024.

In the very near term the last week's 'status quo' stand of the US fed has brought about a wave of relief rally across global markets. Most of the risk parameters across currencies, bond yields & commodities have cooled off since the last week. This has set the tone for a possible 'santa clause' rally for equity markets till the onset of the new year.

### Fixed Income

During Oct 2023, the system liquidity was increasingly squeezed out due to seasonality, tax outflows, and RBI's operations in the Forex and G-sec market. In addition, RBI's messaging to use Open Market Operations sales as a preferred tool to strike out any future positive liquidity episodes meant an upward shift in yield curve by around 20 bps. Duration management in cognizance of the above facts led to favorable outcomes even with very conservative credit positioning in funds.

Globally policy rates have plateaued, and major central banks are in wait-and-watch mode as lagged effects of monetary policy tightening start to take effect on economic growth. The Indian Economy continues to witness a goldilocks period in the form of contained inflation, growth rates near mid-term potential yet improving, subdued Current Account Deficit, and Fiscal Deficit conforming to the glide path.

The recent episodes of food price shock are behind us and CPI inflation for 2024-25, assuming a normal monsoon, and no further exogenous or policy shocks is projected at an average of 4.5 percent. This has resulted in Monetary Policy Committee being in wait-and-watch mode with a hawkish pause however with liquidity withdrawal as the interim focus. Going ahead if there is a synchronized global growth downturn as largely expected, may result in an eventual slowdown in India's domestic demand. Eventually, the monetary policy focus may shift from inflation control to supporting growth gradually.

This may mean conducive conditions for the reversal of monetary policy tightening seen in the last two years. If the RBI does not cut rates in FY25, then the real rate would be too high at 200bps. This would mean greater growth sacrifice. However, the biggest risk to this view is the Fed's reaction function next year. If Fed delays easing in FY25, RBI's rate cut cycle is likely to get delayed. Otherwise, based on domestic macros, a reasonable case can be made for monetary easing to start near the second half of FY25.

# HOW TO READ A MUTUAL FUND FACTSHEET?

 **Fund Manager:** An employee of an asset management company such as mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.

 **Application amount for fresh subscription:** This is the minimum investment amount for a new investor entering in a mutual fund scheme.

 **Minimum Additional Amount:** This is the minimum investment amount for an existing investor in a mutual fund scheme.

 **SIP:** Systematic Investment Plan (SIP) is an organized way of investing in Mutual Fund. It helps in building long term wealth through a disciplined approach of investing at pre-defined intervals ranging from daily, weekly, monthly and quarterly.

 **NAV:** Net asset value or NAV is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day and it is the value at which investors enter or exit the mutual fund.

 **Benchmark:** A group of securities, typically a market index, whose performance is used as a standard or benchmark to assess the performance of mutual funds and other investments. A few common benchmarks are the Nifty, Sensex, BSE 200, BSE 500, and 10-year Gsec.

 **Entry Load:** To compensate the distributor or agent, a mutual fund may impose a sales charge or load at the time of entry and/or exit. A mutual fund's entry load is charged when an investor buys its units.

Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

 **Exit load:** When an investor redeems mutual fund units, exit load is charged. At redemption, the exit load is subtracted from the current NAV.

 **Standard deviation:** Standard deviation is statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.

 **Sharpe Ratio:** The Sharpe Ratio is measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.

 **Beta:** Beta is a measure of an investment's volatility vis-à-vis the market. A beta of greater than 1 implies that the security's price will be more volatile than the market. Beta of less than 1 means that the security will be less volatile than the market.

 **AUM:** Assets under management or AUM refers to the recent cumulative market value of investments managed by Mutual fund or any investment firm.

 **Holdings:** The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.

 **Nature of Scheme:** The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund.

Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.

 **Rating Profile:** Mutual funds invest in securities after evaluating their credit worthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their rating becomes the rating profile of the fund. Typically, this is a feature of debt funds.

 **Macaulay Duration:** Macaulay Duration is a measure of how long it takes for the price of a bond to be repaid by its internal cash flows. Macaulay Duration is used only for an instrument with fixed cash flows. Modified Duration as the name suggests, is a modified version of the Macaulay model that accounts for changing interest rates.

 **Modified Duration:** Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.

 **Average Maturity:** A bond's maturity date indicates the specific future date on which an investor gets his principal back i.e. the borrowed amount is repaid in full. Average Maturity is the weighted average of all the current maturities of the debt securities held in the fund.

 **Yield to Maturity:** The yield to maturity or the YTM is the rate of return anticipated on a bond if held until maturity. It is expressed as an annual rate. The YTM factors in the bond's current market price, par value, couple interest rate and time to maturity

 **IDCW:** Income Distribution cum Capital Withdrawal option or IDCW can be distributed out of investors' capital (Equalization Reserve), which is part of the sale price that represents realized gains.

 **P/E Ratio:** The price-earnings ratio (P/E Ratio) is the relation between a company's share price and earnings per share (EPS). It denotes what the market is willing to pay for a company's profits.

 **P/BV:** The price-to-book ratio compares a company's market value to its book value. The market value of a company is its share price multiplied by the number of outstanding shares.

 **IDCW Yield:** The dividend yield is a financial ratio that shows how much a company pays out in dividends each year relative to its stock price.

 **Interest Rate Swap (IRS):** An interest rate swap is a forward contract in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates.

 **Potential Risk Class (PRC) Matrix:** In reference to SEBI Circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/573 dated June 07, 2021, all debt schemes will be classified in terms of a Potential Risk Class matrix which consists of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme).

# Bajaj Finserv Flexi Cap Fund

An open ended equity scheme investing across large cap, mid cap, small cap stocks.



**INVESTMENT OBJECTIVE:** To generate long term capital appreciation by investing predominantly in equity and equity related instruments across market capitalisation.

**Disclaimer:** However, There is no assurance that the investment objective of the Scheme will be achieved.

## FUND FEATURES

**Scheme Category:** Flexi Cap Fund

**Benchmark:** S&P BSE 500 TRI

**Additional Benchmark:** Not Applicable

**Plans:** Regular Plan and Direct Plan

**Options:** Growth and Income Distribution cum Capital Withdrawal (IDCW) option with Payout of Income Distribution cum Capital Withdrawal sub-option, Reinvestment of Income Distribution cum Capital Withdrawal sub-option and Transfer of Income Distribution cum Capital Withdrawal sub-option.

**Date of Allotment:** 14th August 2023

**Minimum Investment Amount:** INR 500/- and multiples of INR 1

**Minimum Additional Investment Amount:** INR 100/- and multiples of INR 1

### Fund manager:

**Mr. Nimesh Chandan** (Equity Portion) (Managing fund since inception & Overall experience of 22 years)

**Mr. Sorbh Gupta** (Equity Portion) (Managing fund since inception & Overall experience of 15+ years)

**Mr. Siddharth Chaudhary** (Debt Portion) (Managing fund since inception & Overall experience of 17 years)

**Entry Load:** NA

### Exit Load:

If units are redeemed / switched out within 6 months from the date of allotment:

- if upto 10% of units allotted are redeemed/switched out – Nil
- any redemption / switch-out of units in excess of 10% of units allotted – 1% of applicable NAV.

If units are redeemed/switched out after 6 months from the date of allotment, no exit load is payable.

## TOTAL EXPENSE RATIO (TER)

Including Additional Expenses and GST on Management Fees

Regular Plan	2.08%
Direct Plan	0.79%

## AUM (IN ₹ CRORE)

Month end AUM	1,669.19
AAUM	1,621.81

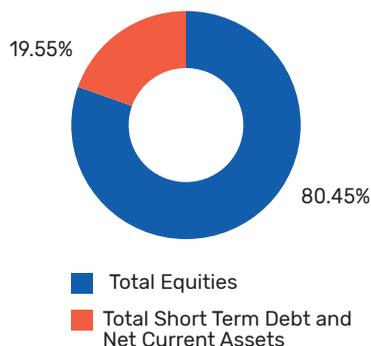
## NAV (IN ₹) (as on 31 October, 2023)

Direct Growth	10.056
Direct IDCW	10.056
Regular Growth	10.028
Regular IDCW	10.028

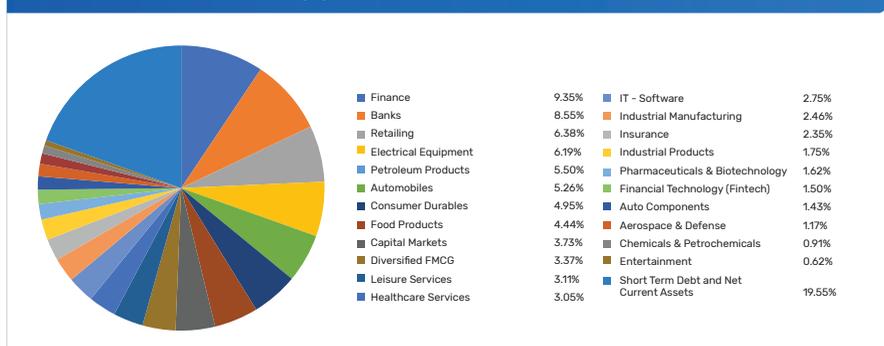
## PORTFOLIO (as on 31 October, 2023)

Stock	% of NAV	Stock	% of NAV
Reliance Industries Ltd.	5.50%	Grindwell Norton Ltd.	1.10%
Bajaj Finance Ltd.	4.99%	Syngene International Ltd.	1.04%
ICICI Bank Ltd.	4.66%	Siemens Ltd.	1.02%
Kotak Mahindra Bank Ltd.	3.89%	Devyani International Ltd.	0.96%
Nestle India Ltd.	3.54%	Thomas Cook (India) Ltd.	0.93%
Hindustan Unilever Ltd.	3.37%	FSN E-Commerce Ventures Ltd.	0.93%
Infosys Ltd.	2.75%	Neogen Chemicals Ltd.	0.91%
CreditAccess Grameen Ltd.	2.73%	Cera Sanitaryware Ltd.	0.90%
Mahindra & Mahindra Ltd.	2.71%	Prataap Snacks Ltd.	0.90%
Havells India Ltd.	1.84%	Genus Power Infrastructures Ltd.	0.88%
Honeywell Automation India Ltd.	1.75%	Dixon Technologies (India) Ltd.	0.86%
Avenue Supermarts Ltd.	1.70%	Global Health Ltd.	0.85%
REC Ltd.	1.63%	Computer Age Management Services Ltd.	0.80%
Sanofi India Ltd.	1.62%	Star Health And Allied Insurance Company Ltd.	0.79%
SBI Life Insurance Company Ltd.	1.56%	Safari Industries (India) Ltd.	0.74%
One 97 Communications Ltd.	1.50%	Go Fashion (India) Ltd.	0.73%
Hitachi Energy India Ltd.	1.50%	Syrma SGS Technology Ltd.	0.71%
Multi Commodity Exchange of India Ltd.	1.50%	Trent Ltd.	0.71%
BSE Ltd.	1.43%	AIA Engineering Ltd.	0.65%
Zomato Ltd.	1.41%	Nazara Technologies Ltd.	0.62%
Tata Motors Ltd.	1.28%	Whirlpool of India Ltd.	0.61%
Eicher Motors Ltd.	1.27%	Indiamart Intermesh Ltd.	0.60%
Jubilant Foodworks Ltd.	1.22%	Suzlon Energy Ltd.	0.47%
GE T&D India Ltd.	1.20%	Sona BLW Precision Forgings Ltd.	0.33%
Bharat Electronics Ltd.	1.17%	Info Edge (India) Ltd.	0.30%
Dr. Lal Path Labs Ltd.	1.16%	<b>Total Equities</b>	<b>80.45%</b>
ABB India Ltd.	1.12%	<b>Total Short Term Debt and Net Current Assets</b>	<b>19.55%</b>
UNO Minda Ltd.	1.10%	<b>Grand Total</b>	<b>100.00%</b>

## COMPOSITION BY ASSET (%)



## COMPOSITION BY INDUSTRY (%)



Kindly refer to Page No. 18 for Potential Risk Class (PRC).  
Kindly refer to Page No. 19 & 20 for Risk-o-meter and Product Label.

# Bajaj Finserv Arbitrage Fund

An open ended scheme investing in arbitrage opportunities



**INVESTMENT OBJECTIVE:** The investment objective of the Scheme is to seek to generate returns by investing in arbitrage opportunities in the cash and derivatives segments of the equity markets and by investing balance in debt and money market instruments.

Disclaimer: However, There is no assurance that the investment objective of the Scheme will be achieved.

## FUND FEATURES

**Scheme Category:** Arbitrage Fund

**Benchmark:** Nifty 50 Arbitrage Index (TRI)

**Additional Benchmark:** Not Applicable

**Plans:** Regular Plan and Direct Plan

**Options:** Growth and Income Distribution cum Capital Withdrawal (IDCW) option with Payout of Income Distribution cum Capital Withdrawal sub-option, Reinvestment of Income Distribution cum Capital Withdrawal sub-option and Transfer of Income Distribution cum Capital Withdrawal sub-option.

**Date of Allotment:** 15th September, 2023

**Minimum Investment Amount:** INR 500/- and multiples of INR 1

**Minimum Additional Investment Amount:** INR 100/- and multiples of INR 1

**Fund manager:**

**Mr. Chetan Chavan** (Equity Portion) (Managing fund since inception & Overall experience of over 20 years)

**Mr. Ilesh Savla** (Equity Portion) (Managing fund since inception & Overall experience of over 23 years)

**Mr. Siddharth Chaudhary** (Debt Portion) (Managing fund since inception & Overall experience of 17 years)

**Entry Load:** NA

**Exit Load:**

- 0.25% of applicable NAV if redeemed/switched out within 15 days from the date of allotment.
- Nil if redeemed/switched out after 15 days from the date of allotment.

## TOTAL EXPENSE RATIO (TER)

Including Additional Expenses and GST on Management Fees

Regular Plan	1.01%
Direct Plan	0.31%

## AUM (IN ₹ CRORE)

Month end AUM	250.52
AAUM	199.76

## NAV (IN ₹) (as on 31 October, 2023)

Direct Growth	10.094
Direct IDCW	10.094
Regular Growth	10.085
Regular IDCW	10.085

## OTHER PARAMETERS (as on 31 October, 2023)

Average Maturity	27 days
Modified Duration	27 days
Macaulay Duration	27 days
Yield to Maturity	6.89%

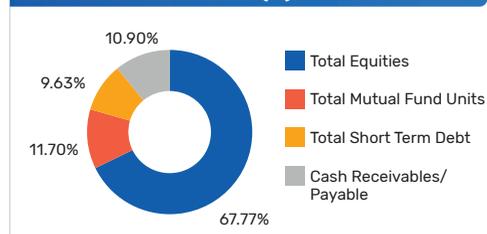
Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

Performance, SIP & other parameters are not disclosed as fund has not completed 1 year.

## PORTFOLIO (as on 31 October, 2023)

Stock	Equity (% to NAV)	Futures (% to NAV)
HDFC Bank Limited	9.83%	-9.88%
Reliance Industries Limited	7.61%	-7.66%
Adani Ports and Special Economic Zone Limited	4.06%	-4.08%
Titan Company Limited	3.96%	-3.99%
ICICI Bank Limited	3.52%	-3.54%
Larsen & Toubro Limited	2.26%	-2.27%
DLF Limited	2.24%	-2.26%
Aurobindo Pharma Limited	2.15%	-2.15%
Kotak Mahindra Bank Limited	2.09%	-2.09%
UltraTech Cement Limited	2.00%	-2.01%
Axis Bank Limited	1.67%	-1.68%
Ambuja Cements Limited	1.67%	-1.67%
The Federal Bank Limited	1.59%	-1.59%
Eicher Motors Limited	1.53%	-1.53%
Tata Communications Limited	1.52%	-1.53%
Maruti Suzuki India Limited	1.46%	-1.46%
Sun Pharmaceutical Industries Limited	1.42%	-1.43%
IndusInd Bank Limited	1.35%	-1.35%
The Indian Hotels Company Limited	1.34%	-1.36%
GAIL (India) Limited	1.28%	-1.28%
Hindalco Industries Limited	1.20%	-1.21%
Hindustan Petroleum Corporation Limited	1.20%	-1.21%
PVR INOX Limited	1.04%	-1.05%
Bajaj Auto Limited	0.93%	-0.94%
Polycab India Limited	0.92%	-0.93%
Dabur India Limited	0.90%	-0.90%
Tata Power Company Limited	0.85%	-0.85%
LIC Housing Finance Limited	0.75%	-0.76%
Torrent Pharmaceuticals Limited	0.75%	-0.75%
Dr. Reddy's Laboratories Limited	0.65%	-0.66%
Bharat Heavy Electricals Limited	0.64%	-0.65%
Tata Consumer Products Limited	0.63%	-0.64%
State Bank of India	0.46%	-0.46%
GMR Airports Infrastructure Limited	0.43%	-0.43%
Tata Motors Limited	0.35%	-0.35%
Grasim Industries Limited	0.31%	-0.32%
JSW Steel Limited	0.27%	-0.27%
City Union Bank Limited	0.27%	-0.27%
Jindal Steel & Power Limited	0.22%	-0.22%
United Spirits Limited	0.20%	-0.20%
UPL Limited	0.16%	-0.17%
Escorts Kubota Limited	0.07%	-0.07%
Bank of Baroda	0.04%	-0.04%
<b>Total Equities</b>	<b>67.77%</b>	
<b>Total Mutual Fund Units</b>	<b>11.70%</b>	
<b>Total Short Term Debt</b>	<b>9.63%</b>	
<b>Cash Receivables/Payable</b>	<b>10.90%</b>	
<b>Grand Total</b>	<b>100.00%</b>	

## COMPOSITION BY ASSET (%)



## COMPOSITION BY INDUSTRY (%)



Kindly refer to Page No. 18 for Potential Risk Class (PRC).  
Kindly refer to Page No. 19 & 20 for Risk-o-meter and Product Label.

# Bajaj Finserv Liquid Fund

An open ended Liquid scheme with Relatively Low Interest Rate Risk and Moderate Credit Risk



**INVESTMENT OBJECTIVE:** To provide a level of income consistent with the objectives of preservation of capital, lower risk and high liquidity through investments made primarily in money market and debt securities with maturity of up to 91 days only.

Disclaimer: There is no assurance that the investment objective of the Scheme will be achieved.

## FUND FEATURES

**Scheme Category:** Liquid Fund

**Benchmark:** NIFTY Liquid Index B-I

**Additional Benchmark:** Not Applicable

**Plans:** Regular Plan and Direct Plan

**Options:** Growth and Income Distribution cum Capital Withdrawal (IDCW) option with Payout of Income Distribution cum Capital Withdrawal sub-option, Reinvestment of Income Distribution cum Capital Withdrawal sub-option and Transfer of Income Distribution cum Capital Withdrawal sub-option

**Date of Allotment:** 5th July 2023

**Minimum Investment Amount:** INR 1,000/- and multiples of INR 1

**Additional Investment Amount:** INR 1,000/- and multiples of INR 1

### Fund manager:

**Mr. Siddharth Chaudhary** (Managing fund since inception & Overall experience of 17 years)

**Mr. Nimesh Chandan** (Managing fund since inception & Overall experience of 22 years)

**Entry Load:** NA

**Exit Load:** as a % of redemption proceeds (including systematic transactions) Up to

Units redeemed/switched-out within "X" days from the date of allotment	Exit load as a % of redemption proceeds	Units redeemed/switched-out within "X" days from the date of allotment	Exit load as a % of redemption proceeds
Day 1	0.0070%	Day 5	0.0050%
Day 2	0.0065%	Day 6	0.0045%
Day 3	0.0060%	Day 7 onwards Nil	
Day 4	0.0055%		

Note 1: For the purpose of levying exit load, if subscription (application & funds) is received within cut-off time on a day, Day 1 shall be considered to be the same day, else the day after the date of allotment of units shall be considered as Day 1.

The Scheme will not levy exit load in case the timelines for rebalancing portfolio as stated in SEBI Circular dated March 30, 2022 is not complied with.

## TOTAL EXPENSE RATIO (TER)

Including Additional Expenses and GST on Management Fees

Regular Plan	0.28%
Direct Plan	0.11%

## AUM (IN ₹ CRORE)

Month end AUM	2,042.58
AAUM	1,854.29

## NAV (IN ₹) (as on 31 October, 2023)

Direct Growth	1022.121
Regular Growth	1021.556

## OTHER PARAMETERS (as on 31 October, 2023)

Average Maturity	46 days
Modified Duration	42 days
Macaulay Duration	45 days
Yield to Maturity	7.17%

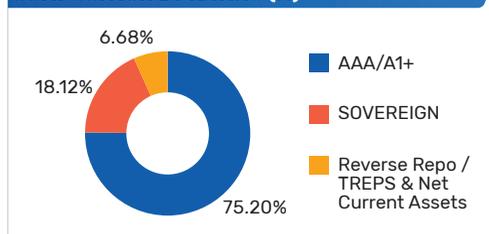
Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

Performance, SIP & other parameters are not disclosed as fund has not completed 1 year.

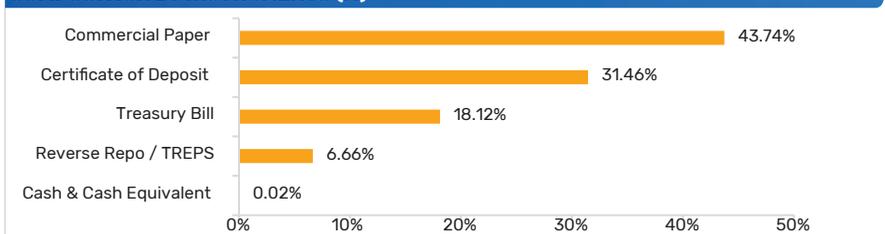
## PORTFOLIO (as on 31 October, 2023)

Instrument Type/ Issuer Name	Rating	% of NAV
<b>Certificate of Deposit</b>		
Bank of Baroda	FITCH A1+	10.45%
Canara Bank	CRISIL A1+	3.52%
Union Bank of India	ICRA A1+	3.51%
Axis Bank Limited	CRISIL A1+	3.48%
Kotak Mahindra Bank Limited	CRISIL A1+	2.34%
Punjab National Bank	CRISIL A1+	2.34%
HDFC Bank Limited	CARE A1+	2.33%
Small Industries Dev Bank of India	CRISIL A1+	1.17%
ICICI Bank Limited	ICRA A1+	1.17%
National Bank For Agriculture and Rural Development	CRISIL A1+	1.16%
<b>Total Certificate of Deposit</b>		<b>31.46%</b>
<b>Commercial Paper</b>		
Larsen & Toubro Limited	CRISIL A1+	8.20%
Small Industries Dev Bank of India	CRISIL A1+	5.86%
National Bank For Agriculture and Rural Development	CRISIL A1+	4.66%
HDB Financial Services Limited	CRISIL A1+	2.35%
Axis Securities Limited	CRISIL A1+	2.35%
Reliance Industries Limited	CRISIL A1+	2.35%
ICICI Securities Limited	CRISIL A1+	2.34%
Reliance Retail Ventures Limited	CRISIL A1+	2.34%
Kotak Securities Limited	CRISIL A1+	2.33%
Tata Capital Financial Services Limited	CRISIL A1+	2.31%
Aditya Birla Finance Limited	CRISIL A1+	2.31%
HDFC Securities Limited	CRISIL A1+	2.10%
Export Import Bank of India	CRISIL A1+	1.17%
HDFC Bank Limited	CRISIL A1+	1.17%
Standard Chartered Capital Limited	CRISIL A1+	0.94%
ICICI Sec Primary Dealership Limited	CRISIL A1+	0.94%
<b>Total Commercial Paper</b>		<b>43.74%</b>
<b>Treasury Bill</b>		
182 Days Tbill	Sovereign	10.25%
91 Days Tbill	Sovereign	7.86%
<b>Total Treasury Bill</b>		<b>18.12%</b>
<b>Reverse Repo / TREPS</b>		
Reverse Repo / TREPS		6.66%
<b>Total Reverse Repo / TREPS</b>		<b>6.66%</b>
<b>Cash &amp; Cash Equivalent</b>		
Cash & Cash Equivalent		0.02%
<b>Total Cash &amp; Cash Equivalent</b>		<b>0.02%</b>
<b>Grand Total</b>		<b>100.00%</b>

## COMPOSITION BY RATING (%)



## COMPOSITION BY INSTRUMENTS (%)



Kindly refer to Page No. 17 for Performance Data.

Kindly refer to Page No. 18 for Potential Risk Class (PRC).

Kindly refer to Page No. 19 & 20 for Risk-o-meter and Product Label.

# Bajaj Finserv Money Market Fund

An open ended debt scheme investing in money market instruments with Relatively Low Interest Rate Risk and Moderate Credit Risk.



**INVESTMENT OBJECTIVE:** The investment objective of the scheme is to generate regular income through investment in a portfolio comprising of money market instruments.

Disclaimer: However, There is no assurance that the investment objective of the Scheme will be achieved.

## FUND FEATURES

**Scheme Category:** Money Market Fund

**Benchmark:** NIFTY Money Market Index B-I

**Additional Benchmark:** Not Applicable

**Plans:** Regular Plan and Direct Plan

**Options:** Growth and Income Distribution cum Capital Withdrawal (IDCW) option with Payout of Income Distribution cum Capital Withdrawal sub-option, Reinvestment of Income Distribution cum Capital Withdrawal sub-option and Transfer of Income Distribution cum Capital Withdrawal sub-option.

**Date of Allotment:** 24th July 2023

**Minimum Investment Amount:** INR 1,000/- and multiples of INR 1

**Minimum Additional Investment Amount:** INR 1,000/- and multiples of INR 1

**Fund manager:**

**Mr. Siddharth Chaudhary** (Managing fund since inception & Overall experience of 17 years)

**Mr. Nimesh Chandan** (Managing fund since inception & Overall experience of 22 years)

**Entry Load:** NA

**Exit Load:** Nil

## TOTAL EXPENSE RATIO (TER)

Including Additional Expenses and GST on Management Fees

Regular Plan	0.77%
Direct Plan	0.22%

## AUM (IN ₹ CRORE)

Month end AUM	1,837.32
AAUM	1,693.33

## NAV (IN ₹) (as on 31 October, 2023)

Direct Growth	1022.526
Regular Growth	1020.992

## OTHER PARAMETERS (as on 31 October, 2023)

Average Maturity	105 days
Modified Duration	98 days
Macaulay Duration	105 days
Yield to Maturity	7.38%

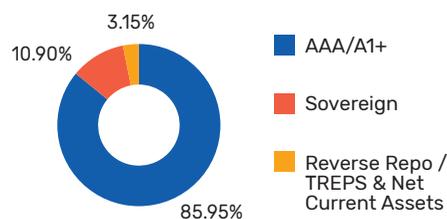
Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

Performance, SIP & other parameters are not disclosed as fund has not completed 1 year.

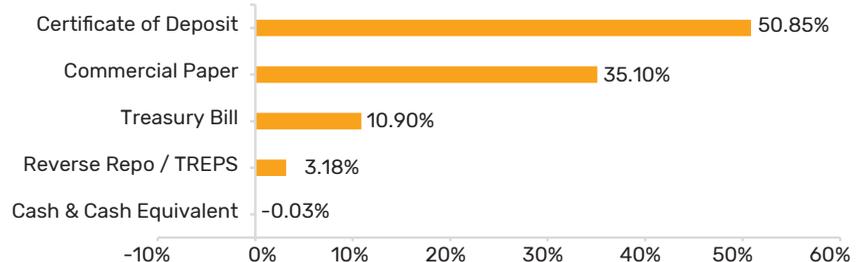
## PORTFOLIO (as on 31 October, 2023)

Instrument Type/ Issuer Name	Rating	% of NAV
<b>Certificate of Deposit</b>		
Axis Bank Limited	CRISIL A1+	9.52%
Canara Bank	CRISIL A1+	8.02%
National Bank For Agriculture and Rural Development	CRISIL A1+ / FITCH A1+	6.66%
HDFC Bank Limited	CRISIL A1+ / CARE A1+ / FITCH A1+	5.34%
Small Industries Dev Bank of India	CARE A1+	5.30%
Kotak Mahindra Bank Limited	CRISIL A1+	3.98%
State Bank of India	FITCH A1+	3.98%
ICICI Bank Limited	ICRA A1+	2.72%
Indian Bank	CRISIL A1+	2.67%
Union Bank of India	FITCH A1+	1.34%
Punjab National Bank	CARE A1+	1.33%
<b>Total Certificate of Deposit</b>		<b>50.85%</b>
<b>Commercial Paper</b>		
REC Limited	CRISIL A1+	6.65%
HDFC Bank Limited	CRISIL A1+ / ICRA A1+	5.32%
Reliance Industries Limited	CRISIL A1+	2.72%
National Bank For Agriculture and Rural Development	CRISIL A1+	2.68%
Sundaram Finance Limited	CRISIL A1+	2.68%
Small Industries Dev Bank of India	CRISIL A1+ / CARE A1+	2.67%
HDFC Securities Limited	CRISIL A1+	2.65%
Standard Chartered Capital Limited	CRISIL A1+	2.08%
Aditya Birla Money Limited	CRISIL A1+	1.35%
Birla Group Holdings Private Limited	CRISIL A1+	1.35%
Sharekhan Limited	ICRA A1+	1.35%
Aditya Birla Finance Limited	CRISIL A1+	1.34%
ICICI Securities Limited	CRISIL A1+	1.32%
Kotak Mahindra Investments Limited	CRISIL A1+	0.65%
ICICI Sec Primary Dealership Limited	CRISIL A1+	0.27%
<b>Total Commercial Paper</b>		<b>35.10%</b>
<b>Treasury Bill</b>		
182 Days Tbill	Sovereign	7.43%
91 Days Tbill	Sovereign	2.15%
364 Days Tbill	Sovereign	1.33%
<b>Total Treasury Bill</b>		<b>10.90%</b>
Reverse Repo / TREPS		3.18%
<b>Total Reverse Repo / TREPS</b>		<b>3.18%</b>
Cash & Cash Equivalent		-0.03%
<b>Total Cash &amp; Cash Equivalent</b>		<b>-0.03%</b>
<b>Grand Total</b>		<b>100.00%</b>

## COMPOSITION BY RATING (%)



## COMPOSITION BY INSTRUMENTS (%)



Kindly refer to Page No. 17 for Performance Data.  
Kindly refer to Page No. 18 for Potential Risk Class (PRC).  
Kindly refer to Page No. 19 & 20 for Risk-o-meter and Product Label.

# Bajaj Finserv Overnight Fund

An open ended debt scheme investing in overnight securities with Relatively Low Interest Rate Risk and Relatively Low Credit Risk.



**INVESTMENT OBJECTIVE:** The Scheme aims to provide reasonable returns commensurate with low risk and high level of liquidity, through investments made primarily in overnight securities having maturity of 1 business day.

There is no assurance that the investment objective of the Scheme will be achieved.

## FUND FEATURES

**Scheme Category:** Overnight Fund

**Benchmark:** CRISIL Liquid Overnight Index

**Additional Benchmark:** Not Applicable

**Plans:** Regular Plan and Direct Plan

**Options:** Growth and Income Distribution cum Capital Withdrawal (IDCW) option with Payout of Income Distribution cum Capital Withdrawal sub-option, Reinvestment of Income Distribution cum Capital Withdrawal sub-option and Transfer of Income Distribution cum Capital Withdrawal sub-option.

**Date of Allotment:** 5th July 2023

**Minimum Investment Amount:** INR 1,000/- and multiples of INR 1  
**Minimum Additional Investment Amount:** INR 1,000/- and multiples of INR 1

**Fund manager:**

**Mr. Siddharth Chaudhary** (Managing fund since inception & Overall experience of 17 years)

**Mr. Nimesh Chandan** (Managing fund since inception & Overall experience of 22 years)

**Entry Load:** NA

**Exit Load:** Nil

## TOTAL EXPENSE RATIO (TER)

Including Additional Expenses and GST on Management Fees

Regular Plan	0.13%
Direct Plan	0.08%

## AUM (IN ₹ CRORE)

Month end AUM	371.77
AAUM	267.66

## NAV (IN ₹) (as on 31 October, 2023)

Direct Growth	1021.4599
Regular Growth	1021.2937

## OTHER PARAMETERS (as on 31 October, 2023)

Average Maturity	1 day
Modified Duration	1 day
Macaulay Duration	1 day
Yield to Maturity	6.82%

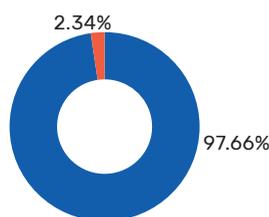
Note : YTM details should not be construed as indicative returns and the securities bought by the Fund may or may not be held till the respective maturities.

Performance, SIP & other parameters are not disclosed as fund has not completed 1 year.

## PORTFOLIO (as on 31 October, 2023)

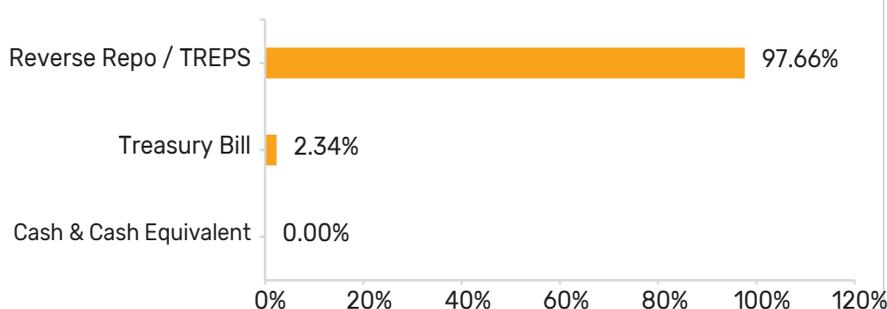
Instrument Type/ Issuer Name	Rating	% of NAV																		
<b>Treasury Bill</b>																				
364 Days Tbill	Sovereign	1.17%																		
91 Days Tbill	Sovereign	1.17%	<b>Total Treasury Bill</b>		<b>2.34%</b>	Reverse Repo / TREPS		97.66%	<b>Total Reverse Repo / TREPS</b>		<b>97.66%</b>	Cash & Cash Equivalent		0.00%	<b>Total Cash &amp; Cash Equivalent</b>		<b>0.00%</b>	<b>Grand Total</b>		<b>100.00%</b>
<b>Total Treasury Bill</b>		<b>2.34%</b>																		
Reverse Repo / TREPS		97.66%	<b>Total Reverse Repo / TREPS</b>		<b>97.66%</b>	Cash & Cash Equivalent		0.00%	<b>Total Cash &amp; Cash Equivalent</b>		<b>0.00%</b>	<b>Grand Total</b>		<b>100.00%</b>						
<b>Total Reverse Repo / TREPS</b>		<b>97.66%</b>																		
Cash & Cash Equivalent		0.00%	<b>Total Cash &amp; Cash Equivalent</b>		<b>0.00%</b>	<b>Grand Total</b>		<b>100.00%</b>												
<b>Total Cash &amp; Cash Equivalent</b>		<b>0.00%</b>																		
<b>Grand Total</b>		<b>100.00%</b>																		

## COMPOSITION BY RATING (%)



- Reverse Repo / TREPS & Net Current Assets
- Sovereign

## COMPOSITION BY INSTRUMENTS (%)



Kindly refer to Page No. 17 for Performance Data.  
 Kindly refer to Page No. 18 for Potential Risk Class (PRC).  
 Kindly refer to Page No. 19 & 20 for Risk-o-meter and Product Label.

# Performance



## Bajaj Finserv Overnight Fund

Value of Investment of Rs.10,000

Period	Fund Returns (%)	Benchmark Returns (%)	Fund (Rs)	Benchmark (Rs)
<b>Bajaj Finserv Overnight Fund - Regular - Growth</b>				
Last 7 days	6.64%	6.76%	10,013	10,013
Last 15 days	6.64%	6.76%	10,027	10,028
Last 30 days	6.67%	6.78%	10,057	10,058
Last 3 Months	6.58%	6.71%	10,166	10,169
Since Inception	6.53%	6.67%	10,213	10,217
<b>Bajaj Finserv Overnight Fund - Direct - Growth</b>				
Last 7 days	6.69%	6.76%	10,013	10,013
Last 15 days	6.69%	6.76%	10,027	10,028
Last 30 days	6.72%	6.78%	10,057	10,058
Last 3 Months	6.63%	6.71%	10,167	10,169
Since Inception	6.58%	6.67%	10,215	10,217

Returns as on 31<sup>st</sup> October 2023

Past performance may or may not be sustained in future. Different Plans i.e. Regular Plan and Direct Plan under the scheme have different expense structure. **Benchmark:** CRISIL Liquid Overnight Index. Returns less than 1 year period are simple annualized. Face Value per unit: Rs. 1000.

## Bajaj Finserv Liquid Fund

Value of Investment of Rs.10,000

Period	Fund Returns (%)	Benchmark Returns (%)	Fund (Rs)	Benchmark (Rs)
<b>Bajaj Finserv Liquid Fund - Regular - Growth</b>				
Last 7 days	6.70%	6.79%	10,013	10,013
Last 15 days	6.59%	6.92%	10,027	10,028
Last 30 days	6.66%	6.99%	10,057	10,059
Last 3 Months	6.65%	6.96%	10,168	10,175
Since Inception	6.61%	6.99%	10,216	10,228
<b>Bajaj Finserv Liquid Fund - Direct - Growth</b>				
Last 7 days	6.87%	6.79%	10,013	10,013
Last 15 days	6.76%	6.92%	10,028	10,028
Last 30 days	6.83%	6.99%	10,058	10,059
Last 3 Months	6.83%	6.96%	10,172	10,175
Since Inception	6.78%	6.99%	10,221	10,228

Returns as on 31<sup>st</sup> October 2023

Past performance may or may not be sustained in future. Different Plans i.e. Regular Plan and Direct Plan under the scheme have different expense structure. **Benchmark:** NIFTY Liquid Index B-I. Returns less than 1 year period are simple annualized. Face Value per unit: Rs. 1000.

## Bajaj Finserv Money Market Fund

Value of Investment of Rs.10,000

Period	Fund Returns (%)	Benchmark Returns (%)	Fund (Rs)	Benchmark (Rs)
<b>Bajaj Finserv Money Market Fund - Regular - Growth</b>				
Last 7 days	5.87%	6.29%	10,013	10,014
Last 15 days	5.87%	6.59%	10,024	10,027
Last 30 days	6.14%	6.83%	10,054	10,060
Last 3 Months	6.30%	6.90%	10,159	10,174
Since Inception	7.74%	6.88%	10,210	10,187
<b>Bajaj Finserv Money Market Fund - Direct - Growth</b>				
Last 7 days	6.42%	6.29%	10,014	10,014
Last 15 days	6.42%	6.59%	10,026	10,027
Last 30 days	6.69%	6.83%	10,059	10,060
Last 3 Months	6.85%	6.90%	10,173	10,174
Since Inception	8.30%	6.88%	10,225	10,187

Returns as on 31<sup>st</sup> October 2023

Past performance may or may not be sustained in future. Different Plans i.e. Regular Plan and Direct Plan under the scheme have different expense structure. **Benchmark:** NIFTY Money Market Index B-I. Returns less than 1 year period are simple annualized. Face Value per unit: Rs. 1000.

# Potential Risk Class (PRC)



## Bajaj Finserv Liquid Fund

### POTENTIAL RISK CLASS MATRIX

(Maximum risk the scheme can take)

Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			

B-I – A Scheme with Relatively Low Interest Rate Risk and Moderate Credit Risk

## Bajaj Finserv Money Market Fund

### POTENTIAL RISK CLASS MATRIX

(Maximum risk the scheme can take)

Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			

B-I – A Scheme with Relatively Low Interest Rate Risk and Moderate Credit Risk

## Bajaj Finserv Overnight Fund

### POTENTIAL RISK CLASS MATRIX

(Maximum risk the scheme can take)

Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			

A-I – A Scheme with Relatively Low Interest Rate Risk and Relatively Low Credit Risk.

## Bajaj Finserv Banking and PSU Fund

### POTENTIAL RISK CLASS MATRIX

(Maximum risk the scheme can take)

Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	

B-III – A Scheme with Relatively High Interest Rate Risk and Moderate Credit Risk.

# Risk-o-meter and Product Label.



## Bajaj Finserv Flexi Cap Fund

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Wealth creation/capital appreciation over long term</li> <li>● Investment in equity and equity related instruments across large cap, mid cap and small cap stocks</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Very High Risk</p>	<p>RISK - O - METER S&amp;P BSE 500 TRI</p>

## Bajaj Finserv Arbitrage Fund

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Short term income generation</li> <li>● income through arbitrage opportunities in the cash and derivatives segments of the equity markets</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at low risk</p>	<p>RISK - O - METER Nifty 50 Arbitrage Index (TRI)</p>

## Bajaj Finserv Liquid Fund

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Regular income over short term.</li> <li>● Investment in money market and debt instruments, with maturity up to 91 days</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Low to Moderate Risk</p>	<p>RISK - O - METER Nifty Liquid Index B-I</p>

## Bajaj Finserv Money Market Fund

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Income over short term.</li> <li>● Investment in money market instruments that seeks to provide reasonable returns, commensurate with low risk while providing a high level of liquidity</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Low to Moderate Risk</p>	<p>RISK - O - METER NIFTY Money Market Index B-I</p>

## Bajaj Finserv Overnight Fund

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Regular income over short term that may be in line with the overnight call rates.</li> <li>● Investment in money market and debt instruments, with overnight maturity</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Low Risk</p>	<p>RISK - O - METER CRISIL Liquid Overnight Index</p>

## Bajaj Finserv Banking and PSU Fund

An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds with relatively high interest rate risk and moderate credit risk.

	SCHEME RISK-O-METER	BENCHMARK RISK-O-METER
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>● Income over short to medium term</li> <li>● investment primarily in securities issued by Scheduled Commercial Banks (SCBs), Public Sector undertakings (PSUs), Public Financial Institutions (PFIs), Municipal Corporations and such other bodies</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Moderate Risk</p>	<p>RISK - O - METER Nifty Banking and PSU Debt Index</p>

# Risk-o-meter and Product Label.



## Bajaj Finserv Balanced Advantage Fund An Open Ended Dynamic Asset Allocation Fund

	SCHEME RISK-O-METER#	BENCHMARK RISK-O-METER#
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Income over short to medium term</li> <li>Dynamic asset allocation between equity and equity related instruments including derivatives, and fixed income instruments</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at High Risk</p>	<p>RISK - O - METER Nifty 50 Hybrid Composite debt 50:50 Index</p>
<p>#The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.</p>		

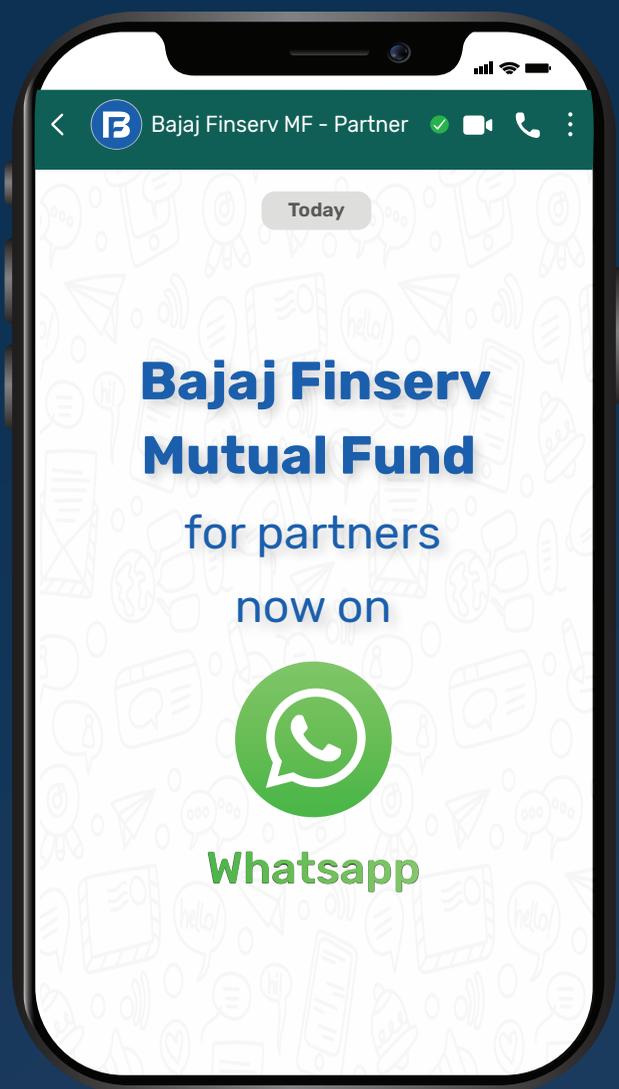
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**FINSERV**

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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