

Press Release

Bajaj Finserv Asset Management launches its Balanced Advantage Fund

India's first behavioural sciences based Balanced Advantage Fund

Highlights:

- *NFO opens on 24th November 2023, and closes on 8th December 2023*
- *India's first Balanced Advantage Fund that uses Behavioural sciences in addition to Financial Insights as part of its investment strategy*
- *Asset allocation approach includes Market Intrinsic value, Behavioural Adjustment, Asset Bucketing and Portfolio Rebalancing*
- *The Benchmark Index of the fund is NIFTY 50 Hybrid Composite Debt 50:50 Index*
- *The minimum application amount is Rs. 500 (plus multiples of Re.1) and minimum additional application amount is Rs. 100 (plus multiples of Re. 1)*

Mumbai/Pune, November 20, 2023: Bajaj Finserv Asset Management has announced the launch of Bajaj Finserv Balanced Advantage Fund (BAF) – an Open-Ended Dynamic Asset Allocation Fund suitable for investors wanting to invest in equity and equity related Instruments including derivatives, and fixed income instruments.

Bajaj Finserv BAF uses a unique investment model which combines an approach of Behavioural sciences and Financial Insights. By using this asset allocation technique, investors may seek benefit to navigate market volatility and optimize returns. Rather than using only quantitative models to decide allocation, the Bajaj Finserv AMC investment team analyses behavioural aspect as well, which may help investors earn better returns over long term.

Traditionally, the approach is to follow the fundamentals, past performance, and quantitative models to decide the asset allocation strategy. However, Bajaj Finserv AMC's investment team believes in using behavioural science models as well, to decide on asset allocation and timing of investments.

The Bajaj Finserv AMC BAF model estimates the fair market value based on future earnings per share, growth expectations, and interest rates, guiding the core investment strategy. The fund's behavioural indicator helps navigate market volatility and optimize returns by fine-tuning entry and exit points. It also guides equity allocation, increasing it when the market is undervalued and reducing it when it's overvalued.

Speaking on the launch of the product, Mr. Ganesh Mohan, CEO, Bajaj Finserv Asset Management, said, "Given that we are a new entrant, we have the opportunity of looking at things afresh. Our BAF is yet another example of that approach. Here, both Behavioural Sciences and Financial insights are 'balanced', to help us make our investment decisions. Our unique investment philosophy (INQUBE) seeks to combine the Informative, Quantitative and Behavioural edge to generate alpha. While this forms the plank for almost all our products, it



is in our Balanced Advantage Fund that one will really be able to see a more pronounced impact of our behavioural tools. I'm certain you will see many more behavioural sciences-based ideas and products being talked about in the industry in the near future."

Mr. Nimesh Chandan, CIO, Bajaj Finserv Asset Management said, "The crowd is not always wrong. As a result, selling whenever equity market rises and purchasing every time the market falls may not be the best asset allocation approach. It is critical to recognize where the crowd has overreacted in greed or fear and capitalize on that response. We have designed an asset allocation strategy based on the study of fundamental as well as the behavioural cycle of the market. Fundamental analysis tools provide us with an assessment of the market's fair value, while behavioural analysis techniques provide us with the change in market bias between bullish and bearish. When these indications are combined, they show whether the market has overreacted or underreacted in either way."

The fund will be jointly managed by Mr. Nimesh Chandan and Mr. Sorbh Gupta on the Equity side and Mr. Siddharth Chaudhary on the Debt side.

The new fund offer will open for initial subscription on 24th November, and close on 8th December 2023.

About Bajaj Finserv Asset Management Limited

Bajaj Finserv Asset Management Limited (BFAML) is a 100% subsidiary of Bajaj Finserv Limited. Backed by one of India's most respected brands, BFAML is set to offer an array of innovative investment solutions using a differentiated approach to investing, including but not limited to, mutual funds (equity, debt, hybrid), portfolio management services and alternative investment funds, subject to regulatory approval. With a future-focused investment strategy, it aims to help every Indian achieve life's financial goals.

To know more, visit www.bajajamc.com

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Riskometer & Disclaimer:

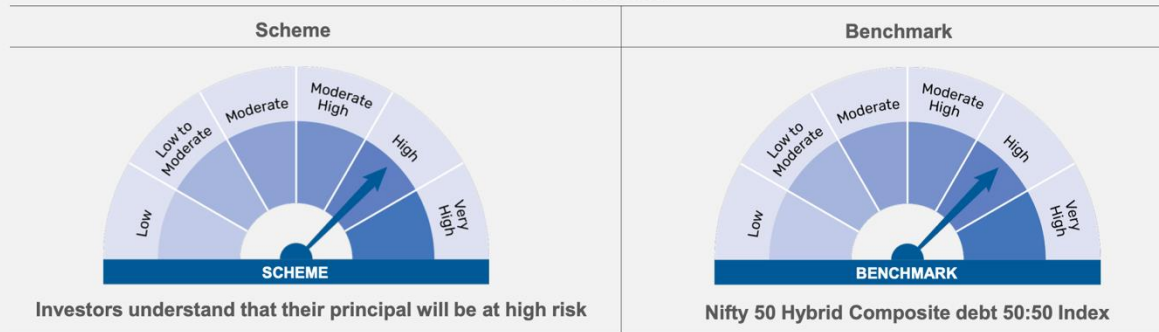
Bajaj Finserv Balanced Advantage Fund
An Open Ended Dynamic Asset Allocation Fund

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

Riskometer#



#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.