BAJAJ FINSERV
BALANCED ADVANTAGE FUND
(With Behavioural Edge)
An Open Ended Dynamic Asset Allocation Fund

FINANCIAL INSIGHTS + BEHAVIOURAL SCIENCE

BAJAJ FINSERV

May 2025

Date	Apr 25	Mar 25	Feb 25	Jan 25	Dec 24	Nov 24	Oct 24	Sep 24	Aug 24	Jul 24	Jun 24	May 24
Fundamental View	👍 Below Fair Value	👍 Below Fair Value	👍 Below Fair Value	👍 Below Fair Value	👍 Below Fair Value	👍 Below Fair Value	👍 Below Fair Value	👎 Above Fair Value	👎 Above Fair Value	👎 Above Fair Value	👍 Below Fair Value	👍 Below Fair Value
Sentiment Indicator	🙂 Positive	☹️ Negative	☹️ Negative	🙂 Positive	☹️ Negative	☹️ Negative	🙂 Positive	🙂 Positive	🙂 Positive	😀 Moderate	😐 Moderate	🙂 Positive
Net Equity Allocation	75.97%	76.59%	71.87%	74.41%	62.69%	66.86%	80.39%	71.5%	67.6%	53.0%	57.3%	78.4%

🟧 Portfolio Allocation 🟩 Increased Portfolio Allocation 🟥 Decreased Portfolio Allocation

Combining fundamental and behavioural finance principles provides a key advantage in managing investments. Our proprietary asset allocation model at Bajaj Finserv AMC is based on those two elements namely: fundamental analysis and behavioural insights. It ensures that our Balanced Advantage Fund is well-positioned to navigate market complexities and deliver long-term value to our investors. By understanding the interplay of various market factors, we can make informed decisions that align with our investors' goals, fostering financial growth and stability. This unique approach helps us determine the optimal asset allocation between equity and debt, providing an edge for our investors.

Fundamental Indicator:
Our fundamental indicator focuses on the Nifty 50 Index, analysing its ideal earnings and valuations. Ideal earnings are forward-looking estimations, while ideal valuations are comparative, offering a realistic assessment rather than absolute measures. This robust analysis forms the backbone of our model, ensuring a sound foundation for asset allocation.

Behavioural Indicator:
The differentiation in our model lies in the behavioural indicator, which measures behavioural and sentimental trends in the market by monitoring four key factors: **currencies, commodities, bonds, and equities**. Let's explore how each of these factors contributes to our asset allocation strategy:

- Reflect risk appetite.
- Risky currencies signal optimism; safe havens show caution.
- Helps predict capital flows into Indian equities.

- Rising prices = strong economy; precious metals up = uncertainty.
- Guides sector allocation (energy, industrials) based on economic cycles.

- Yield spreads & curves show investor sentiment and liquidity.
- Narrowing spreads = confidence, steep curve = growth expectations.
- Guides equity investment in growth sectors.

- Large-cap focus = stability; small/mid-caps = higher risk.
- Sector rotations signal where investors see growth or safety.
- Informs strategic asset allocation.

The sequence, relationship and nature of trends in these assets helps understand and anticipate market movements driven by psychological factors, leading to more informed and effective investment decisions. By integrating behavioural insights with fundamental analysis, our model offers a comprehensive approach to asset allocation, optimizing returns while managing risks.

Data as on 30th April 25

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

Product Label

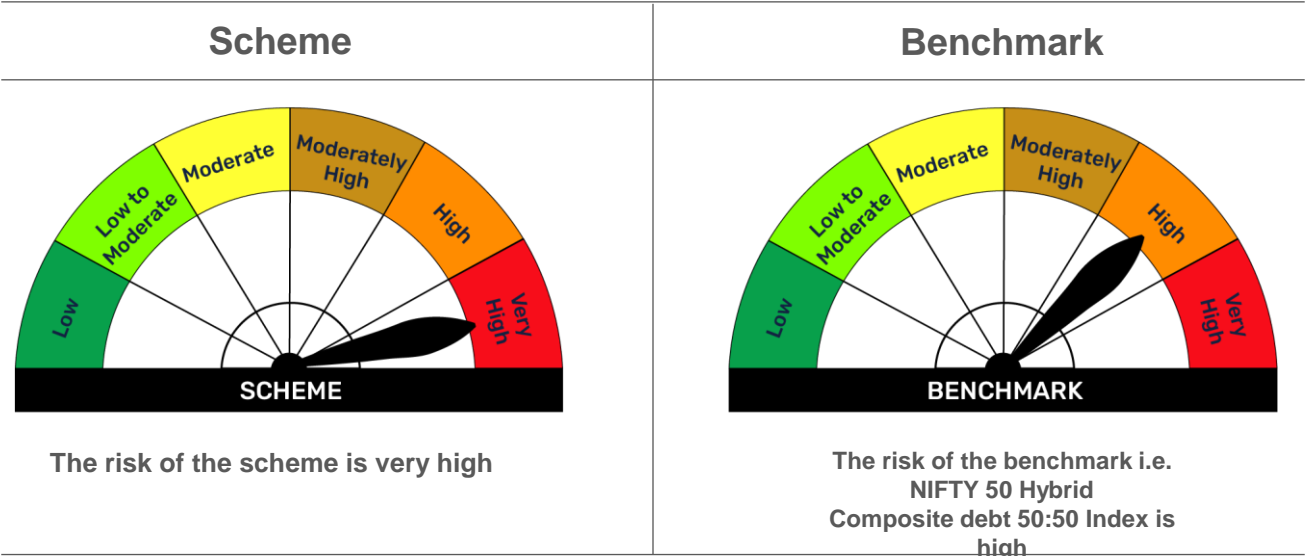## Bajaj Finserv Balanced Advantage Fund
An Open Ended Dynamic Asset Allocation Fund

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

Scheme	Benchmark
The risk of the scheme is very high	**The risk of the benchmark i.e. NIFTY 50 Hybrid Composite debt 50:50 Index is high**

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read all scheme related documents carefully.