



Bajaj Finserv Banking and PSU Fund

Fund Note

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.

How Will The Scheme Allocate Its Assets?

80% - 100%	Debt & money market instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds
0% - 20%	Debt and money market securities (including government securities) issued by entities other than banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds

Fund Facts

Scheme Name	Bajaj Finserv Banking and PSU Fund
Scheme Category	Banking and PSU Fund
Scheme Type	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 Riskometer	Moderate
Scheme Potential Risk Class (PRC)	B-III – A Scheme with relatively high interest rate risk and moderate credit risk.
Benchmark	Nifty Banking & PSU Debt Index A-II
Fund Manager	Mr. Siddharth Chaudhary and Mr. Nimesh Chandan
Investment Objective	To generate income by predominantly investing in debt & money market securities issued by Banks, Public Sector Undertaking (PSUs), Public Financial Institutions (PFI), Municipal Bonds and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India. There is no assurance that or guarantee that the investment objective of the scheme will be achieved.
Loads	Entry load – Nil Exit load – Nil

Features of Bajaj Finserv Banking and PSU Fund

1. Invests at least 80% in debt instruments such as bonds of Banks, PSUs and Public Financial Institutions and Municipal Bonds.
2. Investments in debt portfolio comprising high credit quality, high liquidity and seeking to provide attractive spread over sovereigns
3. Aims to utilize the opportunity in around the 5-year space of the corporate bond yield curve
4. Ideal for investors with 3-5 years investment horizon looking to take advantage of the potential MTM gain; while aiming to capture the high yields available in the corporate bond space.

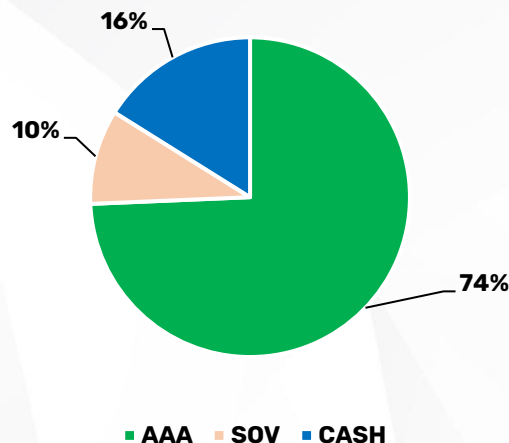
Bajaj Finserv Banking and PSU Fund Performance

				Value of Investment of Rs.10,000		
Period	Fund Returns (%)	Benchmark Returns (%)	Additional Benchmark Returns (%)	Fund (Rs.)	Benchmark (Rs.)	Additional Benchmark (Rs.)
Bajaj Finserv Banking and PSU Fund - Regular - Growth						
Last 1 Year	10.01%	8.86%	11.71%	10,998	10,883	11,168
Since Inception	9.29%	8.45%	11.43%	11,472	11,336	11,820
Bajaj Finserv Banking and PSU Fund - Direct - Growth						
Last 1 Year	10.62%	8.86%	11.71%	11,059	10,883	11,168
Since Inception	9.90%	8.45%	11.43%	11,570	11,336	11,820

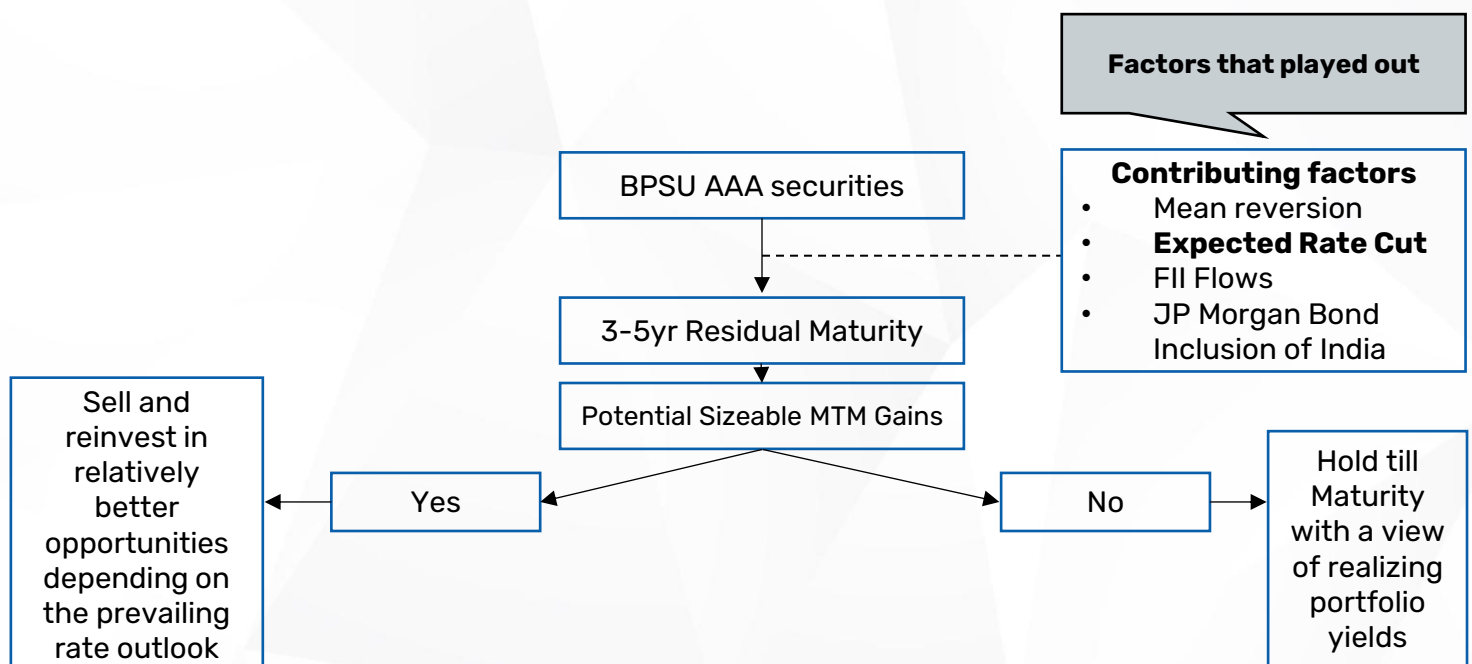
Past performance may or may not be sustained in future. Different Plans i.e. Regular Plan and Direct Plan under the scheme have different expense structure. **Benchmark:** NIFTY Banking & PSU Debt Index A-II **Additional Benchmark:** CRISIL 10 year Gilt Index Inception Date: 13th November 2023
Returns greater than 1 year are compounded annualized. Face Value per unit: Rs. 10.
Data as on 30th May 2025.

Fund's Investment Approach: Summary

Bajaj Finserv Banking and PSU Fund
Asset Allocation May 2025



As of May 31, 2025, the portfolio is fully invested in AAA/ SOV rated securities, reflecting its high quality



Note: The investment strategy is subject to disclosure in the Scheme Information Document. Investments would be undertaken based on market conditions and opportunities available at the time of investment


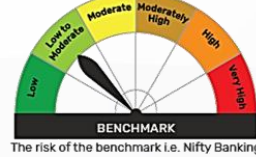
Outlook

- **Strong Pro-Growth Policy Support:** The RBI's 50 bps rate cut and 100 bps phased CRR reduction signal an aggressive push to boost growth and lower borrowing costs.
- **Massive Liquidity Infusion Ahead:** CRR cuts and a ₹2.7 lakh crore RBI dividend are expected to lift durable liquidity surplus to ~₹8 trillion, supporting credit expansion and rate transmission.
- **Calibrated Policy Flexibility:** Shift to a neutral stance indicates RBI's willingness to act based on data, balancing growth support with inflation management—limiting further easing unless inflation falls sharply.
- **Real Rates Remain Positive but Eased:** With inflation revised down to 2.8%, real rates are still slightly elevated, favoring carry and accrual strategies in short-to-medium duration debt.
- **Favorable Environment for Long term Debt Funds:** Ample liquidity, limited rate cut scope, and stable inflation outlook create an ideal setup for funds focused on long term maturities, benefiting from accrual and mild duration gains.

Riskometer and PRC

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"> Income over short to medium term Investment primarily in securities issued by Scheduled Commercial Banks (SCBs), Public Sector undertakings (PSUs), Public Financial Institutions (PFIs), Municipal Corporations and such other bodies <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them</p>	 <p>SCHEME The risk of the scheme is Moderate</p>	 <p>BENCHMARK The risk of the benchmark i.e. Nifty Banking & PSU Debt Index A-II is Low to Moderate</p>

Bajaj Finserv Banking and PSU Fund

POTENTIAL RISK CLASS (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.			

Disclaimers

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