

# Investing in the megatrends with BAJAJ FINSERV FLEXI CAP FUND

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

June 2024



TECHNOLOGICAL

REGULATORY

ECONOMIC

NATURE

DEMOGRAPHIC

SOCIAL

Company Name	Trend	% to Net Assets	Company Name	Trend	% to Net Assets
HDFC Bank Limited	●●	7.01%	Hindustan Unilever Limited	●●	1.17%
ICICI Bank Limited	●●	5.52%	Multi Commodity Exchange of India Limited	●	1.16%
Reliance Industries Limited	●●●●●	4.88%	Dixon Technologies (India) Limited	●	1.13%
Bharti Airtel Limited	●	3.87%	Kajaria Ceramics Limited	●●●	1.09%
GE T&D India Limited	●●	3.03%	FSN E-Commerce Ventures Limited	●●●	1.05%
State Bank of India	●●	3.03%	Jubilant Foodworks Limited	●●●	1.03%
Sanofi India Limited	●	2.99%	TVS Motor Company Limited	●	1.02%
Tata Consultancy Services Limited	●	2.79%	Orchid Pharma Limited	●●	0.96%
Hitachi Energy India Limited	●●●	2.49%	Sterling And Wilson Renewable Energy Limited	●	0.94%
Divi's Laboratories Limited	●	2.39%	Sobha Limited	●●	0.92%
Aarti Industries Limited	●	2.26%	Cera Sanitaryware Limited	●●	0.91%
Sudarshan Chemical Industries Limited	●	2.17%	VA Tech Wabag Limited	●●	0.89%
SRF Limited	●●	2.10%	Neuland Laboratories Limited	●●	0.77%
Kotak Mahindra Bank Limited	●●	2.07%	Tata Motors Limited	●●	0.73%
Nestle India Limited	●●	1.98%	Syngene International Limited	●	0.71%
UNO Minda Limited	●	1.97%	Nazara Technologies Limited	●●	0.70%
Havells India Limited	●●	1.86%	KSB Limited	●	0.63%
Zomato Limited	●●	1.70%	Schneider Electric Infrastructure Limited	●●	0.63%
Mahindra & Mahindra Limited	●●	1.69%	Piramal Pharma Limited	●●	0.59%
Bajaj Auto Limited	●	1.65%	Suzlon Energy Limited	●●	0.59%
Bharat Electronics Limited	●	1.53%	Prataap Snacks Limited	●	0.56%
Honeywell Automation India Limited	●●	1.47%	Vedant Fashions Limited	●●	0.55%
ABB India Limited	●●	1.36%	Indiamart Intermesh Limited	●●	0.52%
Thomas Cook (India) Limited	●	1.30%	Landmark Cars Limited	●	0.52%
Engineers India Limited	●●	1.25%	Global Health Limited	●●	0.48%
REC Limited	●●	1.25%	Safari Industries (India) Limited	●●	0.45%
SBI Life Insurance Company Limited	●	1.22%	Metro Brands Limited	●●	0.44%
United Breweries Limited	●●	1.22%	Mold-Tek Packaging Limited	●	0.44%
Siemens Limited	●●	1.21%	Westlife Foodworld Limited	●●●	0.44%
Genus Power Infrastructures Limited	●	1.20%	AIA Engineering Limited	●●	0.41%
Grindwell Norton Limited	●	1.20%	Wipro Limited	●	0.32%
Computer Age Management Services Limited	●●	1.19%	Solar Industries India Limited	●	0.31%
Gillette India Limited	●●	1.18%			

● TECHNOLOGICAL ● REGULATORY ● ECONOMIC ● NATURE ● DEMOGRAPHIC ● SOCIAL

These 6 color dots represent each trend and the dots after each company's name represent its presence in that particular trend wherever applicable. We have also shown % to Net Assets for each company. Data as on 31<sup>st</sup> May 2024.

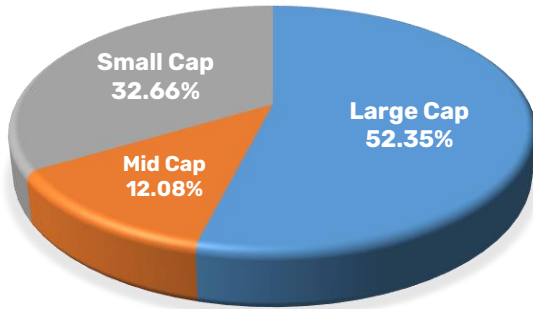
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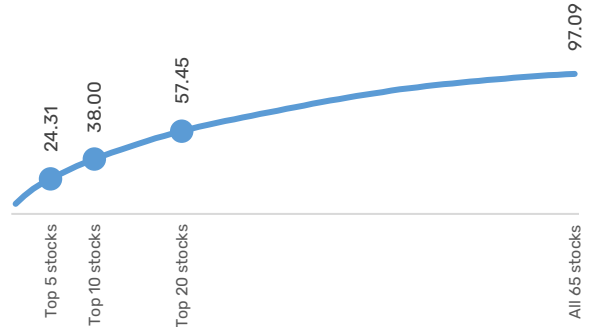
"Nothing is more powerful than an idea whose time has come" – Victor Hugo

## Portfolio Snapshot

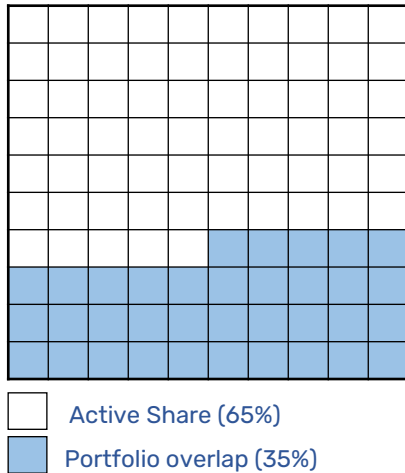
Market Cap Breakup



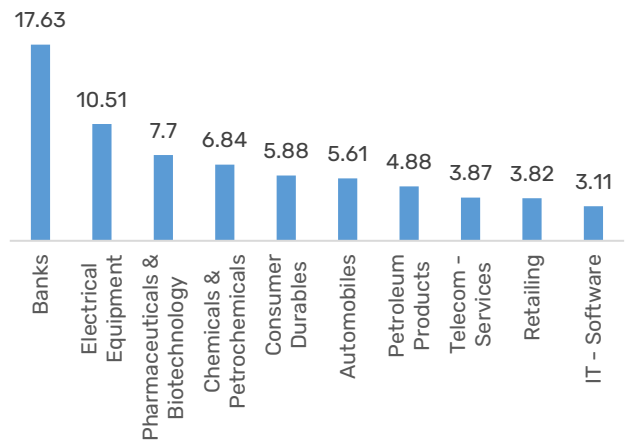
Portfolio Concentration (%)



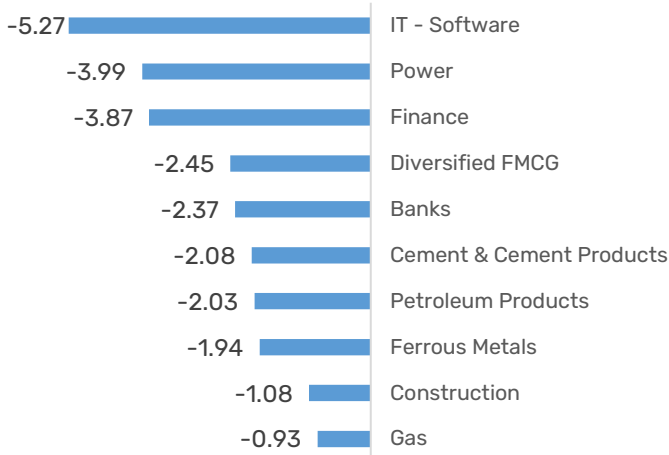
Portfolio Active Share



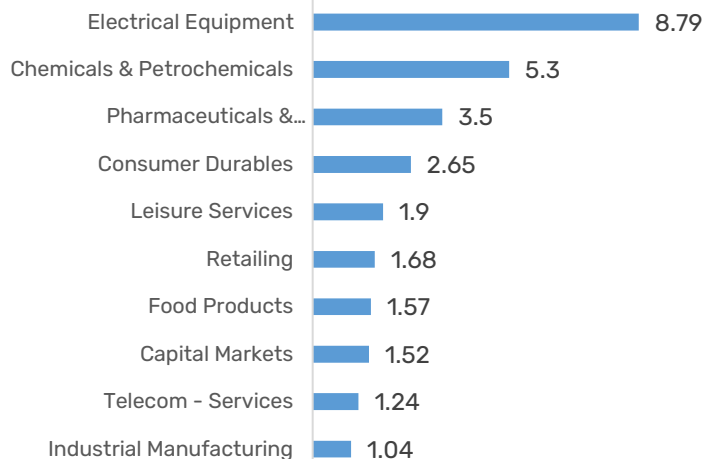
Top 10 Industries (%)



Top 10 Underweight Industries (%)



Top 10 Overweight Industries (%)



All data as on 31<sup>st</sup> May 2024. Active Share, Top 10 Overweight and Top 10 Underweight is calculated vis-a-vis Scheme Benchmark i.e. S&P BSE 500 Index

# Investing in the megatrends with BAJAJ FINSERV FLEXI CAP FUND

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## Seizing opportunities by investing in future market leaders

Our investment strategy for Bajaj Finserv Flexi Cap Fund is sector agnostic and invests in companies that have potential for growth at faster pace within their respective sector. Currently, our portfolio is primarily tilted towards financials, manufacturing, capital goods, consumer discretionary and new age tech companies.

### Financial Sector:

- Long-Term Growth Potential: The financial sector is poised for sustained growth as per capita income increases in tandem with GDP expansion.
- Domestic Demand Boost: Strong domestic demand within India acts as a catalyst for the financial sector's advancement.
- Improved Credit Conditions: Borrowers benefit from better credit conditions, enhancing the overall stability of the financial sector.
- Strengthened Institutional Solvency: Indian financial institutions demonstrate strengthened solvency and funding, bolstering their credit quality.
- Robust Performance Outlook: The financial sector is anticipated to maintain robust performance, driven by healthy profitability fueled by strong loan growth and a favorable credit environment.

### Manufacturing and Capital Goods Sectors:

- Government Focus on Capex: The manufacturing and capital goods sectors are set for significant growth, driven by the government's emphasis on capital expenditure initiatives.
- International Supply Chain Shift: With major global economies adopting a "China plus one" strategy to diversify their supply chains, these sectors stand to gain substantially.
- Strengthened Manufacturing via PLI Scheme: India's manufacturing sector receives a boost through the Production Linked Incentive (PLI) Scheme, encouraging both domestic and foreign investments.
- Enablers of Growth: Factors such as a sizable workforce, technologically advanced infrastructure, efficient logistics, robust transportation networks, and cost advantages contribute positively to the growth of manufacturing and capital goods sectors.
- Legal Support: These growth drivers are complemented by a robust legal system, further fostering a conducive environment for the expansion of these sectors.

### Consumer Discretionary Sector:

- Definition and Scope: Our portfolio's allocation to the Consumer Discretionary sector includes products and services deemed non-essential but desirable when individuals possess disposable income.
- Per Capita Income Growth: India's per capita income has demonstrated consistent growth and has recently exceeded a significant milestone, surpassing \$2,000 per capita\*.
- Consumption Growth Potential: Drawing parallels with China and several other nations that witnessed substantial increases in consumption post reaching the \$2,000 per capita income threshold, we anticipate India to experience a similar robust and sustained consumption trend in the forthcoming decade.

\*World Bank Data

### Emerging Tech Sector:

- Flourishing Segment: The new-age tech companies segment in India is experiencing a boom and is projected to witness substantial growth in the forthcoming years.
- Key Growth Drivers: The growth in this segment is primarily fueled by the escalating penetration of smartphones and the internet, coupled with a rise in disposable incomes.
- Our investment strategy in new-age tech companies aligns with the following criteria:
  - Strong competitive advantage.
  - Consumer adoption is on the rise.
  - High return on equity
  - Market leaders in their segments.
  - Positive EBITDA level.
  - Steady growth rate
  - Strong balance sheet

## Bajaj Finserv Flexi Cap Fund

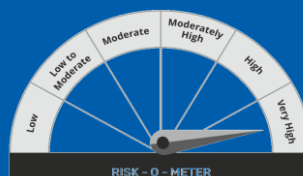
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This product is suitable for investors who are seeking\*:

- Wealth creation/capital appreciation over long term
- Investment in equity and equity related instruments across large cap, mid cap and small cap stocks

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

### SCHEME RISK-O-METER



Investors understand that their principal will be at Very High Risk

### BENCHMARK RISK-O-METER



S&P BSE 500 TRI

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