

BARODA BNP PARIBAS EQUITY SAVINGS FUND

(AN OPEN-ENDED SCHEME INVESTING IN EQUITY, ARBITRAGE AND DEBT INSTRUMENT)

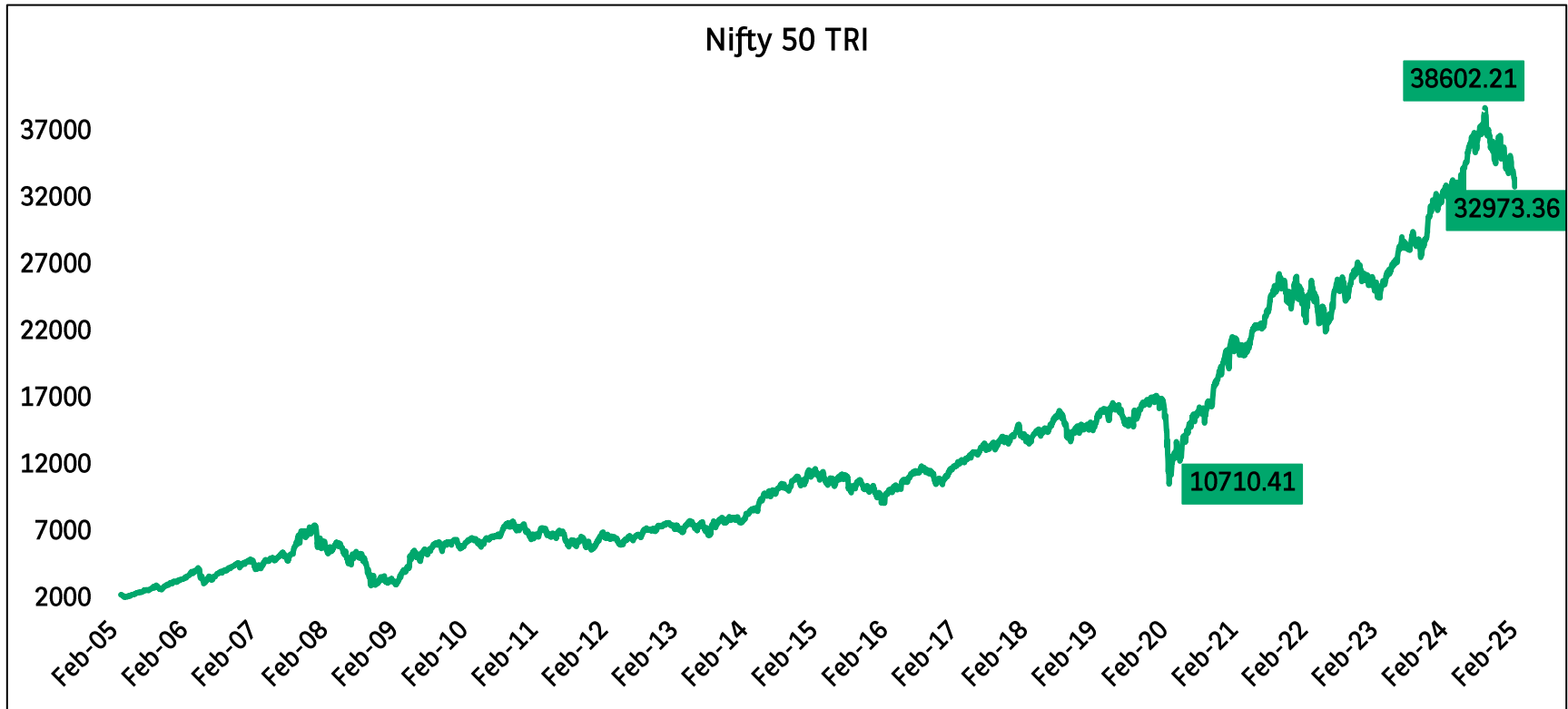
February 2025



Together for more

The word 'more' does not imply more returns or assurance of scheme performance. It refers to the additional value provided by the joint venture, as compared to Baroda AMC and BNP Paribas AMC individually.

Markets are volatile

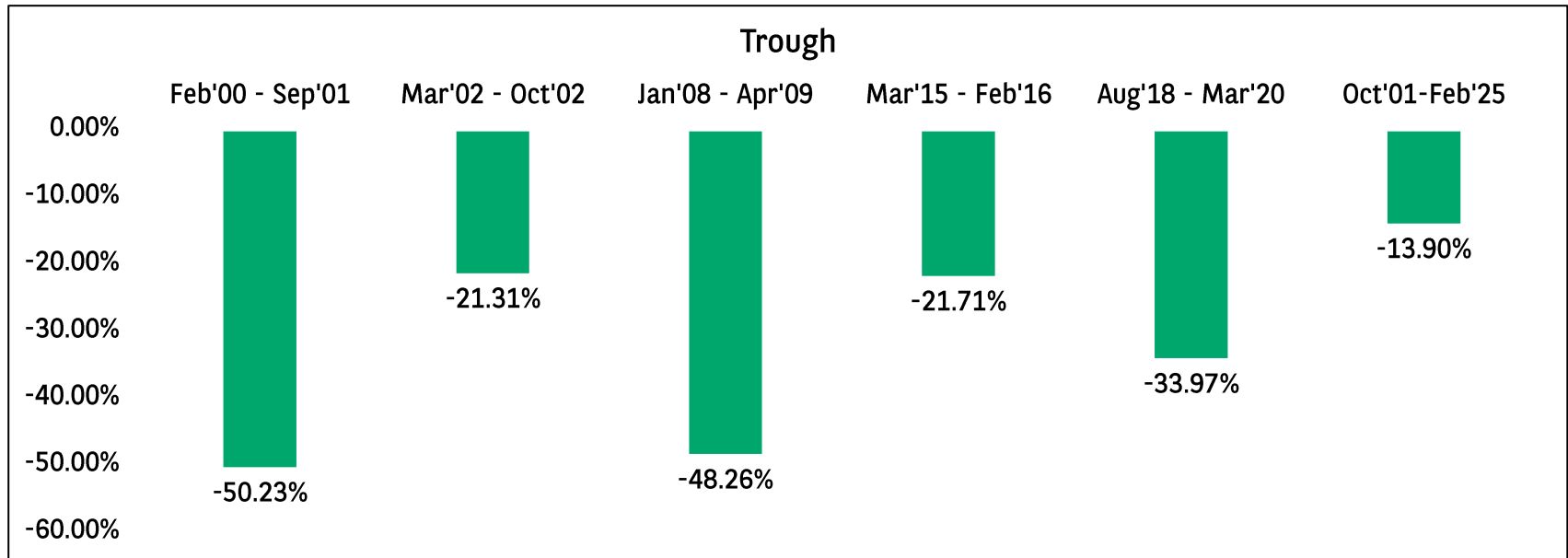


Nifty has risen from 2,406 to 32,973 since April 2005 to Feb 2025.

Whenever markets move either ways, investors may **question whether to stay put, trim or redeem their investments.**

Data as of February 28th, 2025. Source: MFI explorer and NSE indices. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns.**

Pain point for investors: drawdowns



- In volatile markets, what hurt investors are the drawdowns
- Drawdowns often leads to investors redeeming before time, leading to a dent in their wealth creation journey.

The Good News! Drawdowns can be managed!!

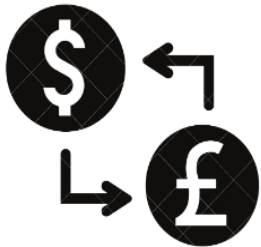
Source: MFI explorer and NSE indices; Dated: 28th Feb, 2025. **Past performance may or may not be sustained in the future and is not a guarantee of any future returns.**

How to manage drawdowns?



Investing for long term

Investing for a long term helps to recover after a market bump, assuming that the market will go up after. It helps to recover negative returns. Investing for a long term also benefits from the power of compounding.



Hedging or Arbitrage

Using hedging and arbitrage strategies in the portfolio helps to protect the portfolio from potential losses and market volatility.

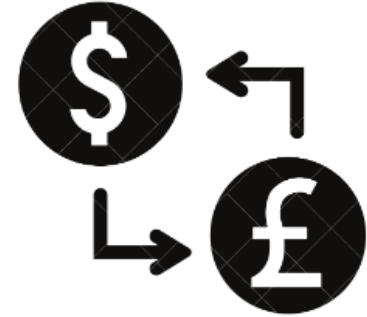
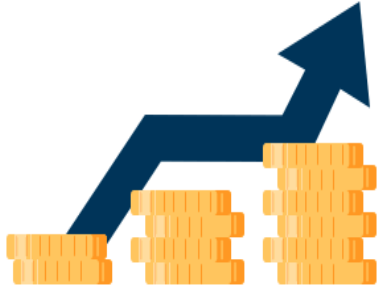


Asset Allocation

Asset Allocation helps to create a fund with diversified pool of investments across different asset classes- Equities, Fixed Income and Arbitrage. It helps to mitigate the risk of the market drawdowns.

The information should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed investment decision before making any investments.

Asset Allocation: Combining Asset Classes



EQUITY

- Capital Appreciation
- Helps to meet long term financial goals

FIXED INCOME

- Potential Income Generation
- Relatively stable

ARBITRAGE

- Reduces impact of equity drawdown
- Aims to generate income through arbitrage opportunities

A combination of Asset Classes aims to achieve optimized risk returns

EQUITY SAVINGS FUND

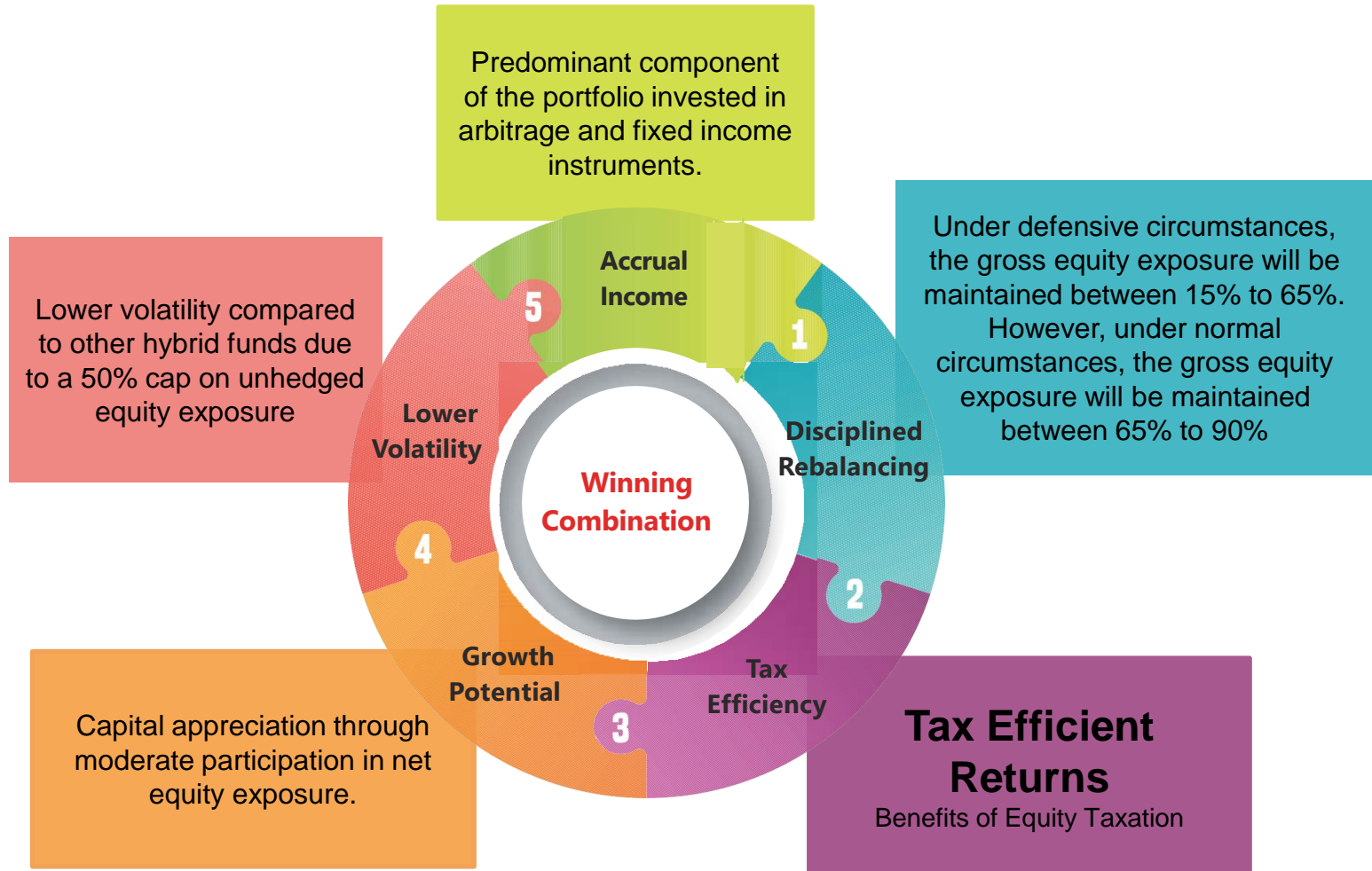
AIMS TO HAVE DUAL ADVANTAGE OF LOWER VOLATILITY WITH TAX
EFFICIENCY OF EQUITY FUNDS



Together for more

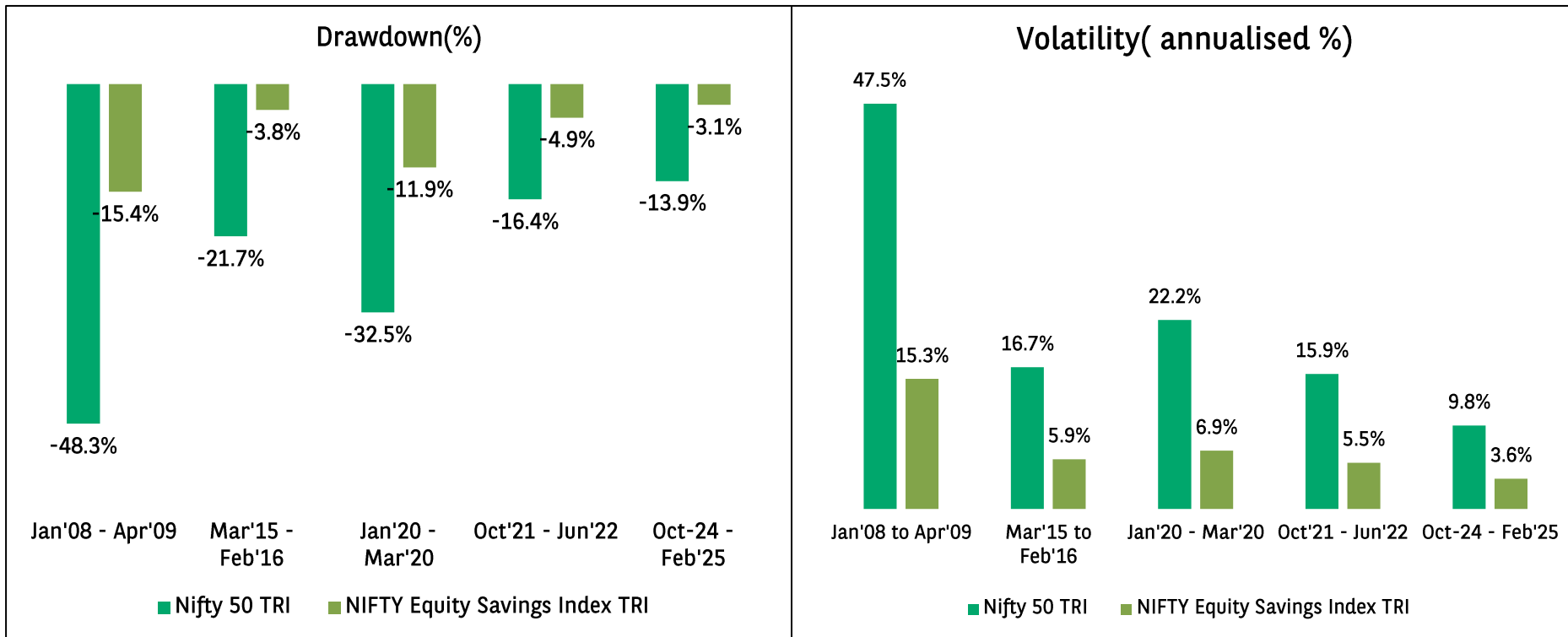
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Why Equity Savings Fund?



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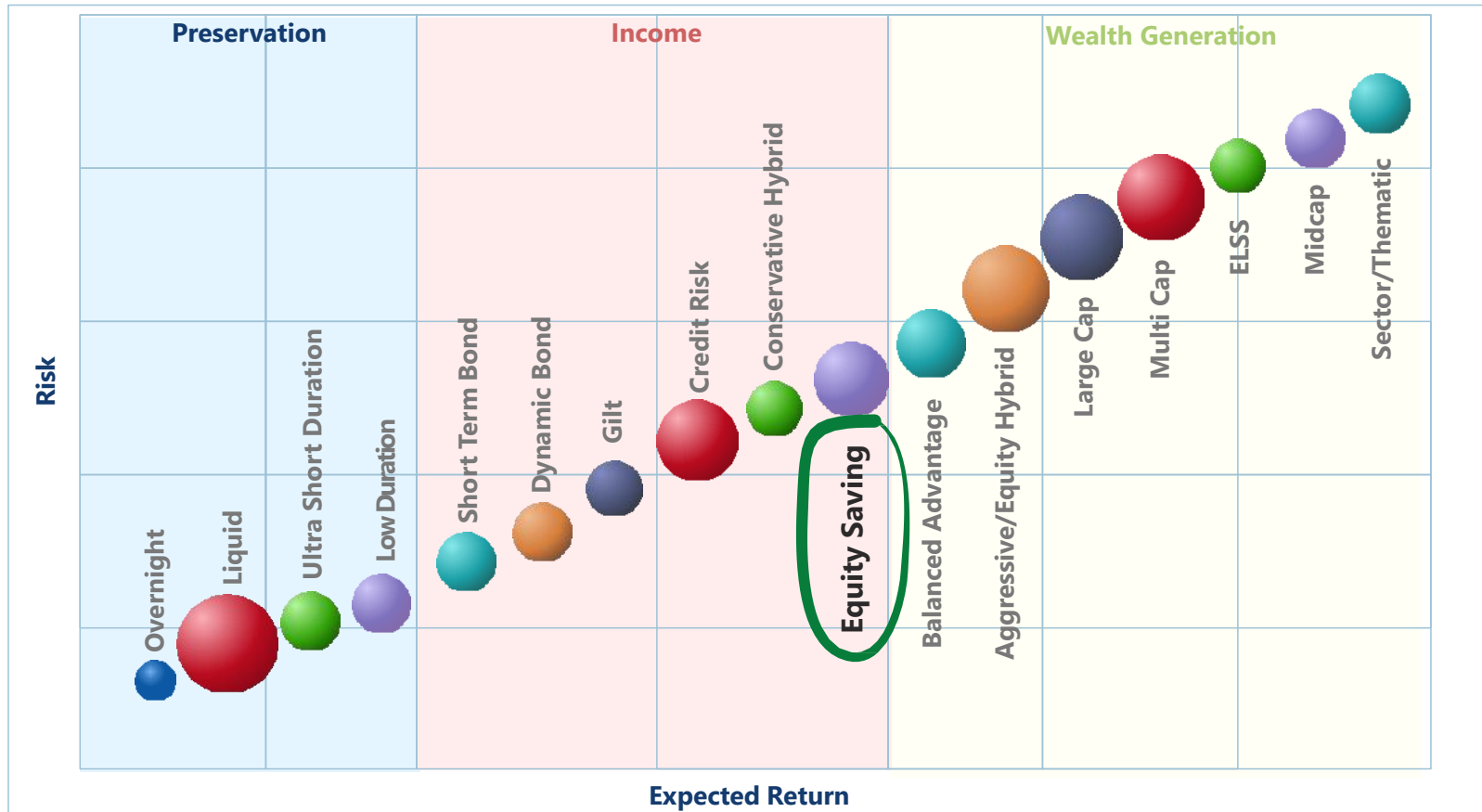
Aims to protect purchasing power...



Aims to protect purchasing power with lower volatility in the shorter term compared to Nifty 50 with high volatility

Source: MFI Explorer Internal research ;dated 28th Feb 2025. Past performance may or may not be sustained in the future and is not the guarantee for any future returns.

Equity Savings Fund – Product Positioning

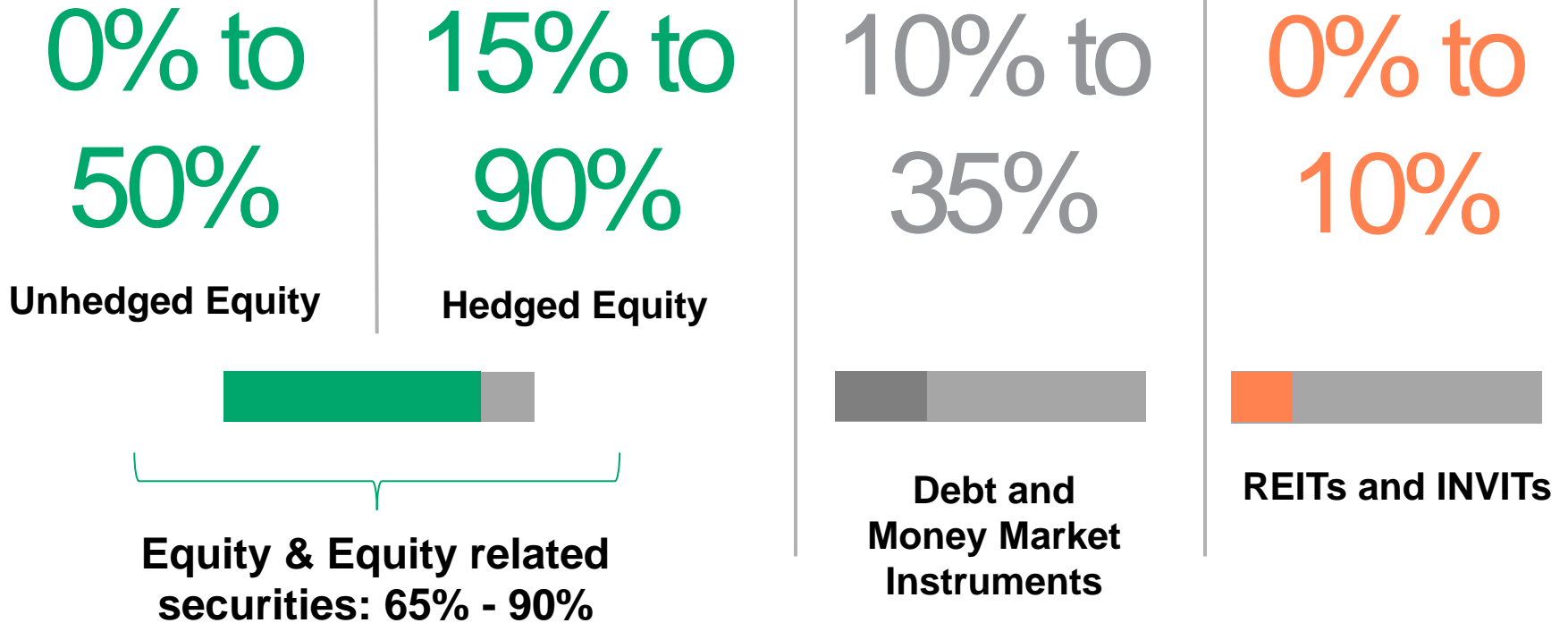


Equity Savings Funds (ESFs) are a type of hybrid scheme, which invests in debt, arbitrage and equity (Minimum gross equity allocation 65%)

The above graph is for illustration purpose only. Risk & return spectrum shown above is for broadly explaining the same for almost all fund types. The actual risk returns for the schemes mentioned may or may not be in line with the risk-return curve shown above.

Asset Allocation

Under normal circumstances, the asset allocation under the scheme would be as follows-

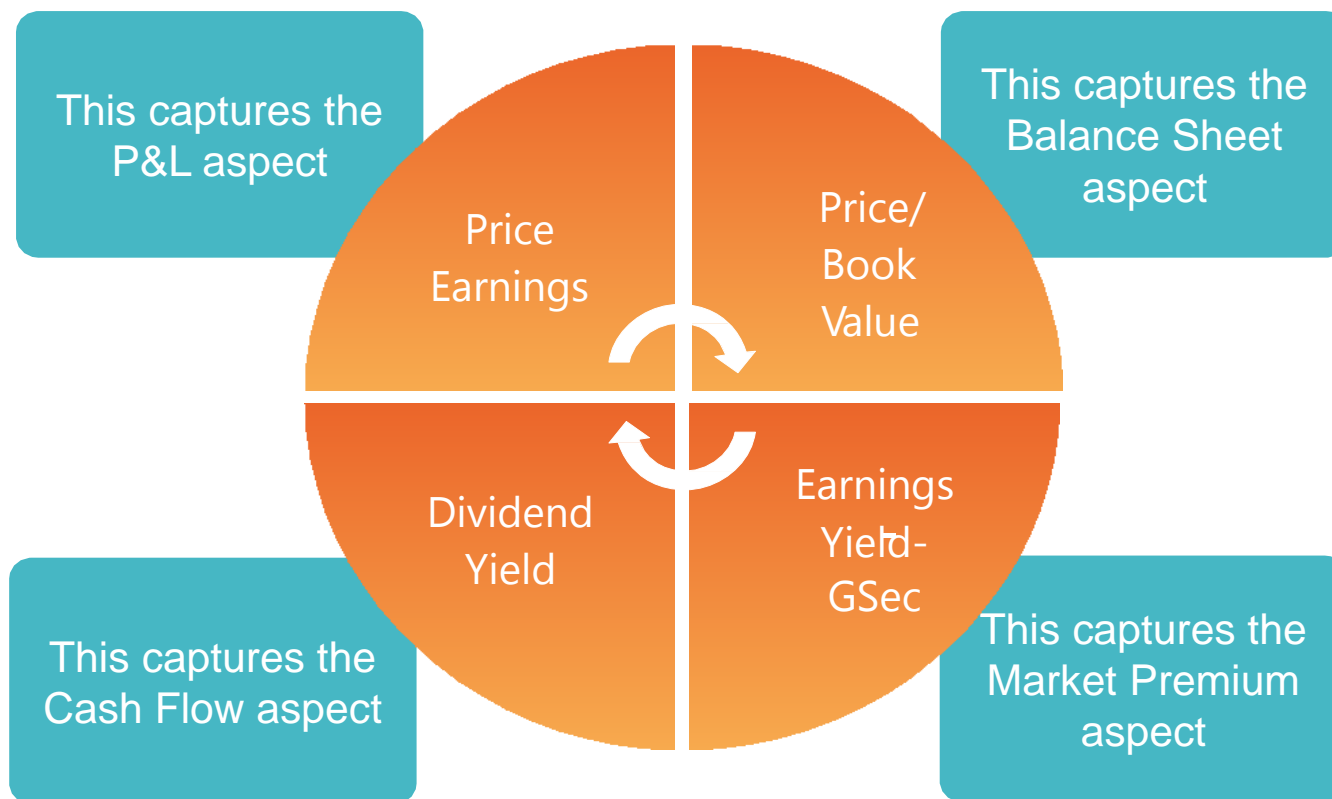


A healthy mix of the above three asset allocation helps providing capital appreciation while restricting portfolio downside. Asset allocation pattern may change depending upon the market conditions, market opportunities, economic and political factors.

Investment strategy stated above may change from time to time and shall be in accordance with the investment objective and strategy stated in the SID of the scheme. For further details on asset allocation, investment strategy and risk factors of the Scheme, please refer to the SID available on our website (www.barodabnpparibasmf.in).

Asset Allocation – Based on Proprietary Model

The model follows the matrix approach for asset allocation based on different parameters. The model follows a disciplined rebalancing process on a monthly basis.



These 4 parameters are compared to their historical 5 year averages.

Investment Strategy

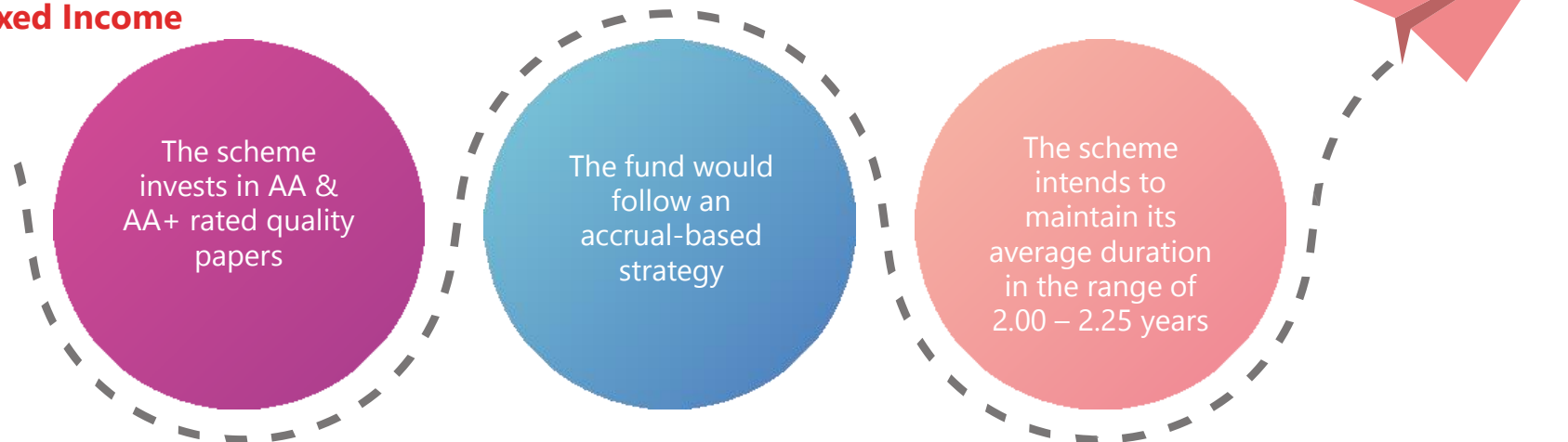
Equity

- Asset allocation will be based on a proprietary model which is based on the valuations and fundamentals of the companies. The model would run on a monthly basis to decide the asset allocation and will retain the flexibility to deviate equity and debt exposures, depending on the market conditions.
- Accordingly, top-down process will help in deciding the sector allocation while the bottom-up process would lead to the construction of the portfolio using specific securities.
- The gross equity exposure will be maintained in the range of 65% to 90% while the net equity exposure will be maintained between 0% to 50%.

Arbitrage

- The difference between the gross and net equity exposures would generally be invested in arbitrage.
- Reduces the impact of equity drawdowns

Fixed Income



For further details on asset allocation, investment strategy and risk factors of the Scheme please refer to SID available on our website (www.barodabnpparibasmf.in).

Who is it suitable for?

Investors with low
to moderate risk
appetite

Investors who want
substantial equity
exposure with lower
volatility

Investors with long
term investment
horizon

Investors wanting
to create wealth in
long term

Investors who are
seeking tax
efficiency

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PORTFOLIO DETAILS

Portfolio Characteristics: Equity and Fixed Income

37.67%

Net Equity component of the portfolio

-28.65%

Arbitrage Component in the portfolio

63.8%

Large Cap Quality Companies and 36.2 % in Mid and Small Cap*

71%

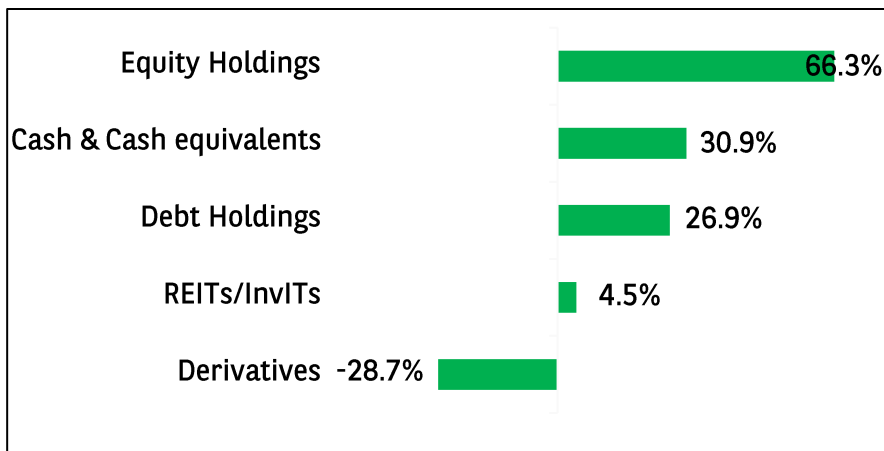
High Credit Quality
AAA, G-sec & Cash

All above data are as of February 28th, 2025, and are provided as a percentage of net assets of the scheme.

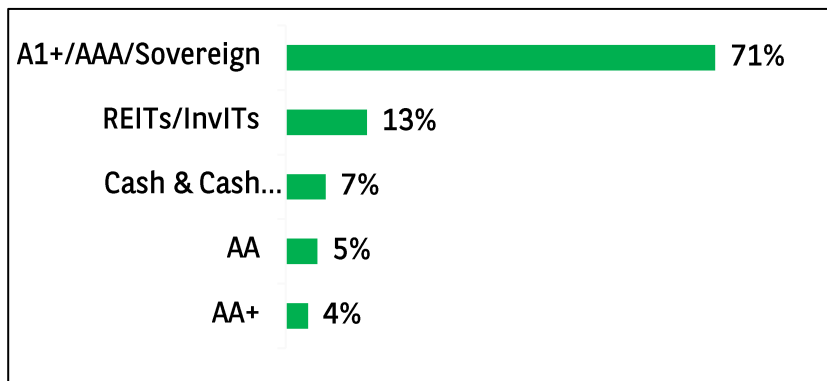
*Market Capitalization as per SEBI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251st company onwards in terms of full market capitalization. Portfolio details contained herein is for general information purposes only and does not indicate assurance of future Scheme performance. The sector(s) mentioned in this document do not constitute any recommendation of the same and Baroda BNP Paribas Mutual Fund may or may not have any future position in these sector(s). Further, the portfolio of the Scheme is subject to changes within the provisions and limitations of Scheme Information Document (SID). For further details on asset allocation, investment strategy and risk factors of the Scheme please refer to SID available on our website (www.barodabnpparibasmf.in).

Current Fixed Income Composition

Asset Allocation (% of Net Assets)



Credit Rating Composition (% of Net Assets)



Data as on Feb 28th, 2025. Source: Internal. Above details shown for fixed income portion of the portfolio. *Yield to maturity (YTM), Average Maturity, Macaulay Duration and Modified duration has been calculated for the fixed income portion of the portfolio (including cash and cash equivalents). **Past performance is no guarantee of future returns and is not a guarantee of any future returns.** The portfolio of the Scheme is subject to changes within the provisions and limitations of Scheme Information Document (SID). For further details on asset allocation, investment strategy and risk factors of the Scheme, please refer to SID available on our website (www.barodabnpparibasmf.in).

Positioning

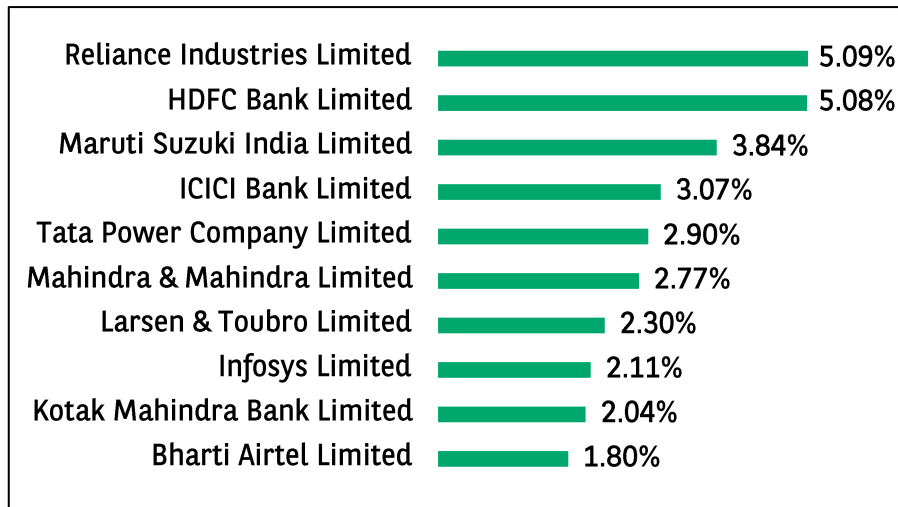
- RBI Monetary Policy Committee (MPC) after a span of 5 years unanimously delivered a rate cut of 25bps. Economic Growth to have taken precedence over inflation. Currency concerns were evident in this monetary policy.
- Uncertain global backdrop and volatile global financial conditions were cited as a reason by all members in retaining neutral stance.
- We have allocated a small amount in AAA REITs and INVITS with an intention to generate alpha over debt returns from a medium-term perspective.
- The scheme has invested in short to medium term corporate bonds and G-secs of across tenor mainly expecting steeping of the curve
- The scheme remains open to taking tactical duration calls.

Debt Quants

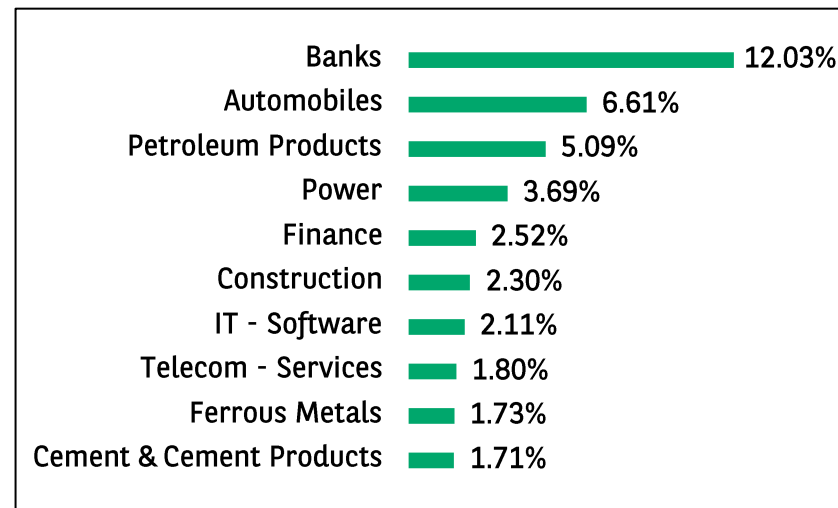
Yield to Maturity (YTM)*	Average Maturity*	Modified Duration*	Macaulay Duration*
7.13%	4.39 Years	3.35 Years	3.52 Years

Equity Positioning

Top 10 Equity Holdings (% of Net Assets)



Top 10 Sectors (% of Net Assets)



Total Top 10 Stock Holdings (Feb-2025)	31.00%
Total Top 10 Sector Holdings (Feb-2025)	39.59%

All data as on February 28th,2025. Source: Internal Research.

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- Net equity exposure at 37.7%
- Compared to the last month, we have decreased exposure to Information technology, industrials and consumer discretionary. Increased exposure to materials, Financials and Healthcare.
- Mid and small cap exposure at 36% vs 37%, month on month. Large Cap exposure stands at 64% vs 63%.
- We are UW on Information Technology, Utilities, and Overweight on consumer discretionary, healthcare, and Financials

Fund Facts

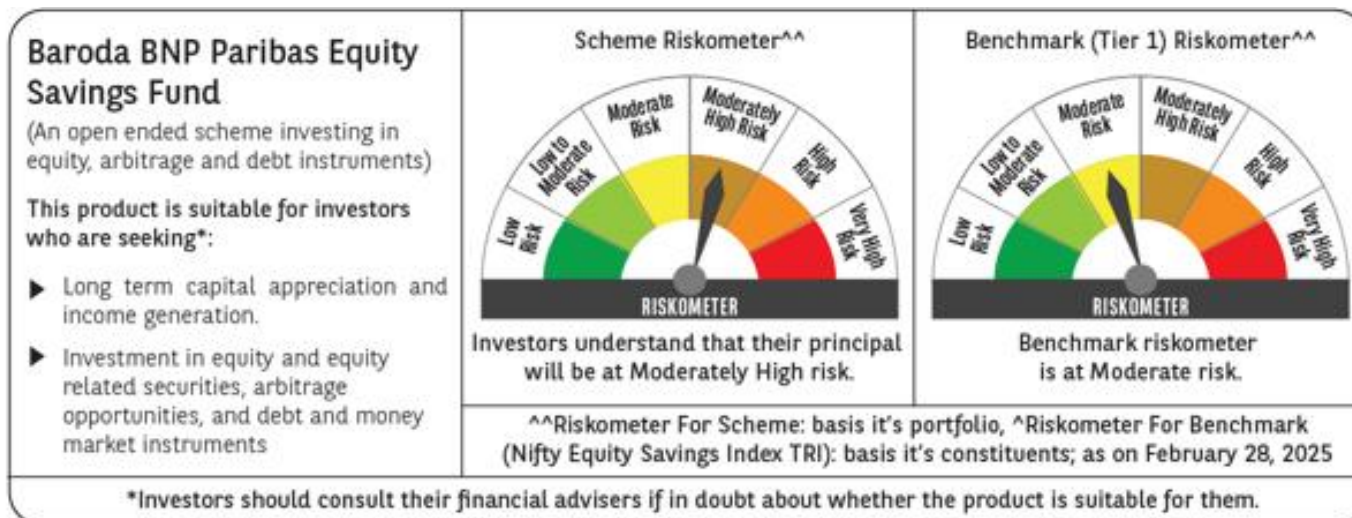
Scheme Name	Baroda BNP Paribas Equity Savings Fund			
Type of the Scheme	An open-ended scheme investing in equity, arbitrage and debt instruments.			
Category	Equity Savings			
Investment Objective	The primary objective of the Scheme is to generate capital appreciation and income by using arbitrage opportunities, investment in equity / equity related instruments and debt/ money market instruments. However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/ indicate any returns.			
Asset Allocation		Type of Instruments	Minimum Allocation (% of Net Assets)	Maximum Allocation (% of Net Assets)
		Equity & Equity related securities of which:	65%	90%
		(1) Equity and equity related securities (unhedged); and	0%	50%
		(2) Equities, equity related securities and derivatives including index futures, stock futures, index options and stock options, etc as part of hedged/arbitrage exposure (hedged)	15%	90%
		Debt and Money Market instruments*	10%	35%
		Investments in REITs and InvITs	0%	10%
	*Investment in securitized debt will not exceed 10% of the net assets of the Scheme. For complete details, please refer to the SID available on our website (www.barodabnpparibasmf.in).			
Benchmark	Nifty Equity Savings Index TRI			
Inception Date	July 25, 2019			
Fund Manager~	Mr. Pratish Krishnan (Equity Portfolio) (managing fund since September 5, 2019) (Total Experience: 23 years) & Mr. Neeraj Saxena (Equity Portfolio) (managing fund since October 21, 2024) (Total Experience: 20 years) Mr. Gurvinder Singh Wasan (Fixed Income Portfolio) (managing fund since October 21, 2024) (Total Experience: 21 years) Mr. Ankeet Pandya (Equity Portfolio) (managing) fund since January 1st, 2025)(Total Experience: 11 years)			
Load Structure	Exit Load: Redeemed or switched out from the date of allotment Upto 30 days: 1% After 30 days: Nil. For detailed load structure please refer Scheme Information Document of the scheme.			

Risk Factors

The risks associated with investments in equities include fluctuations in prices, as stock markets can be volatile and decline in response to political, regulatory, economic, market and stock-specific development etc. Please refer to scheme information document for detailed risk factors, asset allocation, investment strategy etc.

Further, to the extent the scheme invests in fixed income securities, the Scheme shall be subject to various risks associated with investments in Fixed Income Securities such as Credit and Counterparty risk, Liquidity risk, Market risk, Interest Rate risk & Re-investment risk etc., Further, the Scheme may use various permitted derivative instruments and techniques which may increase the volatility of scheme's performance. Also, the risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Please refer to Scheme Information Document available on our website (www.barodabnpparibasmf.in) for detailed Risk Factors, assets allocation, investment strategy etc.



Disclaimers

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MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.



THANK YOU