



May 2024

Baroda BNP Paribas
FLEXICAP
FUND

The All-in-One Equity Fund



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.

**THE WORLD IS ALWAYS IN
A FLUX**

Life Keeps on Changing....

Our day to day activities also keep on changing

The way we socialise has changed



Meeting in Person



Meeting virtually

The way we work has changed



Work from office



Work from Home



Hybrid

The way we shop has changed



Shopping from Stores



Online Shopping



Connecting with stores online

Our Consumption patterns are changing!

From terrestrial TV to Satellite TV to OTT platforms



Owning a car to hiring / renting

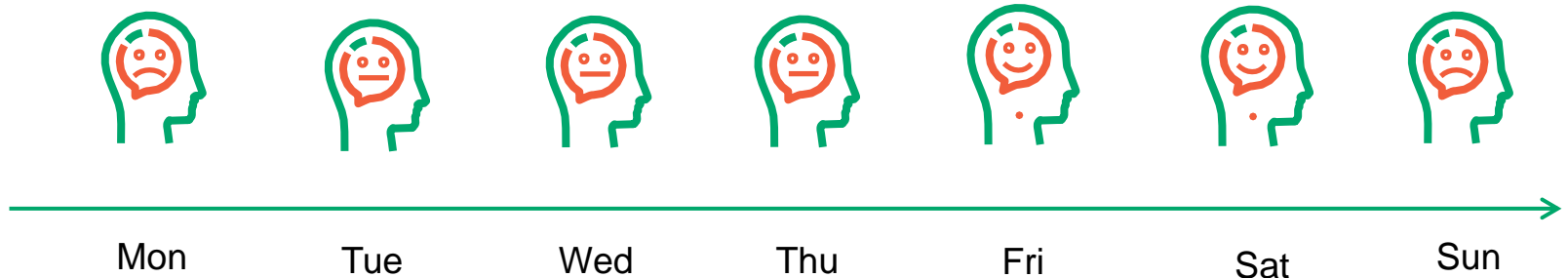


Rent /
Self
Drive

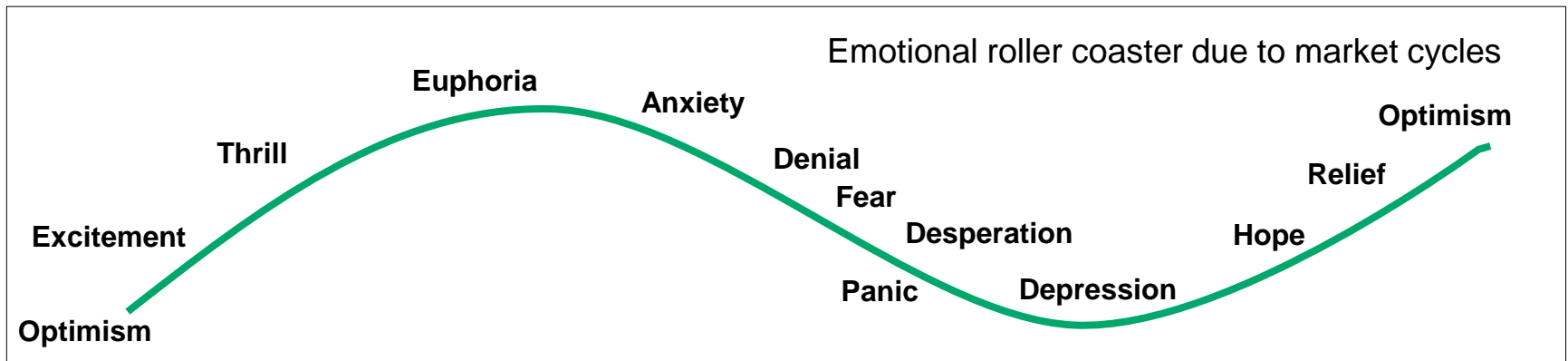


Our emotions keep on changing....

Weekly changes in Emotions



.... Even in the markets



The above graphics are for representation purposes only.

Even the Top performers in market keep on changing..

Sector Performance leadership has never been constant in the past 10 years

	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
Top performers	Media	IT	Bank	Healthcare	Oil & Gas	Realty	IT	Realty	IT	IT	Bank	FMCG
	Bank	Healthcare	Financial Services	Media	Energy	Retail	FMCG	Financial Services	Healthcare	Realty	FMCG	Bank
	Financial Services	FMCG	Auto	Retail	Auto	Oil & Gas	Financial Services	Bank	Retail	Energy	Oil & Gas	Energy
	Realty	Retail	Healthcare	Oil & Gas	Bank	Financial Services	Services	Services	FMCG	Infrastructure	Auto	IT
	FMCG	Auto	Services	IT	Financial Services	Energy	Bank	Oil & Gas	Infrastructure	Oil & Gas	Energy	Services
	Auto	Services	Media	FMCG	FMCG	Bank	Energy	Energy	Services	Media	Financial Services	Financial Services
	Healthcare	Oil & Gas	Retail	Energy	Services	Infrastructure	Retail	IT	Auto	Services	Retail	Auto
	Services	Media	Oil & Gas	Auto	Media	Media	Healthcare	Infrastructure	Energy	Retail	Infrastructure	Oil & Gas
	Infrastructure	Energy	Infrastructure	Services	Infrastructure	Services	Oil & Gas	Retail	Oil & Gas	Auto	Services	Healthcare
Laggards	Energy	Infrastructure	IT	Financial Services	Retail	Auto	Infrastructure	FMCG	Realty	Healthcare	Media	Retail

Sector performance captured by respective Nifty sector indices. Source: MFI Explorer; nseindices.com

The name of the sectors are for illustration purposes only and not a recommendation for investment.

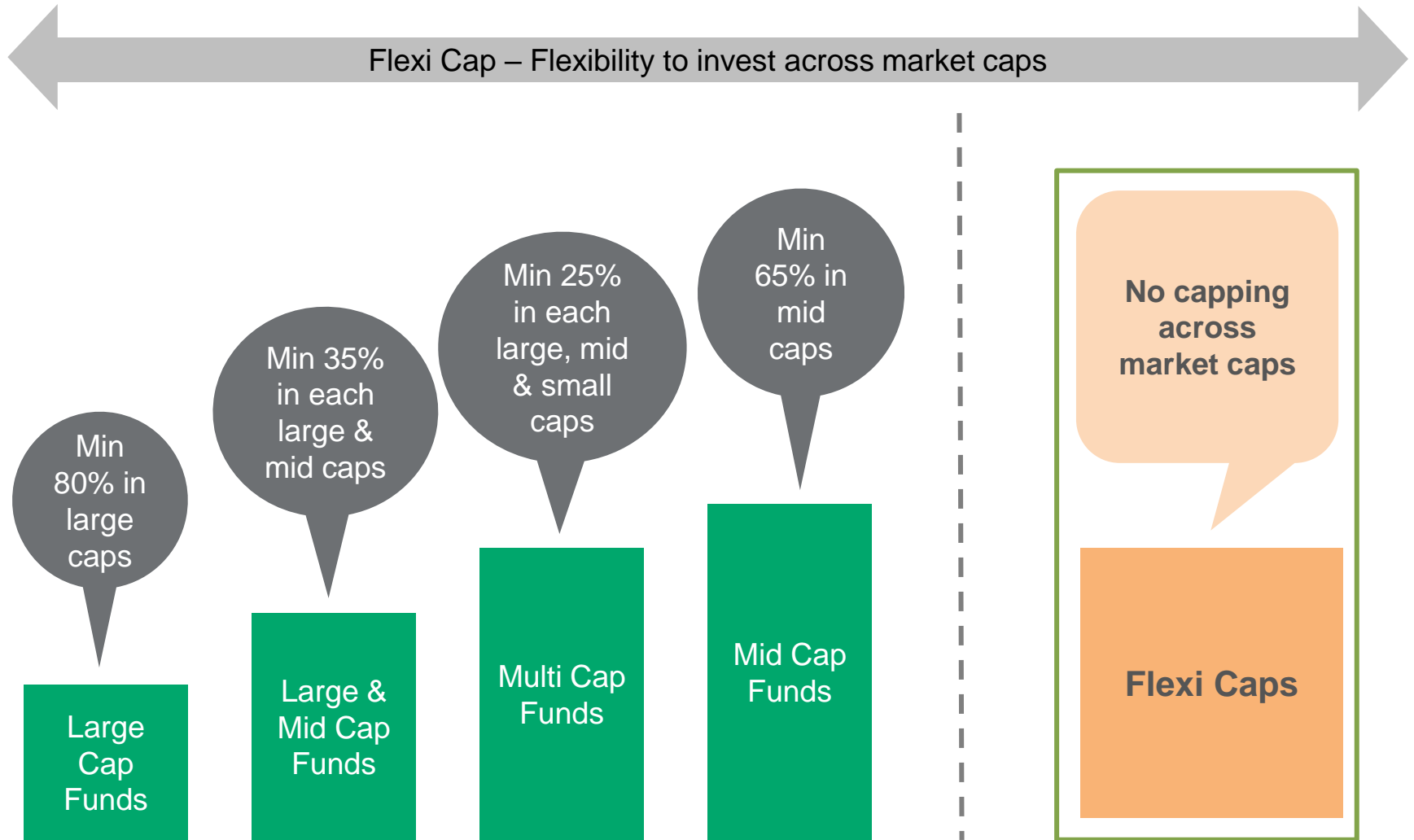
The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and Baroda BNP Paribas Mutual Fund may or may not have any future position in these sector(s)/stock(s). Further, the portfolio of the Scheme is subject to changes within the provisions and limitations of Scheme Information Document (SID).

How to thrive in an ever changing world?

Be Flexible

BENEFITS OF FLEXI CAP FUNDS

Flexi Cap - Flexibility to invest across market caps



Benefits of Investing in Flexi Cap Fund

Agility

- No capping across market cap allows the Flexi cap fund at any given time to dynamically take positions across large/ mid or small cap stocks

Diversification

- One equity fund invests in different market segments. Large caps tend to reduce volatility where as mid and small caps may come with higher growth potential

Managing Risks

- A diversified portfolio helps in reducing risks associated with investing solely with large / mid and small caps and hence it is a good starting point for someone who is new to investing

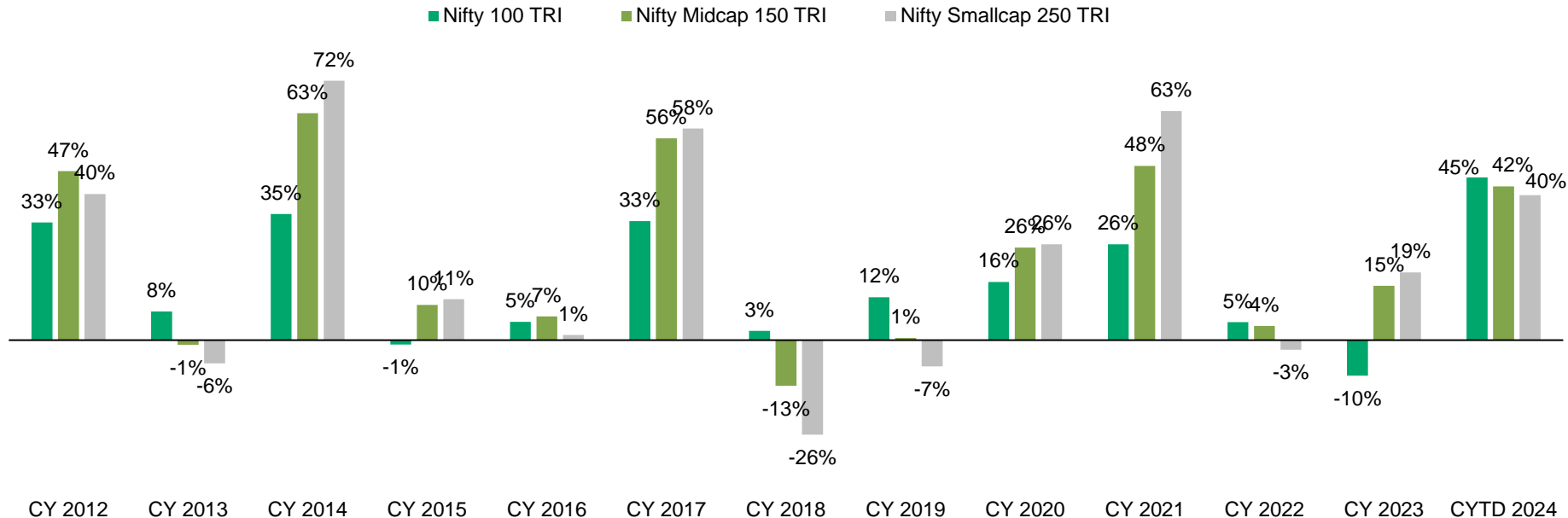
All Season Fund

- Given the dynamic nature of the fund, it aims to adapt to the ever changing business environment

MARKET SEGMENTS UPDATE

The performance of different market segments

Segment Wise Market Performance

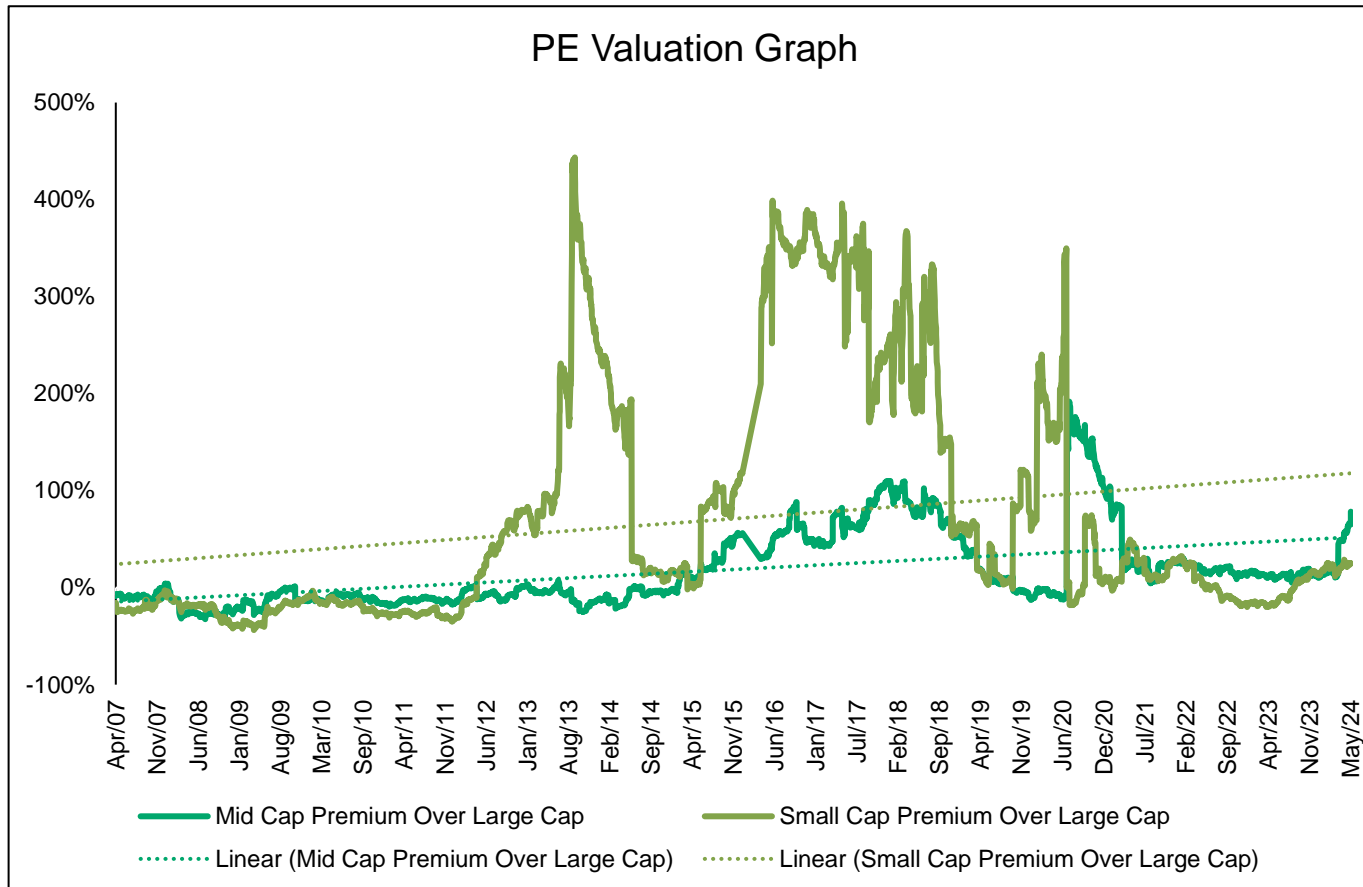


- There have been years when the large cap has given positive returns with Mid and small cap being negative; and vice versa.
- Predicting the direction may also seem difficult at times.

Source: nseindia.com, MFI Explorer. Data for CYTD 2024 till May 31, 2024.

Past performance, including such scenarios, is not an indication of future performance.

Valuations at different points in time



- Trendline shows the historic average valuations.
- In current scenario, both mid and small caps are trading at a discount to their long-term historic averages. However, small caps seem to show higher divergence compared to mid-caps

Source: nseindia.com, MFI Explorer.

Premiums represent excess / deficit value over the base value. For example, mid cap premiums show (mid cap value – large cap value) / large caps

Data as on May 31, 2024.

Past performance, including such scenarios, is not an indication of future performance

*AIM TO REAP THE BENEFITS OF FLEXIBLE
INVESTING THROUGH...*

BARODA BNP PARIBAS FLEXI CAP FUND

(AN OPEN-ENDED DYNAMIC EQUITY SCHEME INVESTING
ACROSS LARGE CAP, MID CAP, SMALL CAP COMPANIES)



Baroda
BNP PARIBAS
MUTUAL FUND



Together for more

Scheme Attributes

Fund offers
the flexibility
to invest
across
market cap

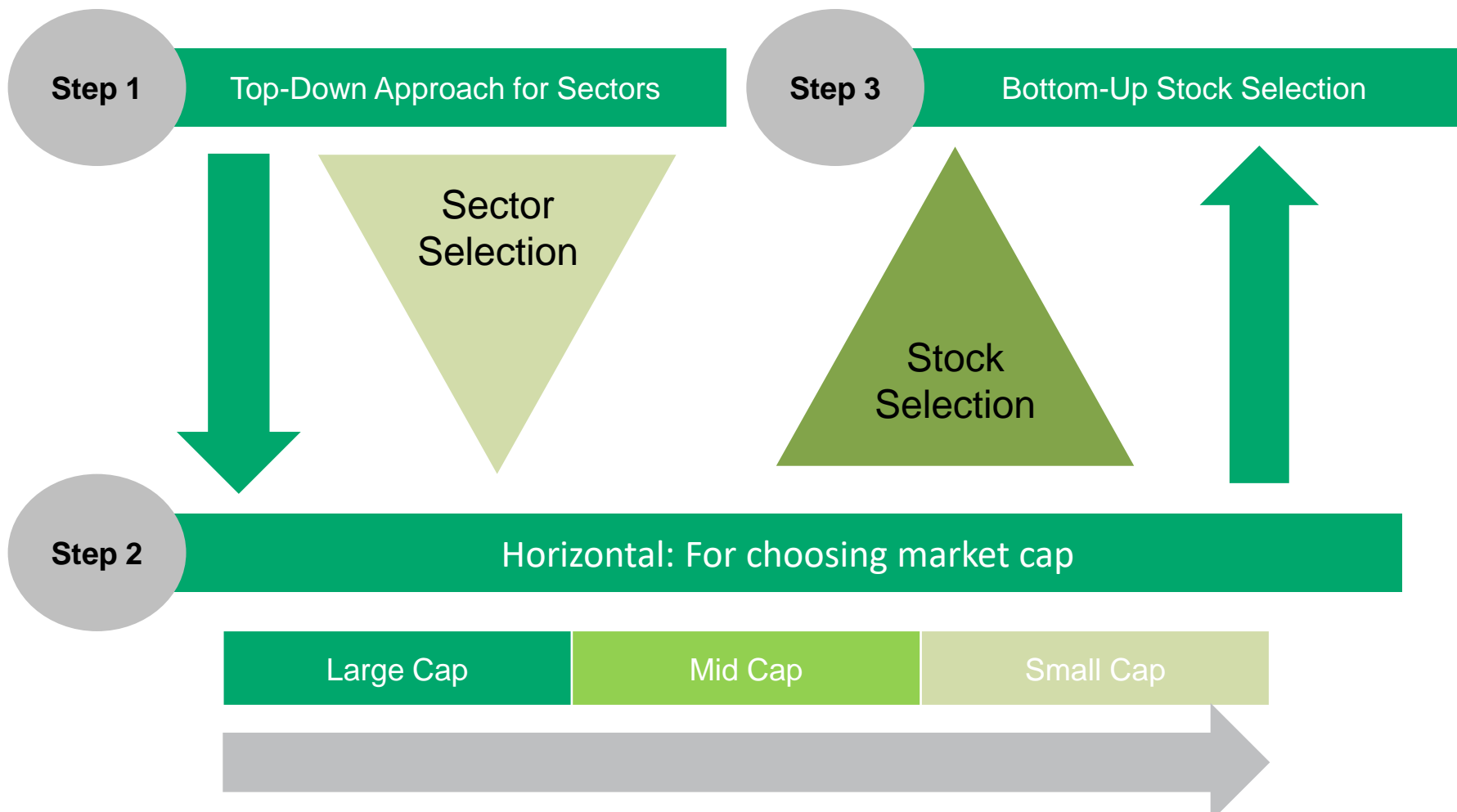
Diversified
Strategy:
Diversified
allocation
across
sectors and
market caps

Stock
Holdings:
Aims to hold
around
40 – 60
stocks

Unique
Investment
approach

The 3-
pronged
process

Investment Approach: The Three Pronged Approach

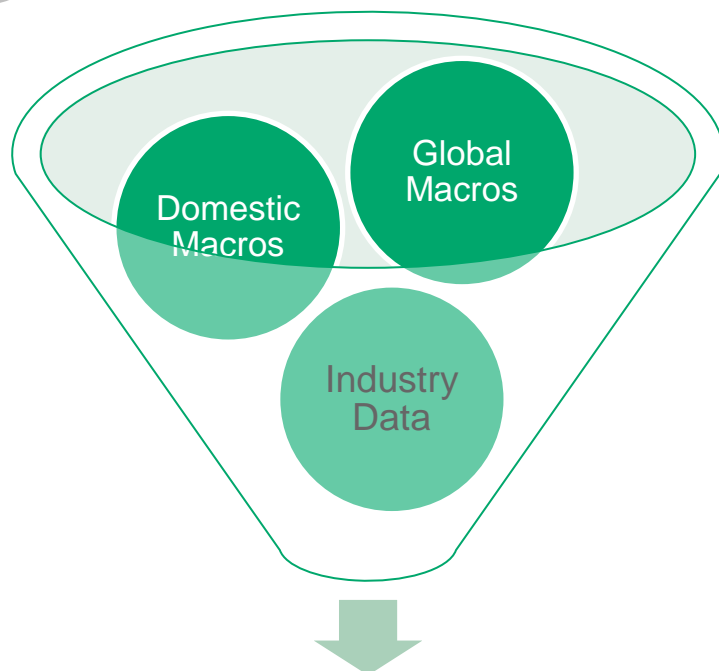


Market Capitalization as per SEBI - Large Cap: 1st – 100th company, Mid Cap: 101st - 250th company and Small Cap: 251st company onwards in terms of full market capitalization. The investment strategy is subject to change basis the fund managers view and within the prescribed limits as mentioned in the Scheme Information Document (SID)

Step 1 – Top Down Approach for Sectors

Step 1

Top Down Approach for Sectors



Shortlisted Sectors

Underlying Factors*

Gross Domestic Product (GDP)

Fiscal Deficit

Index of Industrial Production (IIP)

Credit Growth

Capex Cycle

Purchasing Managers Index (PMI)

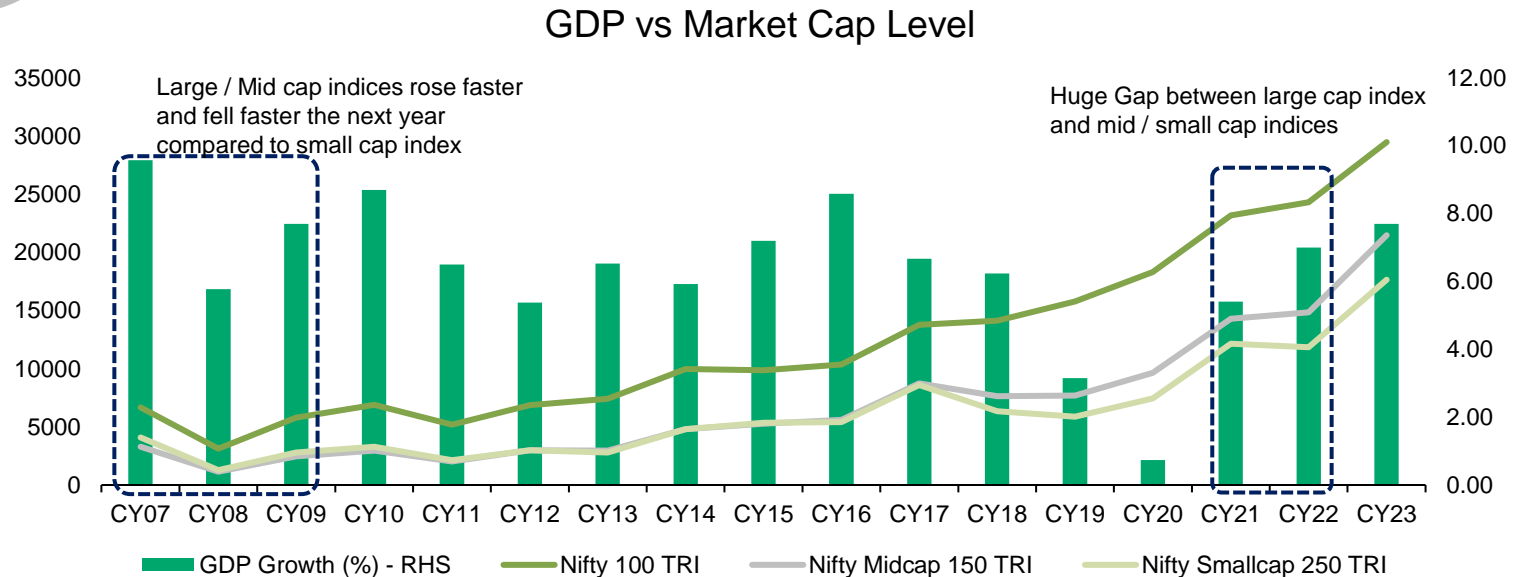
GST Collections

* Including but not limited to

Step 2 – Horizontal: Market Cap

Step 2

Horizontal Looking for opportunities across market cap



- Market cycles: Different segments react differently to markets ups and downs. Allocation between large, mid and small cap companies on the market cycle of the economy.

Source: Bloomberg, NSEIndia indices, Baroda BNP Paribas Internal research. Data as on 31st December 2023.
Past performance may or may not be sustained in the future.

Step 2 – Horizontal: Market Cap

Step 2

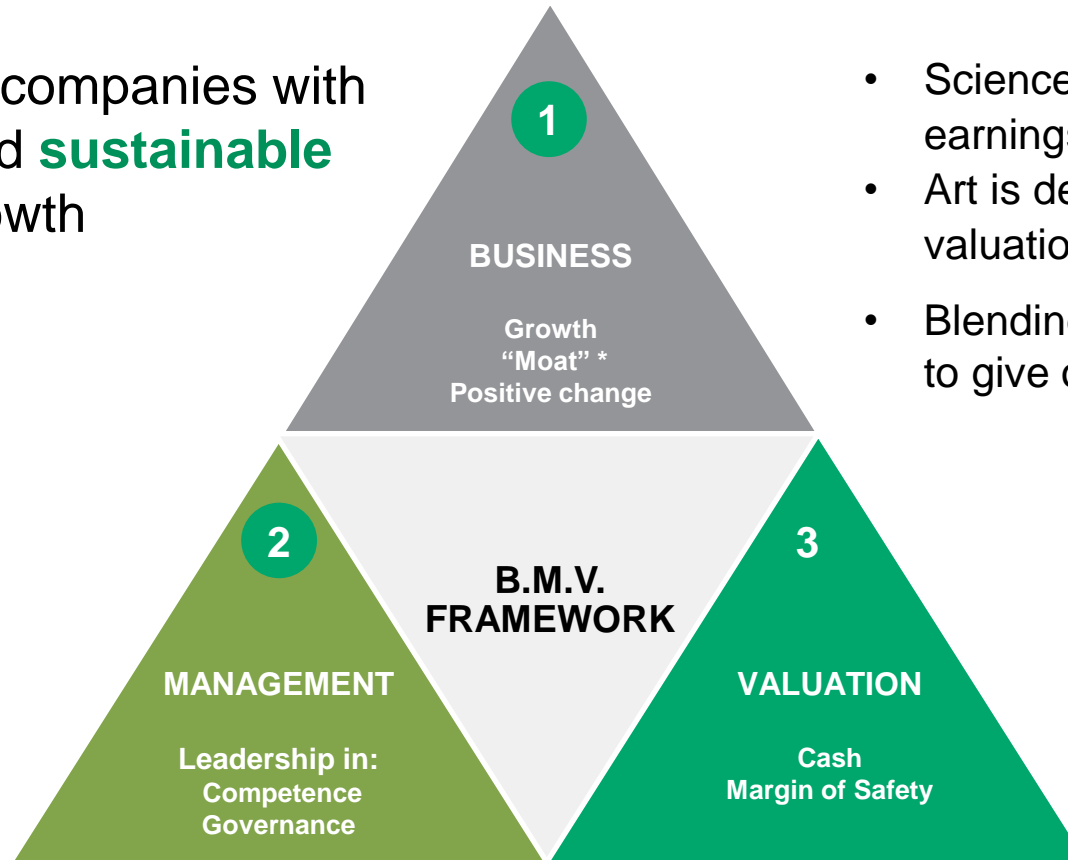
Horizontal Looking for opportunities across market cap

- Relative Valuations: On relative terms, one segment may look more attractive than others and the fund manager could increase allocation to those segments
- Earnings Growth in each Segment
- Earnings momentum: Speed of growth in each segment
- Volatility of sector: Volatile sectors will have lesser allocation to mid and small caps and vice versa

Step 3 - Bottom up Stock Picking

Core belief: Companies create wealth, not markets

In search of companies with **superior** and **sustainable** earnings growth



- Science is predicting the earnings
- Art is deciding the likely valuations
- Blending Art and Science to give optimum return

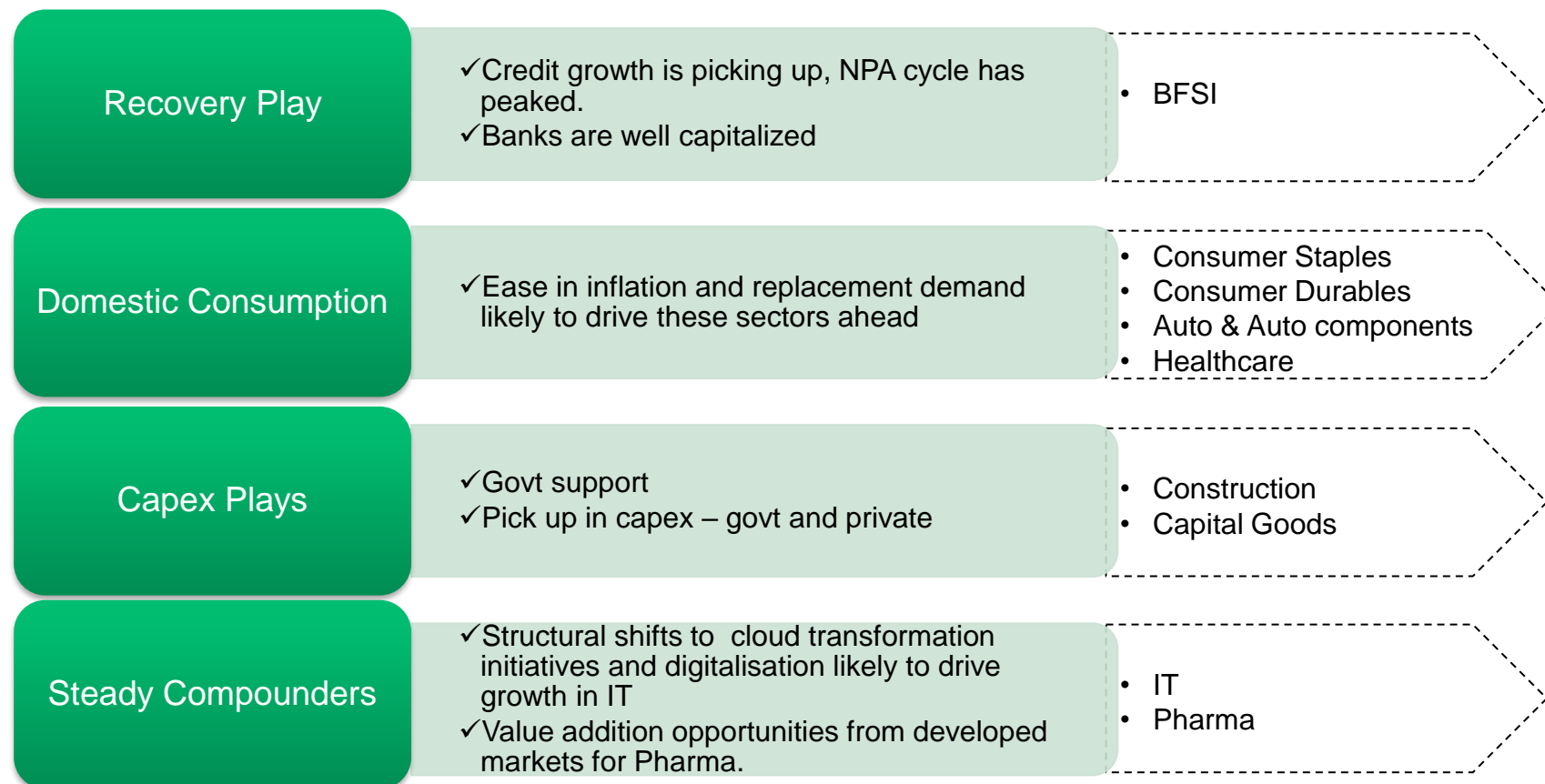
Identify superior businesses, with strong management, at reasonable valuations

* A sustainable competitive advantage

B.M.V.: Business, Management, Valuation. Source: Source: Internal Research

CURRENT PORTFOLIO POSITIONING

Investment Themes



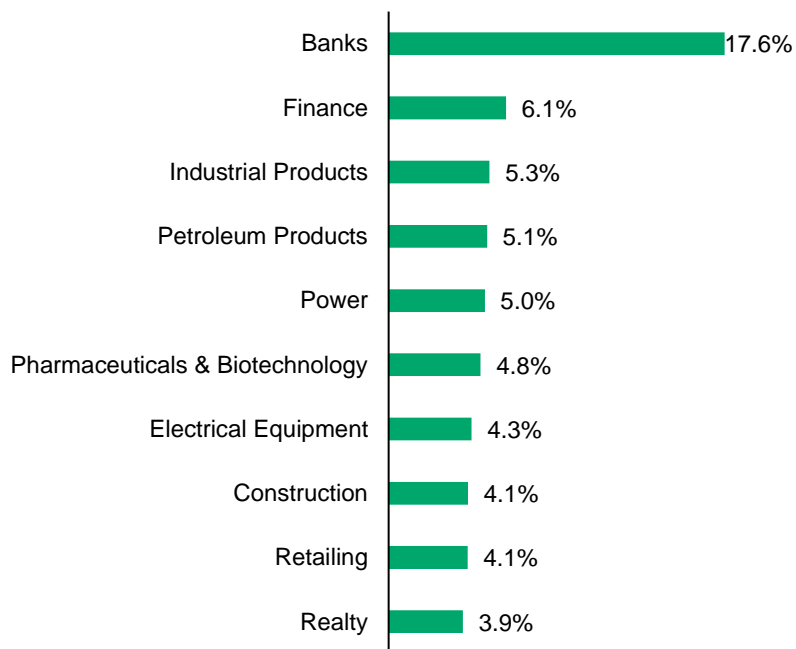
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Product Positioning (as on May 31, 2024)

- Compared to the last month, we have increased exposure to Health Care, Materials and Industrials. Exposure has been reduced in Consumer Discretionary, Real Estate and Consumer Staples.
- Key overweight positions are Industrials, Real Estate and Health Care, while key underweight positions are Consumer Staples, Information Technology and Financials.
- Mid and small cap exposure stands at 48%, compared to 46% as of the last month. Large Cap exposure stands at 50%, compared to 51% as of the last month. (Exposure as % of net assets as on May 31, 2024).
- Cash position stands at 2.2% (Vs 3.7% last month).
- Industrials is a key overweight position as we believe the capex story is on track and is likely to benefit the sector.
- Real estate is overweight in our portfolio since the sector is having a cyclical uptick.
- IT sector exposure remains an underweight position due to weak near-term growth visibility.
- Remained underweight on Staple as rural consumption is still lacklustre.

Current Positioning: Sector Weights

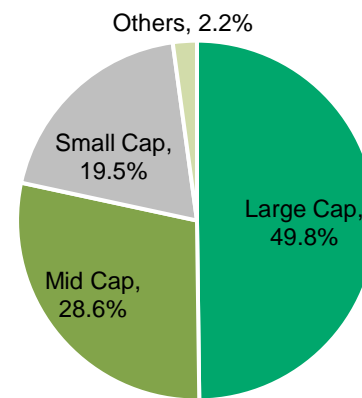
Top 10 Sectors



Top 10 Stocks

Name of the Company	% of Net Assets
Larsen & Toubro Ltd.	4.14%
ICICI Bank Ltd.	3.49%
Kaynes Technology India Ltd.	3.29%
NTPC Ltd.	3.21%
Reliance Industries Ltd.	3.01%
Bharti Airtel Ltd.	2.94%
Hitachi Energy India Ltd.	2.93%
Linde India Ltd.	2.88%
Zomato Ltd.	2.79%
Ratnamani Metals & Tubes Ltd.	2.78%

Market Capitalization



Source: Internal Research. Data as on May 31, 2024.

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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 should Invest?



New Investors

- New investors looking for exposure across market caps through one fund



Long Term Wealth Creation

- An all-season fund which seems to easily adapts to different market cycles, making it a good option for long term wealth creation
- Investors who are saving for long term goals



Investors looking for diversification

- This fund takes exposure to large, mid and small caps thereby diversifying exposure and reducing individual risks



Investors looking for core equity portfolio

- The diversified portfolio with flexibility to evolve according to business, market and economic views. May be used as a core equity portfolio for investments.

Fund Facts

Scheme Name	Baroda BNP Paribas Flexi Cap Fund			
Type of the Scheme	An Open-ended dynamic equity scheme investing across large cap, mid cap, small cap companies.			
Category	Flexi cap Fund			
Investment Objective	<p>The Scheme seeks to generate long term capital appreciation by investing in a dynamic mix of equity and equity related instruments across market capitalizations.</p> <p>However, there can be no assurance that the investment objectives of the Scheme will be realized. The Scheme does not guarantee/indicate any returns.</p>			
Asset Allocation	Type of Instrument	Minimum (% of Net Assets)	Maximum (% of Net Assets)	Risk Profile
	Equity & Equity related instruments ^	65	100	Very High
	Debt* & Money Market instruments and/or units of Mutual Fund	0	35	Low to Medium
	Units issued by REITs & INVITs	0	10	Very High
	<p>*Debt instruments may include securitised debt upto 20% of the net assets.</p> <p>^The Scheme may invest upto 50% of equity assets in equity derivatives instruments as permitted under the SEBI (Mutual Funds) Regulations, 1996 from time to time. The Scheme may use equity derivatives for such purposes as maybe permitted under the SEBI (Mutual Funds) Regulations, 1996, including but not limited for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The scheme shall not invest in debt derivative instruments.</p> <p>For further details on asset allocation, please refer to SID available on our website (www.barodabnpparibasmf.in).</p>			
Benchmark	NIFTY 500 TR Index			
Fund Manager~	Mr. Sanjay Chawla (Managing since August 17, 2022) (Total Experience: 33 years)			
Load Structure	<p>Entry Load: NA</p> <p>Exit Load:</p> <ul style="list-style-type: none"> • If units of the Scheme are redeemed or switched out up to 10% of the units (the limit) within 12 months from the date of allotment - Nil. • If units of the scheme are redeemed or switched out in excess of the limit within 12 months from the date of allotment - 1% of the applicable NAV. . • If units of the Scheme are redeemed or switched out after 12 months from the date of allotment: Nil 			

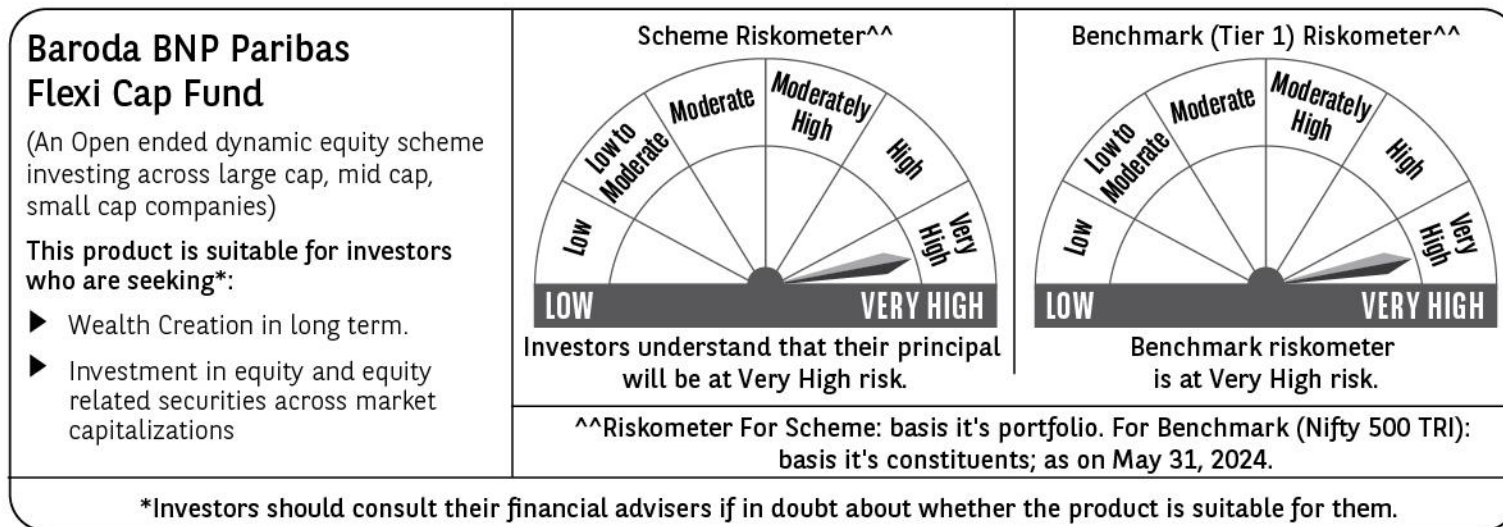
~Dedicated Fund Manager for Overseas Investments: Mr. Miten Vora (managing fund since December 01, 2022)

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