

ENJOYMENT *Wala* RETIREMENT

BE FUTURE READY.

PRESENTING

BARODA BNP PARIBAS RETIREMENT FUND

[An open-ended retirement solution-oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)]

NFO PERIOD | 8TH - 22ND MAY, 2024

(Offer of units at Rs. 10 each during the New Fund Offer period and continuous offer for units at NAV based prices.)





**Old age is like everything else.
To make a success of it, **you've
got to start young****

- Theodore Roosevelt
(US President from October 27, 1858 - January 6, 1919)

Imagine you have retired... How is your life?



Long walks on the beach



No waking up early



Holidays and Vacations



Peaceful



No worries and tensions

... But the reality can be shocking!

Nationwide Retirement Institute, USA, surveyed retirees and people who are about to retire.
There was a huge gap in expectations.



Unrealistic estimates about basic living expenses - Current workers underestimate the percentage of income they'll spend on basic living expenses in retirement.



Need more money than you think - Almost a quarter of survey respondents (23%) said "You will need more money than you think".



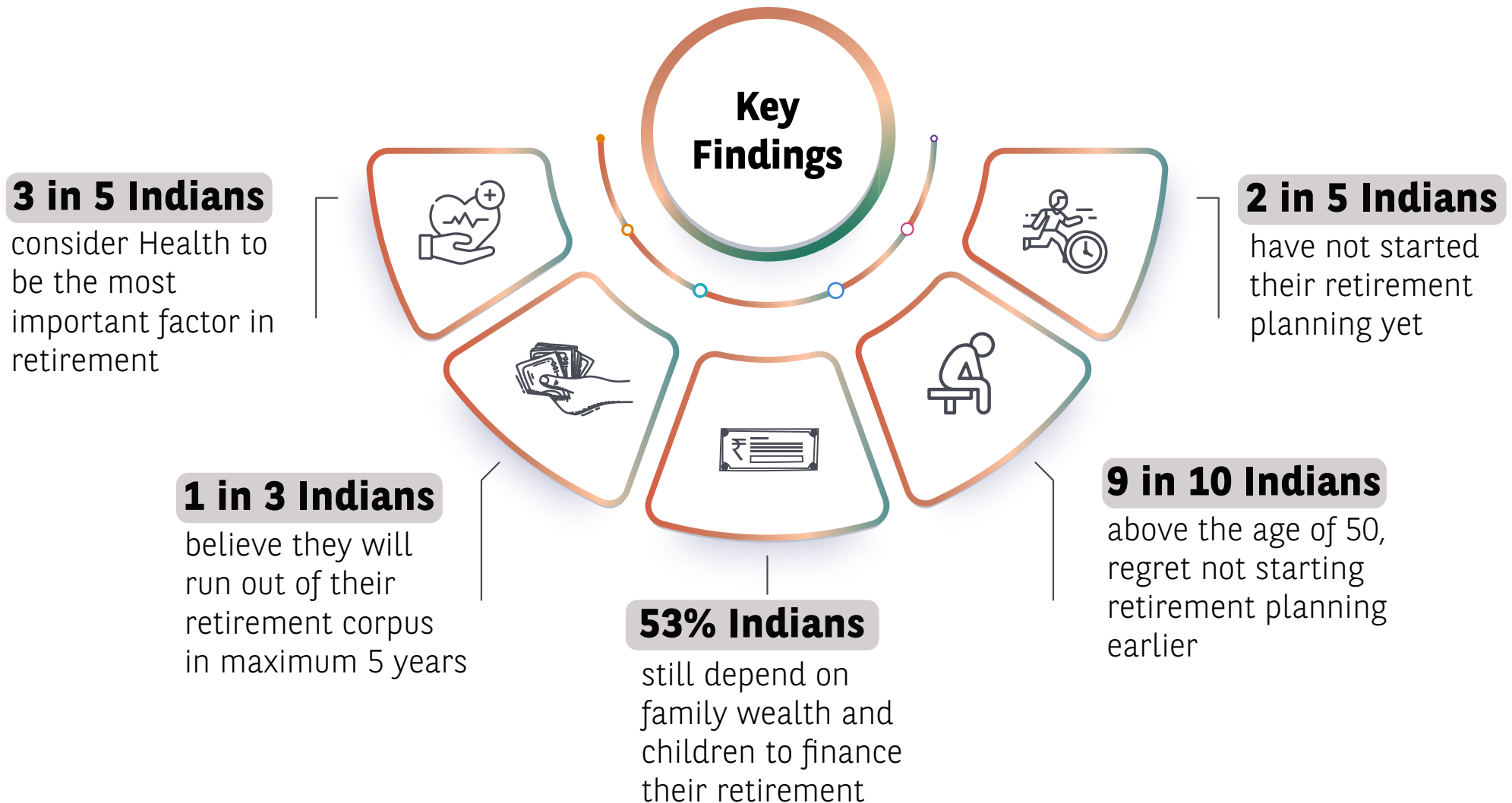
Early Retirement - Nearly 1 in 5 (18%) said not to assume you can work for as long as you would like.



Key Advice - Start early - The vast majority gave tried-and-true advice, including start saving early (63%), start planning early (41%), and don't live above your means (34%).

Looking at a retirement Survey in India...

Survey conducted in India, for 2,093 respondents across 28 cities in India.

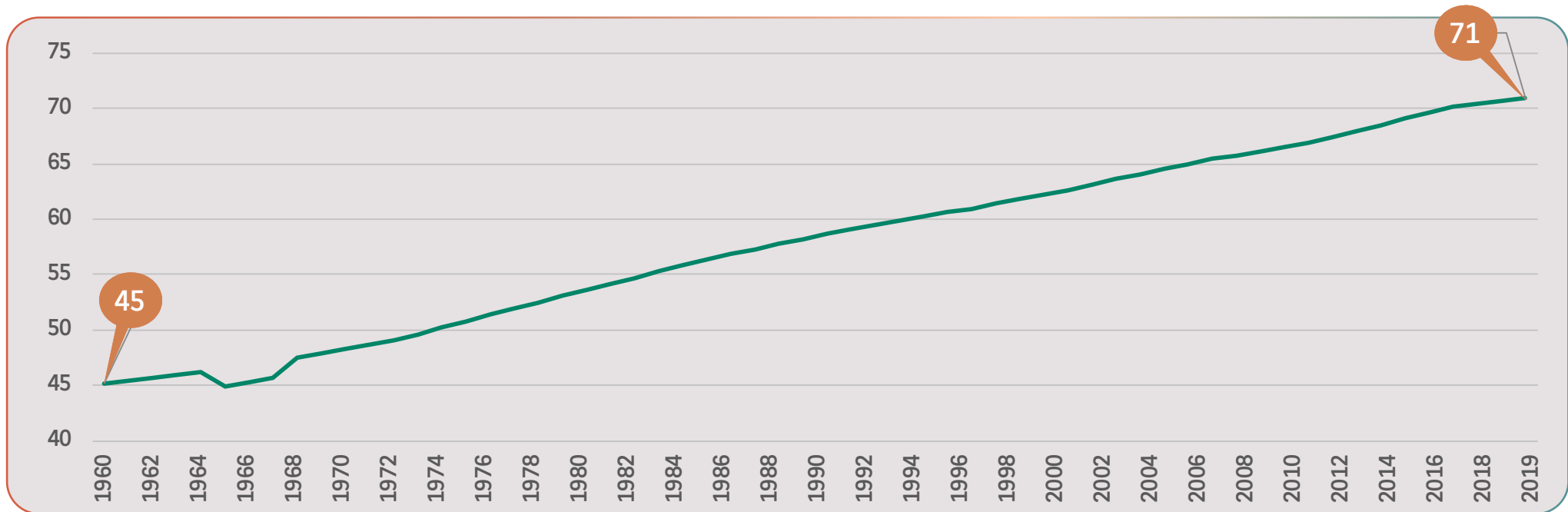




Are we prepared for retirement?

We are living longer..

Average Life Expectancy



- With development in science and technology, life expectancy has increased.
- Also, people start working later, reducing the working years.
- Key Risk – Outliving your finances!
- Having sufficient corpus is essential.

Social Structure is changing..

Change in Social Structure

Then



Joint Family

Now



Nuclear Family



No Kids



Single Parent

- Society safety norms of the family is affecting traditional family-based support system.
- Being dependent on kids post retirement is no longer an option.

Everyone wants a Happy Retirement

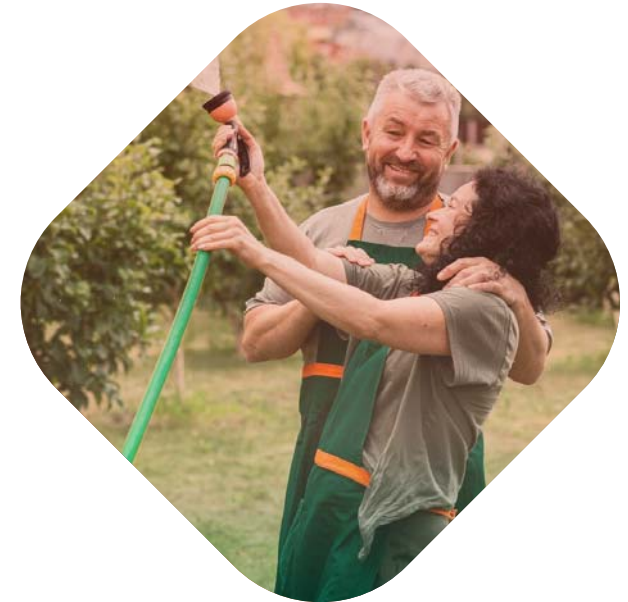
- Retirement is now considered as a new adventure, new innings where people want more out of life.



**Going for overdue
vacations**



**Catching up/
Socializing**

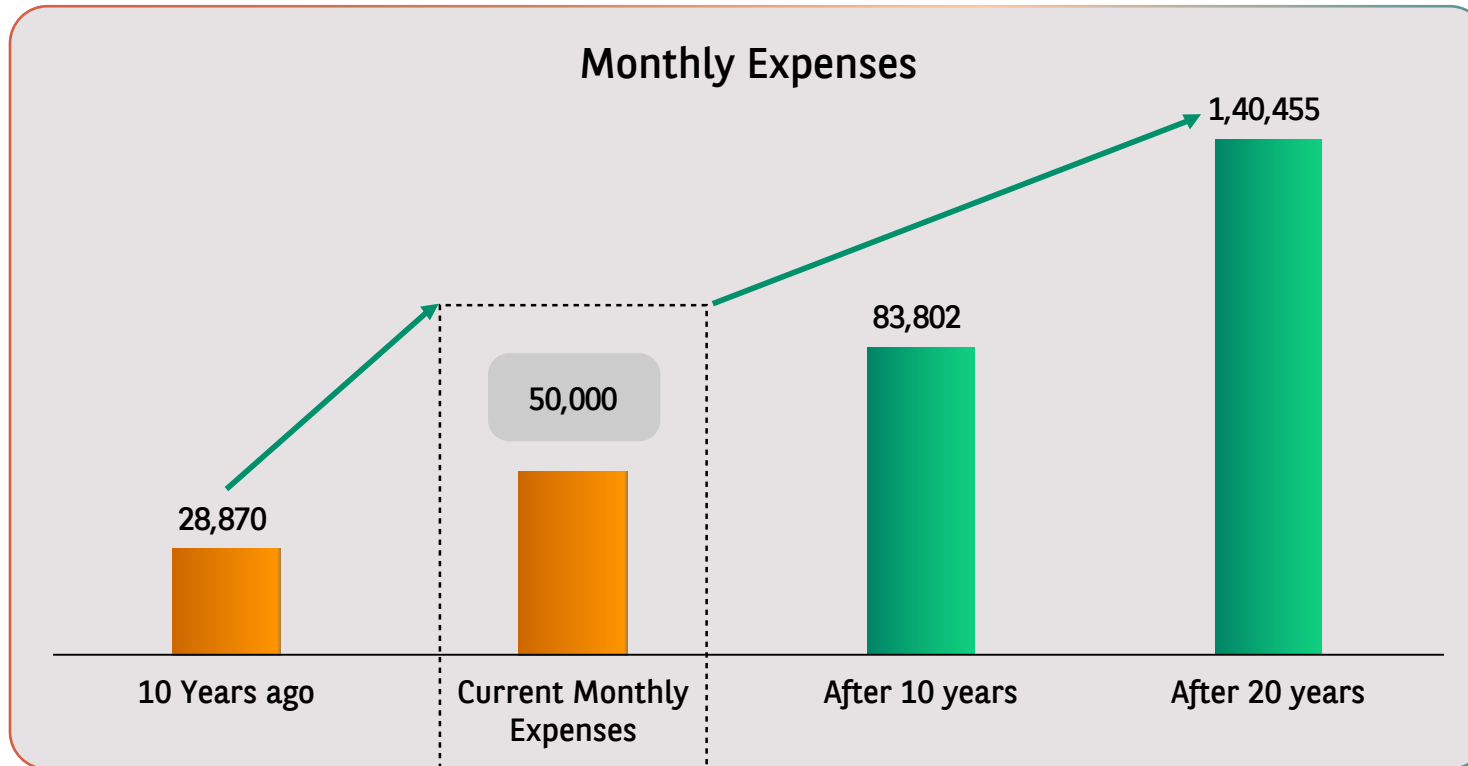


**Trying out new
things / hobbies**

Good quality life comes with a price tag. Hence planning for retirement is imperative.

But, Inflation Doesn't Retire..

Growth of Monthly Expenses



Date	Inflation CPI
31-Mar-14	8.3
31-Mar-24	4.9
Mar-34 E	5.3
Mar-44 E	5.3

- With inflation the purchasing power keeps on decreasing.
- Things that you could buy for Rs 29,000 in 2014, cost Rs 50,000 today
- And could grow to Rs 83,000 in next 10 years and Rs 1.4 lacs in next 20 years.

Data as of Mar-24 Source: Bloomberg and Internal Analysis. CPI inflation rate considered to calculate the future monthly expense amount. The expected inflation rate for Mar 34 and Mar 44 is assumed at 5.3% i.e. is 10-year average inflation. The above is based on our estimates and analysis and could change based on future market conditions, rate of inflation, political/economic environment etc.



Good News is that you can Plan
for your Retirement

Quick Guide to Retirement Planning

Phases of Retirement: Saving and Spending

Accumulation

Saving for retirement

- Net cash contribution
- Focus on asset growth
- Long-term investment horizon



Working Phase

Decumulation

Spending from savings

- Net cash drawdown
- Focus on return certainty
- Shorter investment horizon



Retirement Period

Retirement Planning: How Much to Save?

01

Determine your retirement age and life expectancy

Life expectancy estimates based on hereditary and medical history. Look at both aspirational as well as practical retirement age.

02

Determine monthly expenses

While some expenses like commuting, etc. may go down, expenses like medical may go up. Consider inflation to determine post retirement expenses.



How much to Save?

03

Determine your retirement corpus

Your retirement corpus should be enough to last you a lifetime. Don't forget to add uncertainty premium to prepare for life's mishaps. Don't forget, inflation does not retire.

04

Determine the monthly investment

Determine the monthly investment required today to reach your retirement goal.

Retirement Planning: How Much to Save?

Age and Number of Years		
1.	Current Age	40
2.	Retirement Age	58
3.	Life Expectancy (assumed)	80
	Working Years (2 -1)	18
	Retired Years (3-2)	22

- Consider aspirational retirement age too here.
- Small monthly SIP will help accumulate the corpus with ease.

Determining Monthly Expenses	
Current Monthly Expenses	₹50,000
Expected Post-Retirement Expenses [^]	₹40,000
Monthly expenses at the age of 58	₹101,338

Inflation & Interest Rates	
Inflation Rate (10 yr avg)	5.3%
Investment Rate	11.3%
Investment Rate post-retirement	7.2%
Real Rate (Post Retirement)	1.9%

Arriving at Retirement Corpus	
Retirement Corpus (In Crs)	₹2.2
10% Uncertainty Premium (In Crs)	₹0.2
Actual Retirement Corpus (In Crs)	₹2.4
Monthly SIP*	₹34,781

Data as of March 2024; Source: Internal Analysis. The expected inflation rate is at 5.3% i.e. is 10-year average inflation. The investment rates are assuming 75 % Equity and 25 % Debt and post retirement rate considered assuming 100% investment in debt. The above analysis is based on estimates and is for informational purposes; it can alter based on a person's age, investment style, risk appetite and market conditions. Kindly consult your investment advisor before investing.

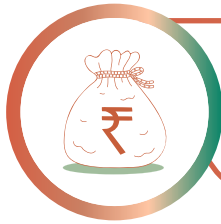
*SIP stands for Systematic Investment Plan.

[^] Post retirement expenses assumed to be 80% of the current expenses at current prices.



SIP - The wonder tool for retirement plan

Role of SIPs in Retirement Planning



Accumulate sizeable **Retirement Corpus** by investing **Small amounts regularly**.



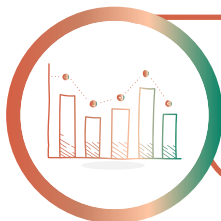
Convenience – One mandate is enough for all future SIPs.



Helps build **Discipline** in Investing.



Uses **Power of compounding**.



Rupee Cost Averaging Benefit to counter volatility - it **brings down the average cost** of your Investments

No Need to time the markets: Rupee cost averaging

- By investing fixed sums at regular intervals, you pick up more units when the prices are low and less units when the prices are high.
- This brings down the average cost of your units hence, there is no need to time the markets as you invest at predetermined intervals.

	Month 1	Month 2	Month 3
SIP Amount	₹10,000	₹10,000	₹10,000
NAV	₹100	₹70	₹120
Units	100	143	83

**Total Amount
Invested:**
Rs 30,000

**Total
Units:**
326.19

**Average
cost:**
96.67

**Total
Value:**
Rs. 31,531.75

The above graph is used to explain the concept of SIP and is for illustration purpose only and should not be used for development or implementation of an investment strategy. The SIP amount, tenure of SIP and expected rate of return are assumed figures for the purpose of explaining the concept of advantages of SIP investments. The actual result may vary from depicted results depending on scheme selected. **Past performance may or may not be sustained in the future.**

Starting early makes a BIG difference

Starting Age for Retirement Planning	Working Years	SIP Amount	Amount Accumulated (INR in Crs)
30	28	35,000	8.3
40	18	35,000	2.4
50	8	35,000	0.5

- The **earlier you start** investing, the **bigger amount** you could create.
- **The longer you stay** invested, the more you allow your investment to gain (power of compounding), thereby **accumulating a higher corpus**.
- **A delay of 10 years** can cause a **Rs 1.9 crores hole** in your retirement corpus!

Source: Internal. The growth rate considered is at 11.3% for investment in equity. The above table is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. The above analysis is based on estimates and is for informational purposes; it can alter based on a person's age, investment style, risk appetite and market conditions. Retirement needs may vary from person to person. Kindly consult your investment advisor before investing. The SIP amount, tenure of SIP and expected rate of return are assumed figures for the purpose of explaining the concept of advantages of SIP investments. The actual result may vary from depicted results depending on scheme selected. **Past performance may or may not be sustained in the future.**



Introducing...

Baroda BNP Paribas Retirement Fund

(An open-ended retirement solution-oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))

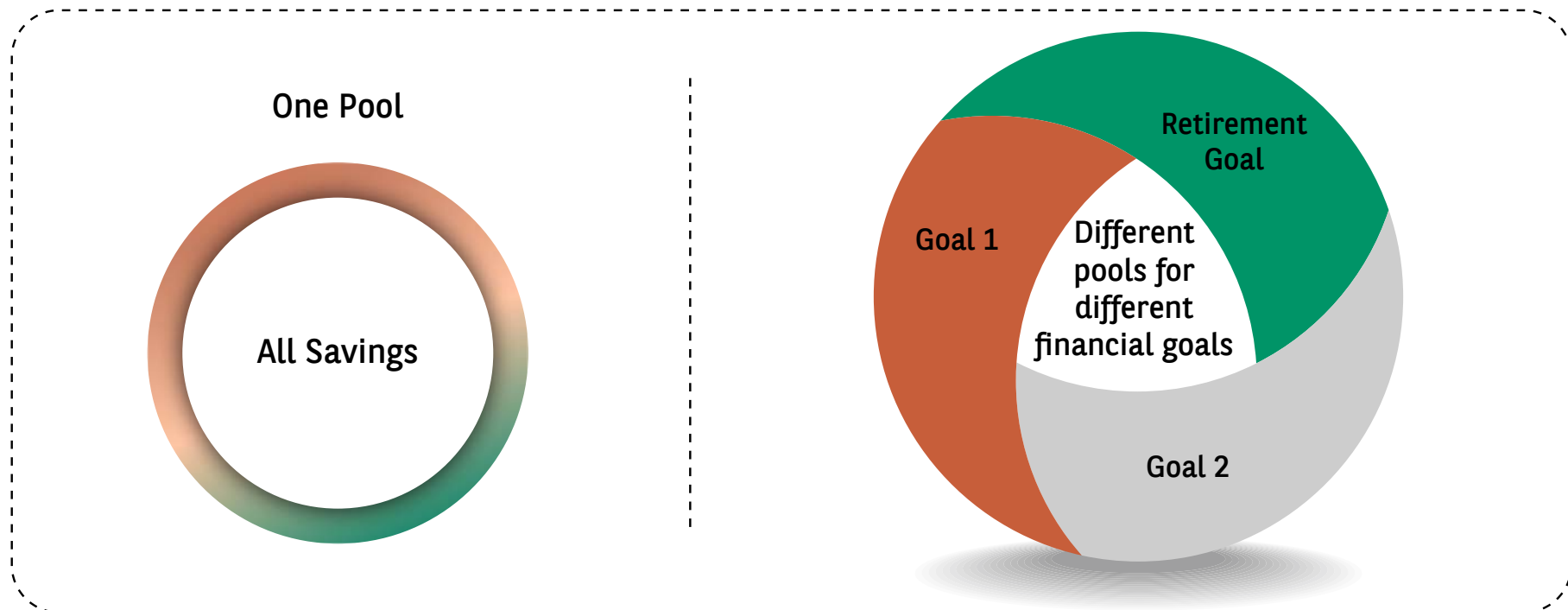
Key Features of the Fund

- **A solution for your retirement needs:** The Baroda BNP Paribas Retirement Fund aims to create steady source of revenue and financial security for investors after they retire.
- The fund will invest in both equity (65% to 80%) and fixed income securities (20% to 35%) thus providing **diversification and asset allocation benefits**.
 - **Equity Allocation:** the fund will aim to hold stocks which have high growth potential over long term.
 - **Fixed Income Allocation:** the fund will aim to hold well-managed, good quality companies with above average growth prospectus.
- **Auto SWP** option helps you invest and forget and directly enjoy annuity on retirement.
- The fund comes with a lock in period of either 5 years or till attainment of retirement age i.e. 58 years (whichever is earlier). **The lock-in period helps investors stay true to their retirement goal.**

Why invest in a Retirement Fund?

Goal-based approach to retirement planning:

- Different goals have varying time horizons and needs.
- Instead of putting all belongings in one investment pool, it is better to have different corpuses for different goal.

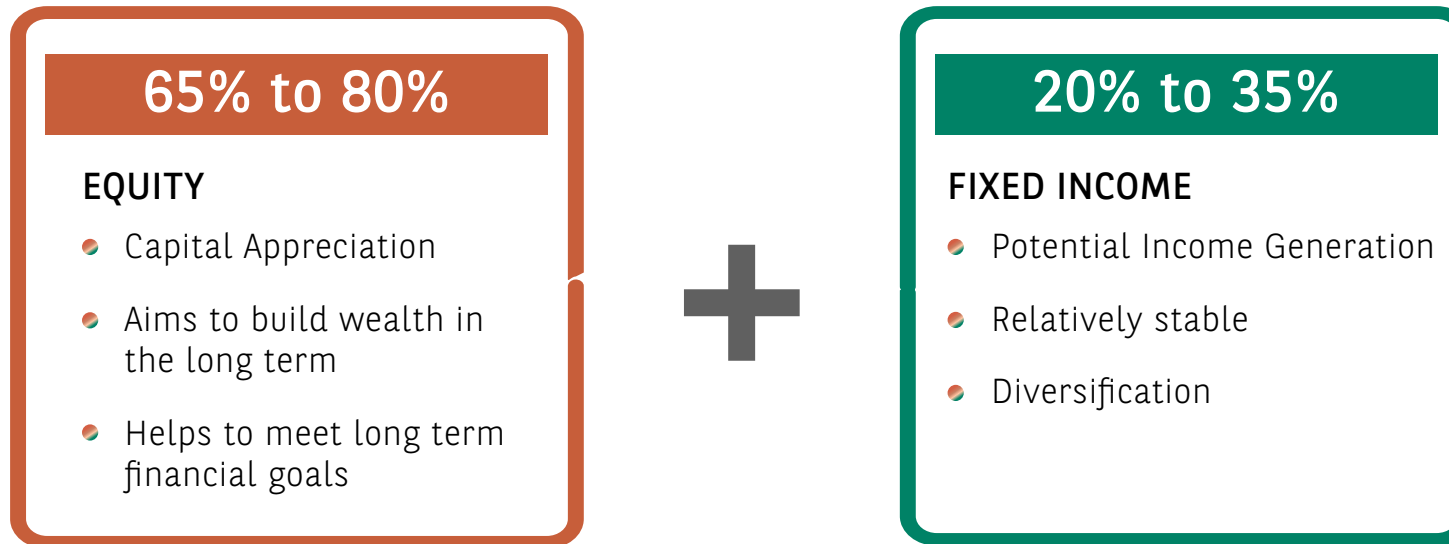


Other Benefits:

- 5-year lock-in builds discipline in investing.
- More clarity and focus as you are concerned with one financial goal at a time - retirement.

Hybrid Portfolio: Combining Income & Growth

A combination of Asset Classes aims to achieve optimized risk returns

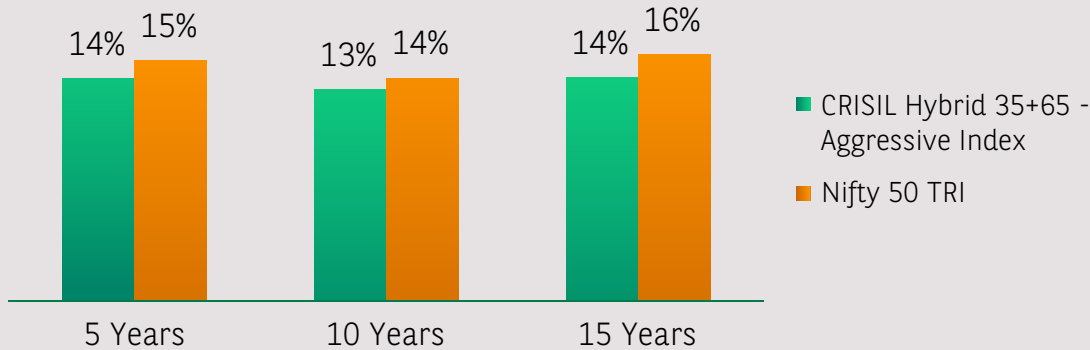


- Equity Allocation helps capture growth and beat inflation.
- Fixed income provides regular income and relative stability.
- Tax efficient as subject to equity taxation.
- No market cap/ sector bias in equity.
- High quality papers in fixed income.

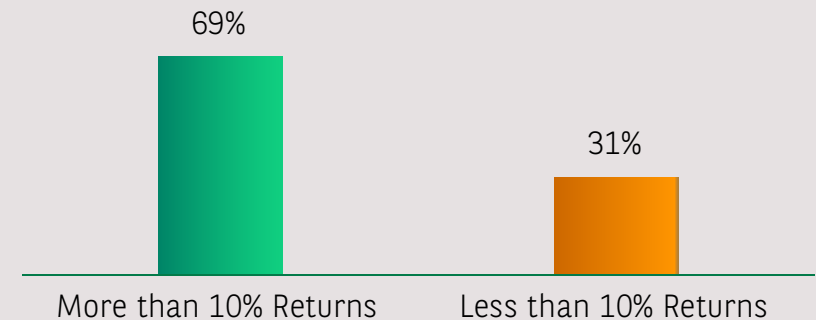
Detailed asset allocation available on slide no. 29. For further details on asset allocation, investment strategy and risk factors of the Scheme please refer to SID available on our website (www.barodabnpparibasmf.in). Asset allocation stated above may change from time to time within the overall asset allocation mentioned in the SID and shall be in accordance with the investment objective and strategy stated in the SID of the scheme.

Equity & Fixed Income: A winning combination

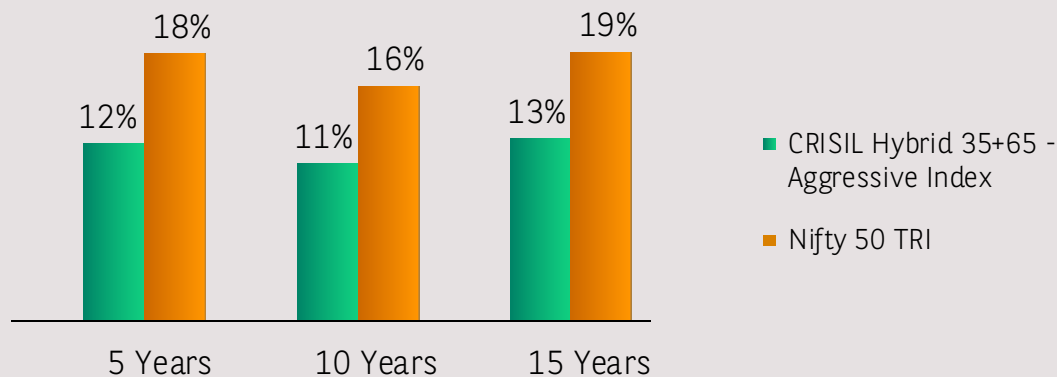
Returns across various periods[^]



Returns Distribution: 5 yr Rolling CAGR*



Volatility across various periods[^]

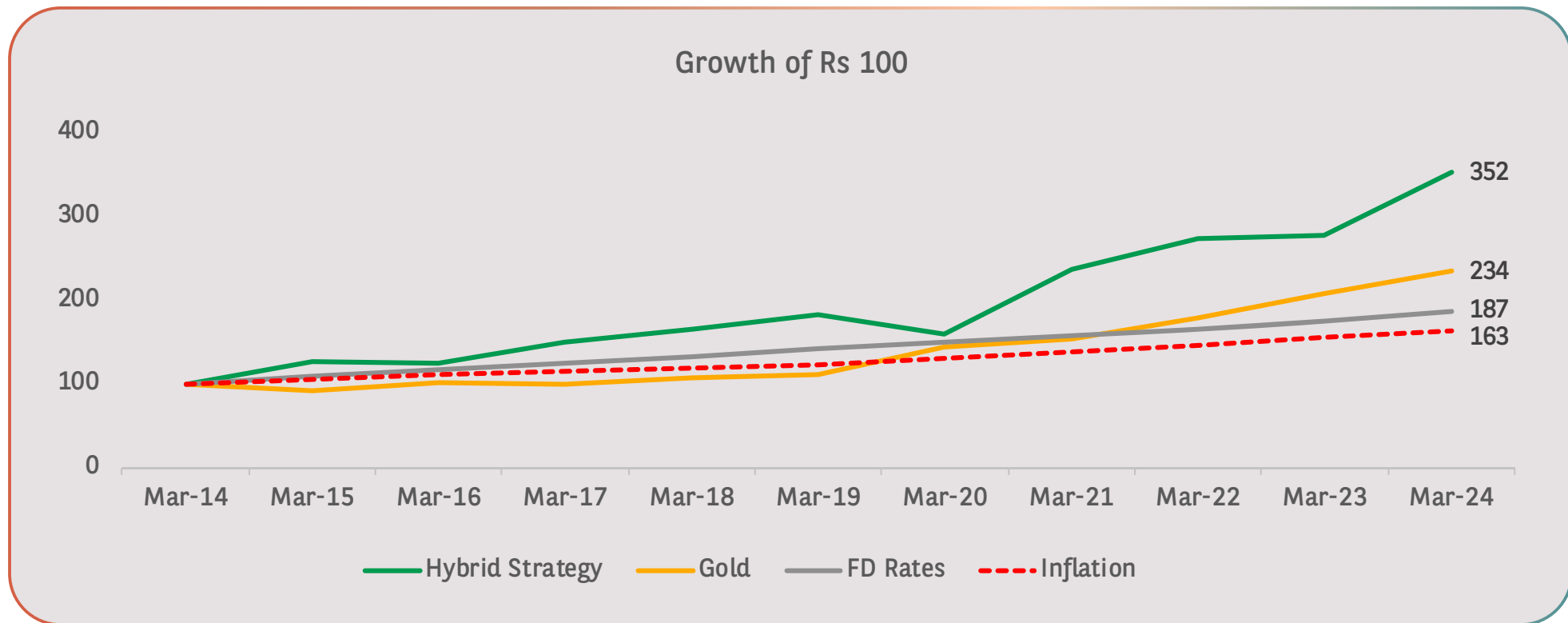


- Hybrid strategy aims to provide returns equivalent to equity but at a lower volatility.
- Historically, Hybrid strategy has provided superior risk adjusted returns.
- 69% of times the hybrid strategy has given more than double digit returns.

Data as on 31st March 2024. Source: AMFI, MFI and Internal.

[^] Returns for 5,10 and 15 years are on point to point CAGR (Compounded Annual Growth Rate). Risk Adjusted returns refers to the returns for per unit of volatility. *For 5 year rolling returns, daily 5 years rolling returns have been considered from 1st April 2010 till 31st March 2024. Rolling returns based on CRISIL Hybrid 35+65 - Aggressive Index. **Past performance may or may not be sustained in the future.**

Hybrid Strategy: Suitable for Retirement Goals



- Investment in **Hybrid Strategy** 10 years ago would have grown **3.5x times**.
- The same in FDs would have grown only **1.9x times**.
- Expense as depicted by inflation would **have grown 1.6x times**.

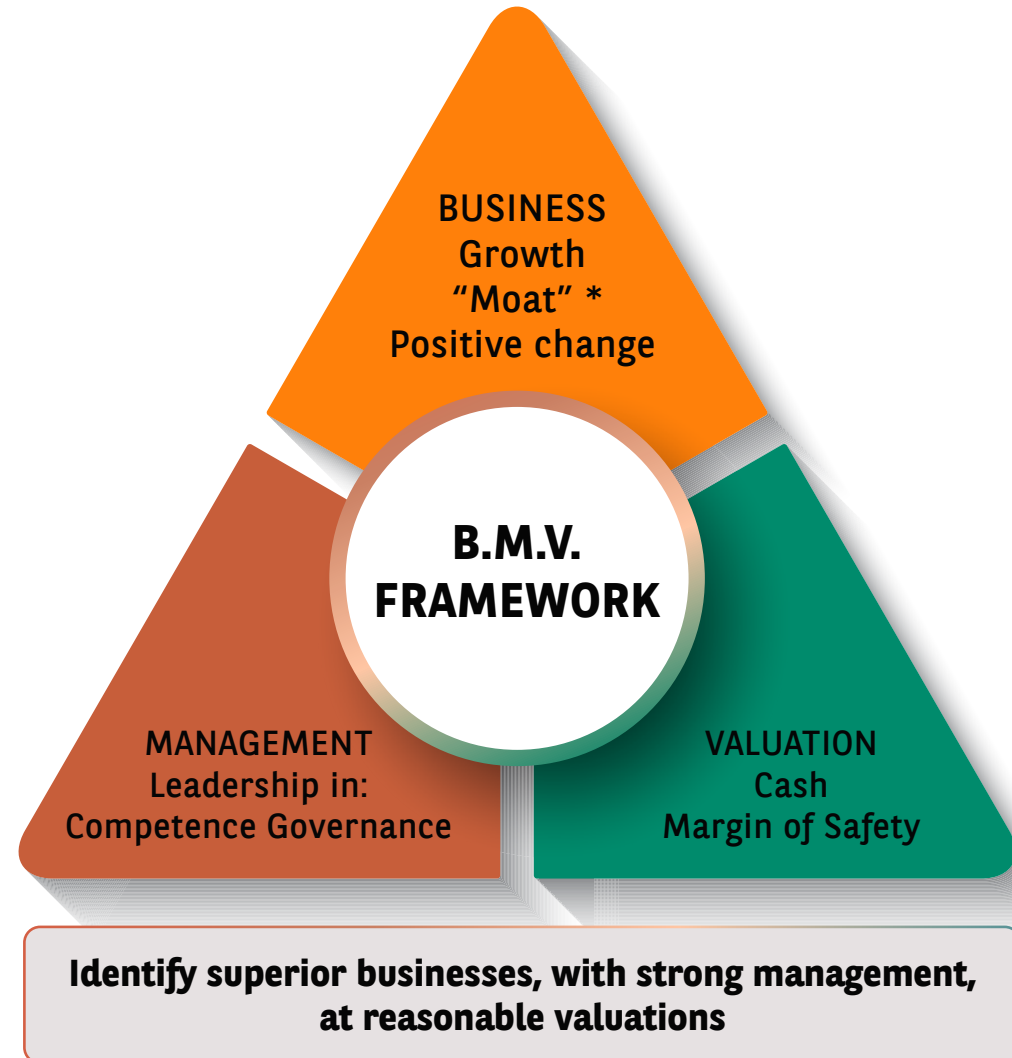
Data from 31st March 2013 till 31st March 2024. Source: MFI, RBI, Bloomberg and Internal
CRISIL Hybrid 35+65 - Aggressive Index represents Hybrid strategy of 65% Equity and 35% Debt Strategy. CPI inflation used to represent inflation. MCX spot gold prices for used to denote gold value. Taken average FD rates of largest top 5 banks as published by RBI. Financial year end values have been considered. **Past performance may or may not be sustained in the future.** The above data is for illustration purpose only and should be construed as investment advice. Kindly consult your investment advisor before investing

Investment Strategy: Equity

Investment Strategy:

- Picking stocks with high growth potential.
- Diversified portfolio.
- No sector bias.
- Investing across market caps.
- Top down for selecting sectors and bottom-up approach while selecting stocks.

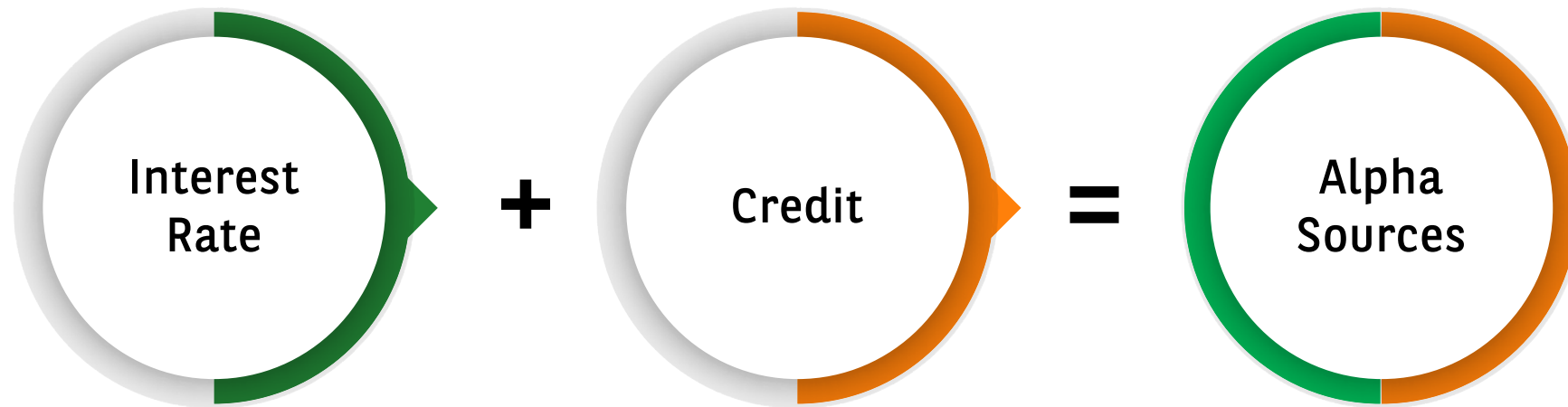
Broad factors considered: BMV Framework



*Moat means a sustainable competitive advantage

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

Investment Strategy: Fixed Income



Duration Management

(Yield curve - Steep,
Flat or Inverted)

and Asset Allocation

(spread over Govt. bond,
spread over term premium)

Credit Allocation

High Quality Credit

- Reliance on Duration Management and Asset Allocation relative to Credit Allocation.
- Forming an Interest Rate view remains core to our investment thesis.
- Focus will be on AA rated and higher, Sovereign and Leadership Businesses.
- Avoid High geared companies/sectors.
- Emphasis on the importance of security selection and portfolio construction.

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).

Who can Invest ?



In a Nutshell



Plan Early



Invest consistently



Retire Peacefully

Investment needs may vary from person to person depending upon current age, investment style, risk appetite etc. Kindly consult your investment advisor before investing.

Hassle free Annuity: Auto SWP Feature

SWP - Aims to provide a regular inflow of money to investors (monthly or quarterly) by automatic redemption of units in staggered manner on attaining of retirement age i.e. 58 years.

Regular Revenue Source

Auto SWP can provide regular income source on retirement.



Convenience

One form to help you invest and forget. No need to buy separate annuity.

Fund Facts

Scheme Name	Baroda BNP Paribas Retirement Fund																			
Scheme Type	An open-ended retirement solution-oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier)																			
Category	Solution Oriented – Retirement Fund																			
Investment Objective	The primary investment objective of the scheme is to generate income and capital appreciation by investing in a diversified portfolio of equity and equity related instruments and fixed income instruments with a view to provide a retirement solution to investors.																			
Asset Allocation	<table border="1"> <thead> <tr> <th>Type of Instrument</th> <th>Minimum (% of Net Assets)</th> <th>Maximum (% of Net Assets)</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Equity & Equity related instruments ^</td> <td>65</td> <td>80</td> <td>High</td> </tr> <tr> <td>Debt* & Money Market instruments and/or units of Mutual Fund</td> <td>20</td> <td>35</td> <td>Low to Medium</td> </tr> <tr> <td>Units issued by REITs & INVITs</td> <td>0</td> <td>10</td> <td>Medium to High</td> </tr> </tbody> </table>	Type of Instrument	Minimum (% of Net Assets)	Maximum (% of Net Assets)	Risk Profile	Equity & Equity related instruments ^	65	80	High	Debt* & Money Market instruments and/or units of Mutual Fund	20	35	Low to Medium	Units issued by REITs & INVITs	0	10	Medium to High			
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<p>^The Scheme may invest upto 50% of equity assets in equity derivative 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.</p> <p>*Debt instruments may include securitized debt upto 20% of the debt portfolio of the scheme. Debt instruments also include debt derivative instruments include Interest Rate Swaps, Interest Rate Forwards, Interest Rate Futures, Forward Rate Agreements and any such other derivative instruments permitted by SEBI/RBI from time to time. For further details on asset allocation, please refer to SID available on our website (www.barodabnpparibasmf.in).</p>																				
Benchmark	CRISIL Hybrid 35+65 - Aggressive Index																			
Fund Manager~	Mr. Pratish Krishnan (Equity Portion); Mr. Mayank Prakash (Debt Portion)																			
Load Structure	Entry Load: NA Exit Load: NIL																			
Minimum Amount for Application during the NFO & Ongoing	<p>A minimum of Rs. 1,000 per application and in multiples of Rs.1.</p> <ul style="list-style-type: none"> Minimum Additional Application Amount: Rs. 1,000 and in multiples of Rs. 1 thereafter. <p>SIP Details: Minimum Application Amount -</p> <ul style="list-style-type: none"> (i) Daily, Weekly, Monthly SIP: Rs. 500/- and in multiples of Rs. 1/- thereafter; (ii) Quarterly SIP: Rs. 1500/- and in multiples of Rs. 1/- thereafter. 																			

~Dedicated Fund Manager for Overseas Investments: Mr. Miten Vora



**Age is mind over matter.
If you don't mind,
it doesn't matter**

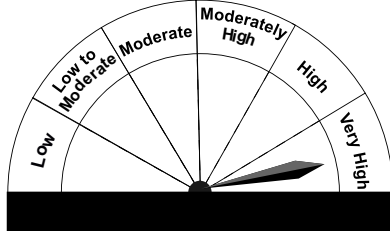
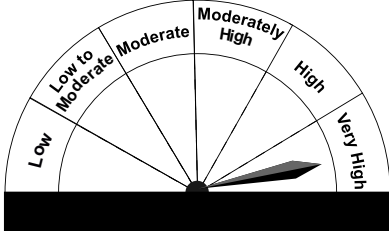
-Mark Twain

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.

This product is suitable for investors who are seeking*:	Risk-o-meter for the Scheme^^	Benchmark Riskometer# CRISIL Hybrid 35+65 - Aggressive Index
<ul style="list-style-type: none"> • Capital appreciation and Income generation over long term. • Investment in diversified portfolio of equity & equity related securities and fixed Income securities. 	 <p>Investors understand that their principal will be at Very High Risk</p>	 <p>Benchmark riskometer is at Very High Risk</p>

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

^^The riskometer assigned is based on internal assessment of the scheme characteristics and the same may vary post NFO when actual investments are made. #Benchmark riskometer is as on 31st March 2024.

Offer of units at Rs. 10 each during the New Fund Offer period and continuous offer for units at NAV based prices.

Disclaimers

In the preparation of the material contained in this document, Baroda BNP Paribas Asset Management India Ltd. ("AMC") (formerly BNP Paribas Asset Management India Private Limited) has used information that is publicly available, including information developed in-house. The AMC, however, does not warrant the accuracy, reasonableness and/or completeness of any information. This document may contain statements/opinions/recommendations, which contain words, or phrases such as "expect", "believe" and similar expressions or variations of such expressions that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, etc. The AMC (including its affiliates), Baroda BNP Paribas Mutual Fund ("Mutual Fund"), its sponsor / trustee and any of its officers, directors, personnel and employees, shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this document in any manner. The recipient alone shall be fully responsible / liable for any decision taken based on this document. All figures and other data given in this document are dated and may or may not be relevant at a future date. Prospective investors are therefore advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implications or consequences of subscribing to the units of the schemes of Baroda BNP Paribas Mutual Fund. Past performance may or may not be sustained in the future. Please refer to the Scheme Information Document of the schemes before investing for details of the scheme including investment objective, asset allocation pattern, investment strategy, risk factors and taxation.

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