



Surf through Markets with Ease.

Invest in Baroda Dynamic Equity Fund

(An open ended dynamic asset allocation fund)

New Fund Offer period: October 22, 2018 to November 02, 2018

Equity markets over a period of time have built an established track record of wealth creation and delivered better returns than most other asset classes but often come with volatility which deter investors from investing. In turbulent times, usually the investor reacts based on the emotions and ends up selling all the holdings, instead of accumulating them at lower levels.

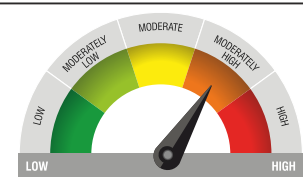
In order to help you steer through this volatility & help you achieve your financial goals, a tailor-made solution for all market times – **Baroda Dynamic Equity Fund**. The fund is an open-ended dynamic asset allocation fund which primarily invests in a portfolio of equity & equity linked securities with the primary aim to generate capital appreciation & secondary objective to generate income through investments in debt & money market instruments.

This fund is designed in such a way, that it equips the Fund Manager construct his portfolio based on a Proprietary model which predicts the equity allocation to be made in a disciplined manner, irrespective of the market scenario, thereby reducing the element of human bias. This strategy aids in participating in the long-term growth potential of

equities, however, with significantly lower volatility. The risk is managed by investing in equities, based on asset allocation wherein equity exposure is increased when the markets are at a low, & reduces exposures when the valuations are high. As a result, it surfs through the markets with ease & attempts to create wealth over a period of long term.

Advantages of investing in Baroda Dynamic Equity Fund

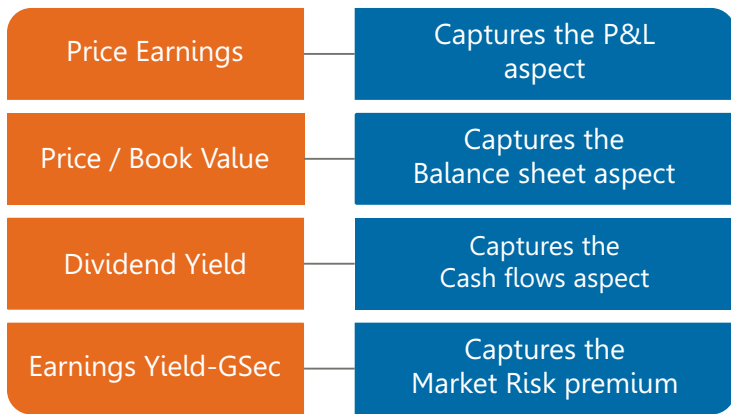
- No need to time the markets
- Thrifty investing style
- Elimination of Human bias during investing
- Multi-Parameters strategy used for deciding the equity allocation
- Reduced risk through Dynamic Asset Allocation
- Monthly rebalancing
- Downside protection through diversification
- Tax efficient returns

| | |
|--|---|
| <p>Riskometer</p>  <p>LOW MODERATELY LOW MODERATE MODERATELY HIGH HIGH</p> <p>Investors understand that their principal will be at Moderately High risk</p> | <p>This product is suitable for investors who are seeking:</p> <p>Capital appreciation over medium to long term</p> <p>Investment in equity and equity linked securities as well as debt and money market instruments while managing risk through active asset allocation</p> |
|--|---|

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



Proprietary Model



These 4 parameters are compared to their historical 5 yr averages. The gross equity exposure will be maintained in the range of 65% to 100% while the net equity exposure will be maintained between 30% to 100%. The difference between gross and net variation would generally be invested in arbitrage or in arbitrage equity mutual funds. The exposure to Debt & Money Market Instruments including cash and cash equivalents will be maintained in the range of 0% to 35%.

Performance: Model v/s BSE 100 Index



Source: Internal research, Bloomberg. Disclaimer: The data of the model is as per our back-tested internal calculation. This is an illustration to highlight the functioning of the model. The performance is gross of expenses. Past performance is no guarantee for future return. Data as on 25th September 2018

The model has beaten the market in most of the market conditions except in situation when the markets have risen sharply in a short period of time.

Scenario Analysis Across Market Phases

| Market Scenario | Period | Returns (Absolute) | | Out / Under Performance |
|-----------------|-----------------|--------------------|-------|-------------------------|
| | | BSE 200 | Model | |
| Sharp Downfall | Jan-08 - Mar-09 | -64% | -36% | 👍 |
| Sharp Upmove | Apr-09 - Nov-10 | 116% | 78% | ✖ |
| Downfall | Nov-10 - Dec-11 | -29% | -18% | 👍 |
| Upmove | Dec-11 - Jul-13 | 29% | 28% | 👍 |
| Range Bound | Dec-10 - Feb-14 | -1% | 12% | 👍 |
| Across markets | Jan-08 - Sep-18 | 75% | 194% | 👍 |

Source: Internal research, Bloomberg. Disclaimer: The data of the model is as per our back-tested internal calculation. This is an illustration to highlight the functioning of the model. Past performance is no guarantee for future return. Data as on 25th September 2018. The model has considered the 10 yr G-Sec as a benchmark for risk free returns in the debt category

The Model limits your downside during a sharp downward market movement and has out performed in a Range bound market scenario

Fund Facts:

- **Type** - An open-ended Dynamic Asset Allocation Fund
- **Benchmark** - 50% BSE 200 & 50% CRISIL Short Term Bond Fund Index
- **Asset Allocation**

| Instruments | Indicative Allocations (% of total assets) | | Risk Profile |
|------------------------------------|--|---------|----------------|
| | Minimum | Maximum | |
| Equity & equity related securities | 65 | 100 | Medium to High |
| Debt and money market instruments* | 0 | 35 | Low to Medium |
| Units issued by REITs & InvITs | 0 | 10 | Medium to High |

Gross equity exposure will be maintained between 65% to 100% and the net long equity exposure will be between 30% to 100%. The Scheme may take derivatives positions up to 50% of the net assets of the Scheme, based on the opportunities available, which may be taken to hedge or rebalance the portfolio, or undertake other strategy as permitted under the Regulations. The Scheme may invest in Foreign Securities including ADRs/GDRs upto 10% of its net assets subject to SEBI guidelines. The cumulative gross exposure through equity, debt, derivative positions, REITs and InvITs shall not exceed 100% of the net assets of the Scheme. The Scheme will not invest in foreign securitized debt. The Scheme may engage in stock lending to the extent of 20% of the net assets of the Scheme. *Investment in securitized debt will not exceed 10% of the net assets of the Scheme.

- **Options**
Growth & Dividend (Payout & Reinvestment)
- **Min Application amount**
Lumpsum – Rs. 5,000 & multiples of Re. 1 thereafter
SIP – Rs. 500 for a min. of 12 months or Rs. 1500 for a min. of 4 quarters
- **Exit Load**
 - If units are redeemed upto 10% of the units, on or before one year from the date of allotment : Nil;
 - If units are redeemed over and above the 10% limit, on or before one year from the date of allotment : 1% of the applicable Net Asset Value (NAV);
 - If units are redeemed after one year from the date of allotment: Nil
- **Fund Managers**
Sanjay Chawla (Equity) & Alok Sahoo (Fixed Income)

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BARODA PIONEER MUTUAL FUND



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