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## Bandhan Balanced Advantage Fund<sup>\$</sup>

An open ended dynamic asset allocation fund

(Formerly known as IDFC Balanced Advantage Fund)

### FUND PHILOSOPHY\*

Bandhan Balanced Advantage Fund is a hybrid fund with active equity allocation changing based on the trailing P/E of Nifty 50 index. The fund has a pre-defined model which indicates the range of active equity allocation based on P/E levels, and there are 6 different range of equity allocation possible. Higher the P/E band, lower will be the active equity allocation and vice versa.

Change of bands happen once a month while changes within the band happen dynamically on a day to day basis. The active equity portfolio is managed like a diversified fund. Active stock selection philosophy combines quality stocks with good growth potential. The quality filters for the fund are – conversion of EBIDTA to operating cash – OCF as % of EBIDTA > 33%; Moderate leverage: Debt EBIDTA <3x; Profitability: EBIDTA / Net operating Assets >30%. Thus, companies which qualify these parameters and have higher visibility of growth versus peers will form the core portfolio. Depending on P/E levels, the fund can have more large or mid/small cap names. The fund will also use Nifty futures to dynamically manage active equity allocation within a month.

The debt portion of the fund is actively managed. The portfolio emphasizes on maintaining high credit quality and currently has 100% in AAA or equivalent instruments. Further the portfolio is oriented towards short-to-medium duration strategies.

### OUTLOOK

#### How it went:

Global equities were in red and have corrected across geographies (MSCI World -2.6% MoM / +14.7% CYTD). India delivered -2% MoM returns (+5.3% CYTD), outperforming the Emerging markets, which declined -6.4% MoM (+2.5% CYTD). August saw continued outperformance of the small/midcap space over large caps. The small cap indices have rebounded more than 40% since the March bottom.

#### How do we look ahead:

The combination of domestic and global liquidity combined with a resilient economy and corporate earnings profile provides strong market tailwinds. Overall, we are overweight on domestic sectors like Auto, Industrials, etc., but valuations have become rich, and we are heading into the election period; hence, we must carefully manage the domestic cyclical part of the portfolios. While small caps may see a tactical correction from a medium to long-term perspective, we see interesting opportunities in the space given the country's healthy economic growth, vibrant corporate sector and strong domestic liquidity.

#### Fund Features:

(Data as on 31st August'23)

**Category:** Dynamic Asset Allocation or Balanced Advantage

**Monthly Avg AUM:** ₹ 2,362.00 Crores

**Inception Date:** 10th October 2014

**Fund Managers: Equity Portion:** Mr. Sachin Relekar (w.e.f. 1st March 2022), Mr. Sumit Agrawal (w.e.f. 01st March 2017) & Mr. Vishal Biraia (w.e.f. 19th June 2023).

**Debt Portion:** Mr. Brijesh Shah (w.e.f. 16th July 2022) Ms. Nishita Shah will be managing for Equity overseas investment portion of the scheme & Mr. Sreejith Balasubramanian will be managing overseas for Debt investment portion of the scheme.

**Other Parameter:**

**Standard Deviation (Annualized):** 6.98%

**Modified Duration:** 2.09 years\*

**Average Maturity:** 2.56 years\*

**Macaulay Duration:** 2.18 years\*

**Yield to Maturity:** 7.25%\*

\*Of Debt Allocation Only

**Benchmark:** NIFTY 50 Hybrid Composite debt 50:50 Index (w.e.f. 1st Dec, 2021)

**Asset allocation:**

**Gross Equity<sup>^</sup> (Including Arbitrage):** 68.53%

**Debt:** 31.47%

**Net Equity:** 46.86%

**Market Cap Split:**

**Large Cap:** 81.99%

**Mid and Small Cap:** 18.01%

**Minimum Application Amount:** ₹ 1,000/- and any amount thereafter.

**Exit Load:** In respect of each purchase of Units:

- For 10% of investment: Nil

- For remaining investment: 1% if redeemed/switched out within 1 year from the date of allotment (w.e.f. July 5, 2017)

**SIP Dates : (Monthly/Quarterly)** Investor may choose any day of the month except 29th, 30th and 31st as the date of installment.

**Options Available:** Growth, IDCW<sup>®</sup> (Payout, Reinvestment and Sweep (from Equity Schemes to Debt Schemes only))

**SIP (Minimum Amount):** ₹100/- (Minimum 6 instalments)

PLAN	IDCW <sup>®</sup> RECORD DATE	₹/UNIT	NAV
REGULAR	29-Mar-23	0.15	12.2940
	29-Dec-22	0.16	12.8840
	29-Sep-22	0.12	12.7990
DIRECT	29-Mar-23	0.17	13.7110
	29-Dec-22	0.18	14.3210
	29-Sep-22	0.15	14.1780

<sup>®</sup>Income Distribution cum capital withdrawal

Debt portion: Mr. Arvind Subramanian managed this scheme up to 15th July, 2022.

<sup>\$</sup>With effect from 13th March 2023, the name of "IDFC Balanced Advantage Fund" has changed to "Bandhan Balanced Advantage Fund"

The above mentioned is the current strategy of the Fund Manager. However, asset allocation and investment strategy shall be within broad parameters of Scheme Information Document.

Ratios calculated on the basis of 3 years history of monthly data. Face Value per Unit (in ₹) is 10

Income Distribution cum capital withdrawal is not guaranteed and past performance may or may not be sustained in future. Pursuant to payment of Income Distribution cum capital withdrawal, the NAV of the scheme would fall to the extent of payout and statutory levy (as applicable).

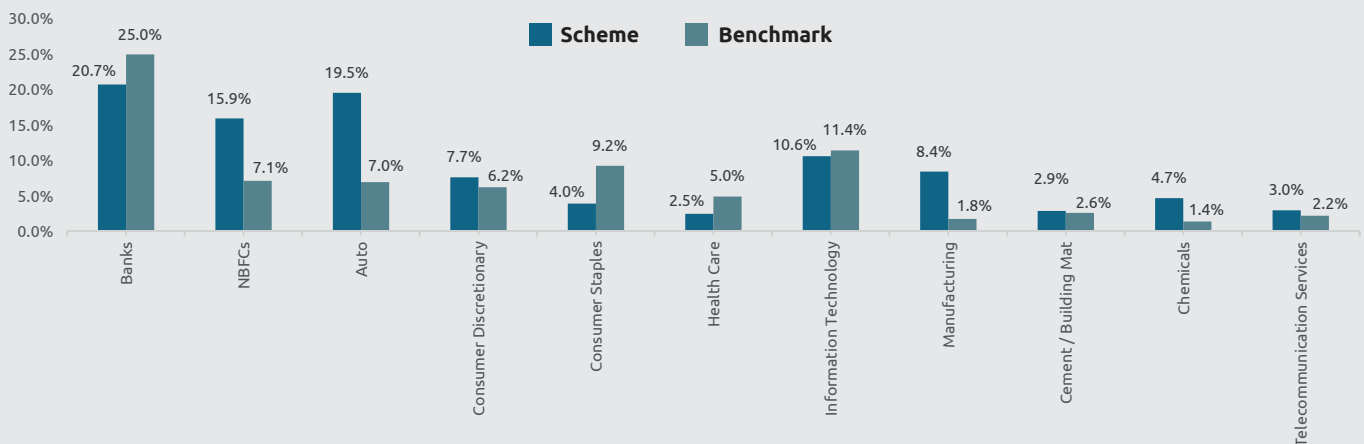
# PORTFOLIO

(31 August 2023)



Name of the Instrument	Ratings	% to NAV	Name of the Instrument	Ratings	% to NAV
<b>Equity and Equity related Instruments</b>		<b>68.53%</b>	Data Patterns (India)		1.20%
<b>Net Equity Exposure</b>		<b>46.86%</b>	Bharat Electronics		0.17%
<b>Banks</b>		<b>9.69%</b>	<b>Healthcare Services</b>		<b>1.18%</b>
ICICI Bank		9.42%	Apollo Hospitals Enterprise		1.18%
ICICI Bank - Equity Future		-4.37%	<b>Diversified FMCG</b>		<b>0.93%</b>
HDFC Bank		6.10%	Hindustan Unilever		2.10%
HDFC Bank - Equity Future		-2.18%	Hindustan Unilever - Equity Future		-1.17%
IndusInd Bank		1.32%	ITC		0.47%
IndusInd Bank - Equity Future		-1.32%	ITC - Equity Future		-0.47%
Kotak Mahindra Bank		1.03%	<b>Food Products</b>		<b>0.70%</b>
Kotak Mahindra Bank - Equity Future		-1.04%	Nestle India		0.70%
Axis Bank		0.74%	<b>Fertilizers &amp; Agrochemicals</b>		<b>0.39%</b>
State Bank of India		0.40%	PI Industries		0.76%
State Bank of India - Equity Future		-0.40%	PI Industries - Equity Future		-0.37%
<b>Finance</b>		<b>7.44%</b>	<b>Beverages</b>		<b>0.20%</b>
Bajaj Finance		4.85%	United Spirits		0.99%
Cholamandalam Invnt and Fin Co		3.64%	United Spirits - Equity Future		-0.99%
Bajaj Finserv		0.05%	Varun Beverages		0.21%
Bajaj Finance - Equity Future		-1.10%	<b>Personal Products</b>		<b>0.02%</b>
<b>IT - Software</b>		<b>4.98%</b>	Godrej Consumer Products		1.65%
Infosys		4.61%	Godrej Consumer Products - Equity Future		-1.63%
Infosys - Equity Future		-1.47%	<b>Pharmaceuticals &amp; Biotechnology</b>		<b>0.001%</b>
Tata Consultancy Services		1.86%	Lupin		0.13%
Tata Consultancy Services - Equity Future		-0.78%	Lupin - Equity Future		-0.14%
Mphasis		1.05%	Sun Pharmaceutical Industries		0.04%
Mphasis - Equity Future		-0.29%	Sun Pharmaceutical Industries - Equity Future		-0.04%
Tech Mahindra		0.51%	Divi's Laboratories		0.02%
Tech Mahindra - Equity Future		-0.51%	Divi's Laboratories - Equity Future		-0.02%
<b>Automobiles</b>		<b>4.80%</b>	<b>Realty</b>		<b>-0.001%</b>
Tata Motors		1.83%	DLF		0.12%
Mahindra & Mahindra		1.63%	DLF - Equity Future		-0.12%
TVS Motor Company		1.34%	<b>Petroleum Products</b>		<b>-0.002%</b>
<b>Auto Components</b>		<b>3.97%</b>	Reliance Industries		0.32%
UNO Minda		1.27%	Reliance Industries - Equity Future		-0.32%
Sona BLW Precision Forgings		1.03%	<b>Ferrous Metals</b>		<b>-0.01%</b>
Samvardhana Motherson International		0.98%	JSW Steel		0.66%
CIE Automotive India		0.70%	JSW Steel - Equity Future		-0.67%
<b>Retailing</b>		<b>2.01%</b>	<b>Insurance</b>		<b>-0.01%</b>
Avenue Supermarts		0.96%	HDFC Life Insurance Company		1.23%
Trent		0.87%	HDFC Life Insurance Company - Equity Future		-1.23%
Vedant Fashions		0.18%	<b>Government Bond</b>		<b>13.01%</b>
<b>Chemicals &amp; Petrochemicals</b>		<b>1.84%</b>	7.38% - 2027 G -Sec	SOV	8.77%
SRF		1.39%	7.1% - 2029 G -Sec	SOV	2.12%
SRF - Equity Future		-0.12%	7.26% - 2033 G -Sec	SOV	1.92%
Aether Industries		0.58%	5.63% - 2026 G -Sec	SOV	0.20%
<b>Consumer Durables</b>		<b>1.59%</b>	<b>Corporate Bond</b>		<b>4.25%</b>
Titan Company		1.59%	Bajaj Finance	AAA	3.18%
<b>Electrical Equipment</b>		<b>1.51%</b>	HDFC Bank	AAA	1.06%
Suzlon Energy		1.12%	NTPC	AAA	0.01%
ABB India		0.39%	<b>Certificate of Deposit</b>		<b>4.13%</b>
<b>Industrial Products</b>		<b>1.46%</b>	Axis Bank	A1+	2.08%
Carborundum Universal		1.06%	Small Industries Dev Bank of India	A1+	1.64%
Timken India		0.40%	NABARD	A1+	0.41%
<b>Telecom - Services</b>		<b>1.41%</b>	<b>Treasury Bill</b>		<b>2.11%</b>
Bharti Airtel		1.41%	182 Days Tbill - 2023	SOV	2.11%
<b>Cement &amp; Cement Products</b>		<b>1.39%</b>	<b>Commercial Paper</b>		<b>2.09%</b>
UltraTech Cement		2.13%	Small Industries Dev Bank of India	A1+	2.09%
UltraTech Cement - Equity Future		-0.74%	<b>Zero Coupon Bond</b>		<b>1.86%</b>
ACC		0.15%	Sundaram Finance	AAA	1.86%
ACC - Equity Future		-0.15%	<b>Net Cash and Cash Equivalent</b>		<b>4.02%</b>
<b>Aerospace &amp; Defense</b>		<b>1.37%</b>	<b>Grand Total</b>		<b>100.00%</b>

## SECTOR ALLOCATION



<b>Scheme risk-o-meter</b>  Investors understand that their principal will be at Moderately High risk	<b>This product is suitable for investors who are seeking*</b> <ul style="list-style-type: none"> <li>To create wealth over long term.</li> <li>Dynamic allocation towards equity, derivatives, debt and money market instruments.</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<b>Benchmark risk-o-meter</b>  NIFTY 50 Hybrid Composite debt 50:50 Index
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