

Bajaj Finserv Consumption Fund open for subscription: All you need to know

Category: Business

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Bajaj Finserv Asset Management Ltd has launched its latest equity mutual fund scheme, the [Bajaj Finserv Consumption Fund](#).



Bajaj Finserv Consumption Fund NFO period is from November 8 to November 22

The New Fund Offer (NFO) period, when the fund opens to

investors for the first time, is on from November 8 to November 22, 2024.

This is an open-ended thematic fund and will follow the consumption theme, investing in companies and sectors likely to benefit from the rising domestic consumption.

The Bajaj Finserv Consumption Fund follows a megatrends strategy, investing in emerging opportunities in the consumption space.

What is a consumption fund

A consumption-themed mutual fund invests primarily in companies benefiting from consumer spending and lifestyle trends. Such funds can target businesses across various sectors – retail, food and beverages, travel, technology, healthcare, etc – that cater to consumer needs and benefit from consumer spending.

The Bajaj Finserv Consumption Fund comes at a time when the consumption sector in India is growing rapidly and is projected to experience a boom. The rise in domestic demand will be spurred by a rapidly growing middle class, increasing per-capita income, growing disposable incomes, and technological advancements that have made purchasing quicker and more convenient.

What makes the Bajaj Finserv Consumption Fund different

The Bajaj Finserv Consumption Fund follows a megatrends approach. Megatrends are large, significant, and sweeping shifts that influence economies, societies, and geographies. These trends tend to have lasting impact, and investing in them early on offers significant long-term growth potential.

The Bajaj Finserv Consumption Fund will invest in the following megatrends:

- 1. Demographic dividend:** A growing working population can

spur rising demand for consumer goods. Digitally driven avenues such as e-commerce can particularly benefit from this demographic.

2. **Rising consumerism and urbanisation:** As cities expand and attract more people, demand is set to grow. Increasing disposable incomes have also increased the demand for premium products, luxury goods, dining, and other discretionary spends.
3. **Fast-moving consumer goods:** Rising household incomes and an emerging rural FMCG market are expected to drive demand in this sector. Moreover, this space is underpenetrated in India compared to developed economies, indicating the potential for significant growth.
4. **Ease of purchase:** E-commerce, quick commerce and online food delivery are set to increase in popularity with greater technological penetration, rising incomes, a growing upper middle class and an increasing preference for convenient and time-saving solutions.
5. **Realty:** Growing urbanisation and rising incomes have the potential to boost the demand for real estate, especially affordable housing. This can cause a further increase in demand for ancillary sectors such as furnishing, consumer durables, construction materials and the like.
6. **Automobiles:** Increasing urbanisation and incomes will also lead to a greater demand for automobiles. Within this segment, an emerging trend is the move towards premium vehicles and aspirational purchases over basic models.

Key features of this fund

Apart from megatrends investing, here are some additional unique features of this fund:

True to label: The fund will stay focused on its consumption theme, investing in areas that benefit from rising domestic consumer spending.

Market cap agnostic: The fund will invest in companies across the market capitalisation spectrum, balancing the relative stability of large firms with the growth opportunities in smaller and mid-sized companies.

Future-focused: The fund will seek to stay ahead of the curve by identifying emerging trends and growth opportunities. It will also focus on companies with strong future profit potential.

How to invest in the Bajaj Finserv Consumption Fund

The NFO period is from November 8 to November 22, 2024, when units can be purchased at a face value of Rs. 10. After this, the fund will reopen for subscription after a few working days and units will be available at the prevailing Net Asset Value.

Investments (both lumpsum and SIP) start at Rs. 500. You can also use tools such as a [compounding interest calculator](#) for help in planning your investments.

You can also invest in the Bajaj Finserv Consumption Fund online or offline through Bajaj Finserv AMC, our Registrar and Transfer Agent KFinTech, registered mutual fund distributors, and aggregator platforms.

To know more, visit www.bajajamc.com. To invest, click on 'Invest Now' on the Bajaj Finserv Consumption Fund scheme page. You can also click the login/register tab at the top of the home page, from where you will be re-directed to the investor portal and guided through a quick and simple end-to-end digital investment process.

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

