

NFO Alert: Who should invest in the Bajaj Finserv Healthcare Fund

Category: Business

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Bajaj Finserv Asset Management Limited recently launched the [Bajaj Finserv Healthcare Fund](#),, a thematic fund that invests predominantly in industries and sectors that are tied to the healthcare space. The NFO period for this scheme began on December 6th, 2024, and is on till December 20th, 2024.



Bajaj Finserv Healthcare Fund

If you're wondering if the Bajaj Finserv Healthcare Fund can be a suitable investment opportunity, this article tells you more about this scheme, the investment strategy, and the types of investors it may suit.

1. Investors seeking a long-term investment strategy

The Bajaj Finserv Healthcare Fund follows the MEGATRENDS strategy, investing in large-scale and long-term changes that can shape healthcare in India and the world. Some of the megatrends in focus are:

Regulatory megatrends: There is an expected boost in the Contract Research and Manufacturing Services (CRAMS) segment, especially in pharmaceuticals and biotechnology

Economic megatrends: There is increased awareness about the importance of health insurance, but out-of-pocket expenses remain high. Health insurance coverage, as a result, is expected to rise significantly in the next few years.

Demographic megatrends: An ageing population and increased life expectancy has led to a greater demand for healthcare products and services.

Social megatrends: Greater awareness about health and wellness is resulting in increased expenditure on preventive healthcare, nutrition, fitness, and mental well-being

By focusing on these avenues, the Bajaj Finserv Healthcare Fund avoids chasing short-term trends and instead seeks instead to potentially capitalise on long-term trends with wide-ranging impacts.

2. Investors with a higher risk appetite

Since the Bajaj Finserv Healthcare Fund is an equity scheme falling under the thematic fund category, it may entail higher risk than broad market equity funds. The fund targets sectors within the healthcare space, which can experience fluctuations

based on industry-specific challenges, regulatory changes, and market sentiment. These may be above and beyond market-wide changes.

For investors who are willing to take on a bit more risk for the potential of higher returns, in the long term, this fund could be a suitable option, especially given the expected healthcare boom in India over the next few years.

However, the fund seeks to mitigate risk by investing in multiple industries within the healthcare space, providing a degree of diversification despite the thematic focus.

3. Investors with an investment horizon of 5+ years

The Bajaj Finserv Healthcare Fund caters to those with a horizon of five years or more. Investors seeking short-term gains may not find it suitable.

4. Investors looking to diversify their equity portfolio with healthcare and wellness industries

Adding the healthcare sector to a broad equity portfolio can provide a hedge against economic cycles that affect other sectors, such as technology or finance.

5. Investors looking for tactical allocation in their overall equity portfolio

Finally, the Bajaj Finserv Healthcare Fund can also be a useful tool for tactical asset allocation. Investors often adjust their portfolios based on market conditions, and adding a healthcare fund could be a strategic decision based on the current economic landscape.

In summary, the Bajaj Finserv Healthcare Fund can be suitable for a wide range of investors, especially those seeking long-term growth, willing to take on higher risk, and looking for a tactical allocation in their portfolio. By focusing on megatrends in healthcare, it provides investors with an

opportunity to invest in a sector that's positioned for long-term growth potential. As always, be sure to carefully consider your financial goals and risk tolerance before making any investment decisions.

How to invest in Bajaj Finserv Healthcare Fund

Units can be purchased at a face value of Rs. 10 during the New Fund Offer period. You can [invest in SIP](#) as well as lumpsum, with minimum investments starting at Rs. 500.

After the NFO period ends on December 20th, the fund will re-open for investments in a few business days. You can then purchase units at the prevailing applicable Net Asset Value.

You can invest online or offline, directly through Bajaj Finserv AMC or through a registered mutual fund distributor. You may also choose to invest through our Registrar and Transfer Agent KFin Technologies Limited (KFintech) and aggregator platforms.

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

