

Baroda BNP Paribas Arbitrage Fund

(An Open ended Scheme investing in arbitrage opportunities.)



July 31, 2024

DEBT QUANTS

Yield to Maturity (%)	7.02
Average Maturity (Years)	0.60
Modified Duration (Years)	0.43
Macaulay Duration (Years)	0.44

KEY STATISTICAL RATIOS

Sharpe Ratio++	-1.30
Beta ++	0.86
Standard Deviation	0.73%
Information Ratio++	-0.07

FUND DETAILS

Category	Fund Manager~	Managing Fund Since	Experience
Equity	Neeraj Saxena	14-Mar-22	20
Fixed Income	Vikram Pamnani	16-Mar 22	14

28 Inception Date
December 28, 2016

Category
Arbitrage Fund

Benchmark Index
Nifty 50 Arbitrage Index

Monthly AAUM* AUM*
₹1,212.59 Crores ₹ 1,220.15 Crores

Application Amount:

Minimum Application Amount:
₹ 5,000 per application and in multiples of ₹ 1 thereafter.

Minimum Application Amount:
₹ 1,000 and in multiples of ₹ 1 thereafter.

Load Structure**

Entry Load: Not Applicable

Exit Load: If units of the scheme are redeemed or switched out within 15 days from the date of allotment - 0.25% of the applicable NAV

If units of the scheme are redeemed or switched out after 15 days from the date of allotment - Nil

**There is change in exit load structure w.e.f. Wednesday, January 17, 2024.

please refer Scheme Information Document of the scheme.

~Dedicated Fund Manager for Overseas Investments:
Mr. Miten Vora (managing fund since December 01, 2022)

**The scheme is a 'Transferee Scheme', and accordingly, the ratios are being provided considering the weighted average NAVs of both the Transferor Scheme and Transferee Scheme.

*Monthly AAUM and AUM - Excluding inter-scheme Investments, if any, by other schemes of Baroda BNP Paribas Mutual Fund, as may be applicable.

ABOUT THE FUND

- Baroda BNP Paribas Arbitrage Fund aims to generate long-term capital growth primarily by using arbitrage strategy in equity markets and also invests a small component in short-term fixed income instruments.
- The portfolio will be managed using the arbitrage strategy by taking advantage from the price differentials in the spot/cash and derivatives segments of the market.
- The fund intends to benefit from the difference in pricing in cash and futures market. An arbitrage opportunity prevails when one buys a stock in the cash market and sells it at a higher price in the futures market so as to lock-in the potential gain.
- Fixed Income: Up to 35% would be invested in debt and money market instruments with maturity up to 91 days only and/or units of liquid fund.

PORTFOLIO POSITIONING

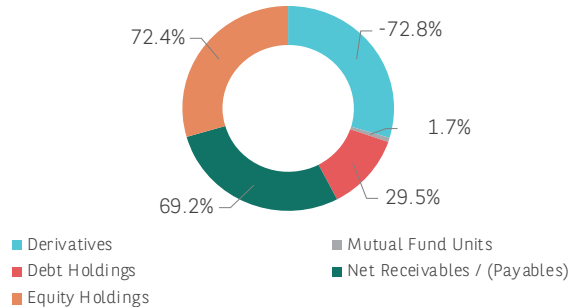
- Average rollover cost across stock futures during the expiry week (July-24) were around 67-69 bps.
- Nifty futures rollovers stood at 70% vs 71% (lower than 3M avg).
- Market-wide rollovers is at 89%, vs 88% (higher than 3M avg)
- Stock futures rollovers stands at 93% vs 93% (at par with 3M avg)
- Nifty futures will start the August series at lower Open Interest base of ~1.38 Cr shares vs. ~1.51Cr. shares seen at the start of July series
- India Domestic Arbitrage book moves to INR ~2,20,000/- Cr. (July -24) vs INR ~209,000/- Cr. (June-24)
- Union budget raised the taxes, Short term Capital Gains (from 15% to 20%), Long term CG (from 10% to 12.5%) & Securities Transaction Tax -Futures (from 0.0125% to 0.02% effective 1st Oct 2024)

Key triggers for coming (August 24) expiry

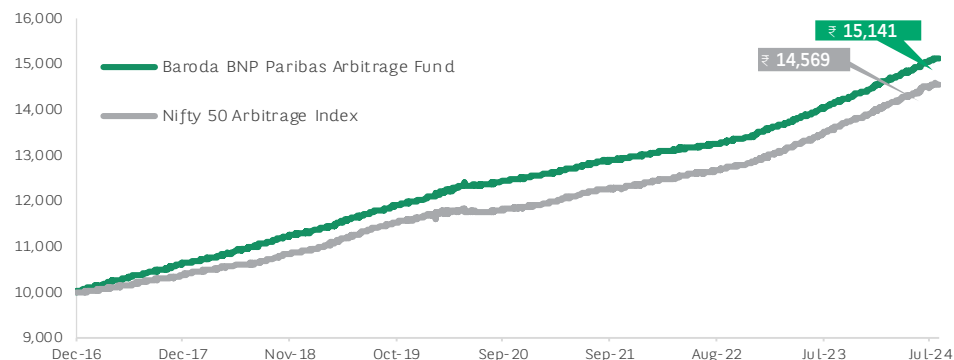
- Auto Sales numbers, Q1FY25 earnings, RBI MPC meeting, Q1 FY25 GDP (India), US Fed meeting, move for DXY & Brent

CURRENT ASSET ALLOCATION (% of Net Assets)

Source: Dolat Capital, Philip Capital.



NAV MOVEMENT (₹10,000 Invested at Inception)



NAV & index values re-based to ₹ 10,000 depicting lump sum investment since the inception date of the fund.

The above chart show the NAV movement since inception to 31st July 2024. For complete performance detail please refer page 2.

Data as on July 31, 2024

PERFORMANCE OF BARODA BNP PARIBAS ARBITRAGE FUND

S.No	Scheme managed by Mr. Neeraj Saxena (For equity Portion) & Mr. Vikram Pamnani (For Fixed Income Portfolio)	1 Year		3 years		5 Years		Since Inception		Date of Inception of the Scheme
		Returns In ₹ *	CAGR(%)	Returns In ₹ *	CAGR(%)	Returns In ₹ *	CAGR(%)	Returns In ₹ *	CAGR(%)	
1	Baroda BNP Paribas Arbitrage Fund	10782.32	7.80	11778.61	5.60	12885.20	5.19	15141.40	5.61	28-Dec-16
	Nifty 50 Arbitrage Index	10789.77	7.88	11896.38	5.95	12791.82	5.04	14568.83	5.08	
	Additional Benchmark CRISIL 1 Year T-Bill Index	10737.99	7.36	11773.92	5.58	13105.85	5.55	15507.39	5.95	

*Returns in ₹ show the value of 10,000/- invested for last 1 year, last 3 years, last 5 years and since inception respectively.

PERFORMANCE OF FUNDS MANAGED BY MR. VIKRAM PAMNANI (WHO MANAGES TOTAL 20* SCHEMES)

S.No	Scheme Name	CAGR%		
		Last 1 Year	Last 3 Years	Last 5 Years
1	Baroda BNP Paribas Aggressive Hybrid Fund	32.55	16.01	18.65
	CRISIL Hybrid 35+65 - Aggressive Index	26.26	15.36	16.75
2	Baroda BNP Paribas Equity Savings Fund	15.89	9.47	9.38
	NIFTY Equity Savings Index TRI	14.78	10.18	10.86
3	Baroda BNP Paribas Ultra Short Duration Fund	7.50	6.18	5.80
	CRISIL Ultra Short Duration Debt A-I Index	7.56	6.16	5.91
4	Baroda BNP Paribas Dynamic Bond Fund	8.72	6.79	6.57
	CRISIL Dynamic Bond A-III Index	7.99	5.62	6.75
5	Baroda BNP Paribas Medium Duration Fund (Scheme has one segregated scheme)	7.32	5.64	5.66
	CRISIL Medium Duration Debt A-III Index	7.33	5.09	6.87
6	Baroda BNP Paribas Gilt Fund	8.46	5.96	6.10
	CRISIL Dynamic Gilt Index	8.90	6.04	6.45
7	Baroda BNP Paribas Short Duration Fund	7.81	5.99	6.69
	CRISIL Short Duration Debt A-II Index	7.54	5.64	6.43
8	Baroda BNP Paribas Liquid Fund	7.38	5.97	5.31
	CRISIL Liquid Debt A-I Index	7.32	5.96	5.29
9	Baroda BNP Paribas Money Market Fund	7.24	5.79	5.23
	CRISIL Money Market A-I Index	7.46	6.12	5.69
10	Baroda BNP Paribas Low Duration Fund	7.60	6.02	6.48
	CRISIL Low Duration Debt A-I Index	7.47	5.97	6.10
11	Baroda BNP Paribas Corporate Bond Fund	7.75	5.22	6.30
	CRISIL Corporate Debt A-II Index	7.47	5.57	6.67
12	Baroda BNP Paribas Banking and PSU Bond Fund	7.78	5.24	N.A.
	CRISIL Banking and PSU Debt A-II Index	7.26	5.42	N.A.
13	Baroda BNP Paribas Nifty SDL December 2026 Index Fund	7.79	N.A.	N.A.
	NIFTY SDL December 2026 Index	8.04	N.A.	N.A.
14	Baroda BNP Paribas NIFTY SDL December 2028 Index Fund	8.03	N.A.	N.A.
	NIFTY SDL December 2028 Index	8.44	N.A.	N.A.
15	Baroda BNP Paribas Floater Fund	8.66	N.A.	N.A.
	CRISIL Low Duration Debt A-I Index	7.47	N.A.	N.A.
16	Baroda BNP Paribas Overnight Fund	6.80	5.55	4.81
	CRISIL Liquid Overnight Index	6.84	5.62	4.86
17	Baroda BNP Paribas Multi Asset Fund 65% of Nifty 500 TRI + 20% of NIFTY Composite	30.72	N.A.	N.A.
	Debt Index +15% of INR Price of Gold	29.30	N.A.	N.A.
18	Baroda BNP Paribas Credit Risk Fund (Scheme has one segregated scheme)	8.36	9.97	8.51
	CRISIL Credit Risk Debt B-II Index	10.42	7.56	8.37

* Vikram Pamnani also manages Baroda BNP Paribas Retirement Fund which has not completed 6 months.

Neeraj Saxena also manages Baroda BNP Paribas Nifty Bank ETF and Baroda BNP Paribas Nifty 50 Index Fund, since the fund has not completed 6 months, performance has not been disclosed.

Where returns are not available for a particular period, they have not been shown.

Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments. Returns do not take into account the load, if any. Returns are for growth option. Different plans shall have a different expense structure. The performance details provided above are for regular/distributor plan.

Kindly refer to the table below for fund managers & managing since details:

Scheme Name	Fund Managers	Managing Fund Since
Baroda BNP Paribas Arbitrage Fund	Mr. Neeraj Saxena Mr. Vikram Pamnani	14-Mar-22 16-Mar-22
Baroda BNP Paribas Corporate Bond Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Dynamic Bond Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Medium Duration Fund (Scheme has one segregated scheme)	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Credit Risk Fund (Scheme has one segregated portfolio)	Mr. Prashant Pimple Mr. Vikram Pamnani	21-Oct-2022 11-Jul-2022
Baroda BNP Paribas Short Duration Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Money Market Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	14-Mar-2022, 11-Jul-2024
Baroda BNP Paribas Nifty 50 Index Fund	Mr. Neeraj Saxena	29-Jan-24
Baroda BNP Paribas NIFTY BANK ETF	Mr. Neeraj Saxena	18-Jun-24

Data as on July 31, 2024

Scheme Name	Fund Managers	Managing Fund Since
Baroda BNP Paribas Low Duration Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	27-Dec-2017, 1-Jul-2024
Baroda BNP Paribas Ultra Short Duration Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	14-Mar-2022, 11-Jul-2024
Baroda BNP Paribas Liquid Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	14-Mar-2022, 11-Jul-2024
Baroda BNP Paribas Multi Asset Fund	Mr. Jitendra sriram, Mr. Vikram Pamnani	19-Dec-2022
Baroda BNP Paribas Floater Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	26-Apr-2023, 11-Jul-2024
Baroda BNP Paribas Retirement Fund	Mr. Pratih Krishnan (Equity Portfolio) Mr. Prashant Pimple, Mr. Vikram Pamnani (Fixed Income Portfolio)	28 May 2024 11-Jul-2024
Baroda BNP Paribas Innovation Fund	Mr. Prashant Pimple	05-Mar-2024
Baroda BNP Paribas Overnight Fund	Mr. Vikram Pamnani	14-Mar-2022
Baroda BNP Paribas Gilt Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Nifty SDL December 2026 Index Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024
Baroda BNP Paribas Nifty SDL December 2028 Index Fund	Mr. Prashant Pimple, Mr. Vikram Pamnani	11-Jul-2024

Baroda BNP Paribas Arbitrage Fund
(An open-ended equity scheme investing in arbitrage opportunities)

This product is suitable for investors who are seeking*:

- ▶ Wealth creation in long term
- ▶ Investment in a diversified portfolio of equity and equity related instruments, including use of equity derivatives strategies and arbitrage opportunities with exposure in debt & money market instruments

Scheme Riskometer^{^^}

Investors understand that their principal will at Low risk.

Benchmark (Tier 1) Riskometer^{^^}

Benchmark riskometer is at Low risk.

^{^^}Riskometer For Scheme: basis it's portfolio, For Benchmark (Nifty 50 Arbitrage Index): basis it's constituents; as on July 31, 2024

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

DISCLAIMERS

Debt Quants - The information contained in this report has been obtained from sources considered to be authentic and reliable. The quantitative data does not purport to be an offer for purchase and sale of mutual fund units.

#Key Statistical Ratios - The information contained in this report has been obtained from sources considered to be authentic and reliable. This quantitative data does not purport to be an offer for purchase and sale of mutual fund units. The risk free rate of return considered for calculation of Sharpe ratio is 6.75%, as per 1 day MIBOR rate on the last business day of the month. Sharpe Ratio (annualised), Standard Deviation (annualised) and Beta are based on last 36 monthly data points. Information ratio aims to show consistency in generating excess returns relative to benchmark, which is measured by the tracking error. Tracking error is the measure of the deviation from the benchmark.

Portfolio Positioning- details contained herein is for general information purposes only and does not indicate assurance of future Scheme performance. The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and Baroda BNP Paribas Mutual Fund may or may not have any future position in these sector(s)/stock(s). Further, 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).

NAV Movement (Rs. 10,000 Invested at Inception) - All returns are for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis of comparison with other investments. Returns do not take into account the load, if any.

Concept of Macaulay duration - The Macaulay Duration is a measure of a bond's sensitivity to interest rate changes. It is expressed in annual terms. It is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Factors like a bond's price, maturity, coupon, yield to maturity among others impact the calculation of Macaulay duration. The Macaulay duration can be viewed as the economic balance point of a group of cash flows. Another way to interpret the statistic is that it is the weighted average number of years an investor must maintain a position in the bond until the present value of the bond's cash flows equals the amount paid for the bond. As it provides a way to estimate the effect of certain market changes on a bond's price, the investor can choose an investment that will better meet his future cash needs

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.

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