

(An Open ended Scheme investing in arbitrage opportunities)

April 30, 2025

# **DEBT QUANTS**

Yield to Maturity (%)	7.45
Average Maturity (Years)	0.94
Modified Duration (Years)	0.54
Macaulay Duration (Years)	0.57

## **KEY STATISTICAL RATIOS**

Sharpe Ratio++	<u>0</u> .88
Beta ++	0.66
Standard Deviation	0.59%

## **FUND DETAILS**



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



# 28 Inception Date





Arbitrage Fund



Benchmark Index (Tier I)

Nifty 50 Arbitrage Index



Monthly AAUM\* AUM\* ₹1,061.83 Crores ₹ 1,026.76 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**

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

please refer Scheme Information Document of the scheme.

- \*\*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 Investments, if any. by other schemes of Baroda BNP Paribas Mutual Fund, as may be applicable.

Data as on April 30, 2025

## **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

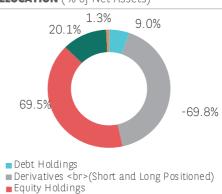
#### **PORTFOLIO POSITIONING**

- Apr-25 expiry, the average rollover cost associated was observed to be between 64 67 basis points
- Apr -25 expiry , Nifty futures rollovers stood at 79% vs 80% (3M avg) , marginally lower
- Nifty futures are set to commence the May 25 series with an open interest base of approximately 1.28 crore shares (marginally lower), compared to 1.40 crore shares at the beginning of the Apr- 25 series.
- For the Apr- 25 expiry, the Bank Nifty saw a rollover rate of 75%, which is lower than the 77% observed in the Mar-25 series
- Bank Nifty is expected to initiate with an open interest of 28 lakh shares (May- 25), in contrast to 35 lakh shares in the last series (Apr-
- April -25 expiry , the market-wide rollover rate is 87%, which is less than the average of 89% observed over the past three months.
- In Apr 25 series ,stock futures rollovers stand at 90%, lower than the average rollovers of last three series at 91%.
- The domestic arbitrage book was valued at approximately ₹2,56,000 as on Apr 25 reflecting a slight decline from ₹2,60,000 crore on Mar

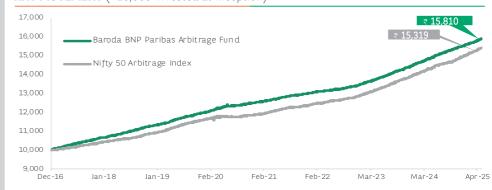
# Key triggers for coming (May-25) Expiry:

Key factors influencing the upcoming (May- 25) expiry includeIndia Q4FY25 corporate earnings, India GDP, Geopolitical tensions surrounding the Pahalgam issue, Trump Tariff, FOMC, US GDP, DXY & Brent movement

## **CURRENT ASSET ALLOCATION** (% of Net Assets)



# MF Units **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 30th April 2025. For complete performance detail please refer page 2.



# Together for more

## PERFORMANCE OF BARODA BNP PARIBAS ARBITRAGE FUND

	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
S.No		Returns In ₹ *	CAGR(%)	Returns In ₹ *	CAGR(%)	Returns In ₹ *	CAGR(%)	Returns In ₹	CAGR(%)	Inception of the Scheme
1	Baroda BNP Paribas Arbitrage Fund	10707.04	7.07	12091.28	6.52	12939.32	5.29	15915.70	5.73	28-Dec-16
	Nifty 50 Arbitrage Index	10770.83	7.71	12285.32	7.09	13058.55	5.48	15416.45	5.33	
	Additional Benchmark CRISIL 1 Year T-Bill Index	10786.03	7.86	12134.86	6.65	13044.72	5.46	16399.63	6.11	

<sup>\*</sup>Returns in ₹ show the value of 10,000/- invested for last 1 year, last 3 years, last 5 years and since inception respectively. CAGR: Compound annual growth rate

Past performance may or may not be sustained in future and is not a guarantee of any future returns

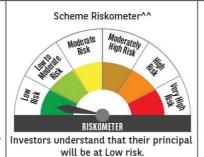
For Other funds managed by the fund manager , please  $\underline{\text{Click here}}$ 

# Baroda BNP Paribas Arbitrage Fund

(An Open ended 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.





^^Riskometer For Scheme: basis it's portfolio, ^Riskometer For Benchmark (Nifty 50 Arbitrage Index): basis it's constituents; as on April 30, 2025

## **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 6.00%, 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 is not a guarantee of any future returns. 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.

The material contained herein has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. This information is meant for general reading purpose only and is not meant to serve as a professional guide for the readers. Except for the historical information contained herein, statements in this publication, which contain words or phrases such as 'will', 'would', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. BBNPAMIPL undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. The words like believe/belief are independent perception of the Fund Manager and do not construe as opinion or advise. This information is not intended to be an offer to see or a solicitation for the purchase or sale of any financial product or instrument. The information should not be construed as an investment advice and investors are requested to consult their investment advisor and arrive at an informed decision before making any investments. The Trustee, AMC, Mutual Fund, their directors, officers or their employees shall not be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages arising out of the information contained in this document.

BARODA BNP PARIBAS ASSET MANAGEMENT INDIA PVT. LTD.

 $Corporate\ Identity\ Number\ (CIN): U65991MH2003PTC142972$ 

201 (A), 2nd Floor, A Wing, Crescenzo, C-38 & C-39, G-Block, Bandra Kurla Complex, Mumbai 400 051 India.

Call 1800 2670 189 (toll free) | Visit www.barodabnpparibasmf.in

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

<sup>\*</sup>Investors should consult their financial advisers if in doubt about whether the product is suitable for them.