

Baroda BNP Paribas Arbitrage Fund

(An Open ended Scheme investing in arbitrage opportunities)

December 31, 2025

DEBT QUANTS

Yield to Maturity (%)	5.62
Average Maturity (Years)	0.12
Modified Duration (Years)	0.12
Macaulay Duration (Years)	0.12

KEY STATISTICAL RATIOS

Sharpe Ratio++	3.27
Beta ++	0.38
Standard Deviation	0.39%

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 (Tier I)

Nifty 50 Arbitrage Index



Monthly AAUM*

₹1,314.63 Crores

AUM*

₹1,322.21 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 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: Upto 35% would be invested in debt and money market instruments and/or units of debt schemes, including liquid, overnight, and money market funds.

PORTFOLIO POSITIONING

Derivatives Market

- The standard rollover cost connected to the Dec-25 expiry ranged from 64 to 67 basis points.
- Nifty futures rollovers stood at 72% vs 76% decline from the 3M avg.
- Nifty futures are set to commence the Jan series with a higher OI base of 1.51 cr shares vs 1.46 cr shares observed at the start of the Dec series.
- Bank Nifty rollover stands at 77% vs 70% of previous series.
- Bank Nifty is set to commence the January series with a reduced open interest of 12 lakh shares compared to 14 lakh shares, marking the lowest level in the last six series.
- Market-wide rollovers are at 91% vs 92% lower than the 3M avg.
- Stock futures rollovers stand at 94% vs 94% consistent with the average rollovers of last three series.
- As of Dec- 25, the domestic arbitrage book has reached around ₹ 3,28,000 crore, indicating a modest rise from the ₹ 3,26,000 crore reported on Nov-25.

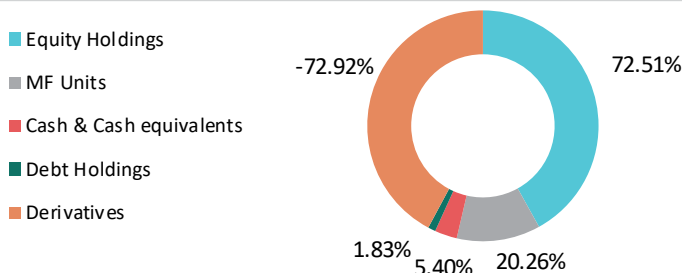
Equity Market Performance

- Nifty Index was flat (~0.2% returns) for second straight monthly series.
- Outperforming sectors (Dec- 25): Metal (+9.3%), IT (+3.2%), Auto (+1.9%), Telecom & Equipment (+1.4%) Private Bank (+0.5%)
- Underperforming sectors (Dec- 25): Consumer Durables (-3.5%), Defence (-3.5%), Realty (-3.5%), Capital Goods (-3.2%), Consumer Discretionary (-1.7%), Utilities (-1.4%), Oil & Gas (-0.9%)

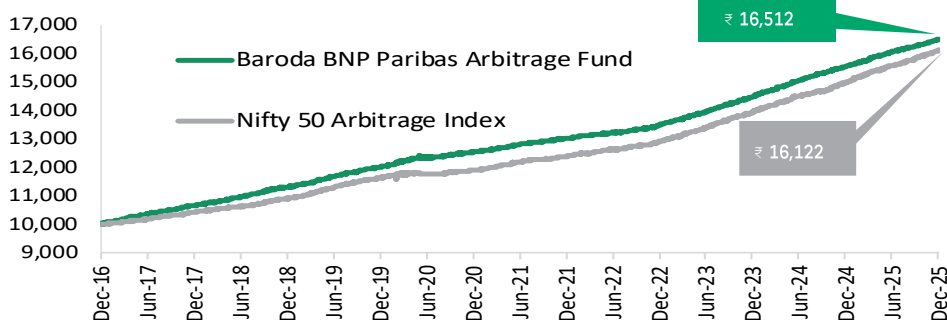
Key triggers for coming (Jan-26) Expiry :

- Auto Sales, India's PMI data, CPI data, Trade balance, FOMC meet, US Jobless claims data, Global geopolitics & Commodity prices

CURRENT ASSET ALLOCATION (% of Net Assets)



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 December 31, 2025. For complete performance detail please refer page 2.

Data as on December 31, 2025

Record Date	Distribution Rate Per Unit (₹) Individual/others	Cum--IDWC NAV (₹)
08-Aug-25	0.06	10.48
08-Sep-25	0.06	10.45
08-Oct-25	0.06	10.44

Pursuant to distribution under Income Distribution cum Capital Withdrawal ("IDCW") option, NAV of the IDCW option of the scheme(s) would fall to the extent of pay-out and statutory levy (if applicable). The amounts under IDCW options can be distributed out of investors' capital (Equalization Reserve), which is part of sale price that represents realized gains. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.** The above stated distribution rate per unit is net distribution rate after deducting applicable taxes. The above distribution rates are on face value of Rs 10 per unit. Face value may change depending upon FV of the scheme.

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	10616.34	6.16	12228.41	6.93	13152.50	5.63	16511.80	5.72	28-Dec-16
	Nifty 50 Arbitrage Index	10753.42	7.53	12484.75	7.67	13548.64	6.26	16122.48	5.44	
	Additional Benchmark CRISIL 1 Year T-Bill Index	10625.78	6.26	12213.94	6.89	13161.02	5.64	16958.24	6.03	

For Other funds managed by the fund manager , please [Click here](#)



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 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. BBNPPAMIPL 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 advice. 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.

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