

Mahindra Manulife Arbitrage Fund

(An open ended scheme investing in arbitrage opportunities)



Investment Objective

The investment objective of the Scheme is to generate income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market and the arbitrage opportunities available within the derivative segment and by investing the balance in debt and money market instruments. However, there can be no assurance that the investment objective of the Scheme will be achieved.



Fund Features

Relatively lower risk as arbitrage strategy focuses on protecting downside risk by capturing market spreads

Better tax efficiency on returns compared to short term debt funds

One of the least volatile hybrid schemes that is suitable for investment across market cycles



Fund Manager and Experience

Fund Manager (Equity): Mr. Abhinav Khandelwal
Total Experience: 14 years

Experience in managing this fund: 1 year and 9 months (Managing since April 1, 2022)

Fund Manager (Equity): Mr. Manish Lodha
Total Experience: 23 years

Experience in managing this fund: 3 years (Managing since December 21, 2020)

Fund Manager (Debt): Mr. Rahul Pal

Total Experience: 22 years
Experience in managing this fund: 3 years and 4 months (Managing since August 24, 2020)



Scheme Details

Date of allotment: August 24, 2020

Benchmark: Nifty 50 Arbitrage Index TRI

Option: IDCW (IDCW Option will have IDCW Reinvestment (D) & IDCW Payout facility) and Growth (D) D-Default

Minimum Amount for Subscription / Purchase: Rs. 1,000/- and in multiples of Re. 1/- thereafter.

Minimum Amount for Switch in: Rs. 1,000/- and in multiples of Re. 0.01/- thereafter.

Minimum Amount for Redemption / Switch-outs: Rs. 1,000/- or 100 units or account balance, whichever is lower

Minimum Weekly & Monthly SIP Amount: Rs 500 and in multiples of Re 1 thereafter

Monthly AAUM as on December 31, 2023
(Rs. in Cr.): 36.07

Quarterly AAUM as on December 31, 2023
(Rs. in Cr.): 31.03

Monthly AUM as on December 31, 2023
(Rs. in Cr.): 32.80

Total Expense Ratio¹ as on Dec 31, 2023: Regular Plan: 1.18%
Direct Plan: 0.38%

Load Structure:

Entry Load: N.A.

Exit Load:

- An exit load of 0.25% is payable if Units are redeemed / switched-out on or before completion of 30 days from the date of allotment of Units;

- Nil - If Units are redeemed / switched-out after completion of 30 days from the date of allotment of Units. Redemption /Switch-Out of Units would be done on First in First out Basis (FIFO).



Portfolio Information

Annualised Portfolio YTM ^{2*}	6.85% ³
Macaulay Duration ⁴	47.10 days ³
Modified Duration ⁴	0.13 ³
Residual Maturity ⁴	47.10 days ³
Portfolio Turnover Ratio (Last 1 year)	8.91
As on (Date)	Dec 31, 2023
Standard Deviation	0.57%
Beta	0.56
Sharpe Ratio ⁵	-5.34
Jenson's Alpha	-0.1778

¹In case of semi annual YTM, it will be annualised

²For debt component

³Risk-free rate assumed to be 6.90% (MIBOR as on 29-12-23)

Source: www.mmda.org

Note: As per AMFI guidelines for factsheet, the ratios are calculated based on month rolling returns for last 3 years. Data as on December 29, 2023



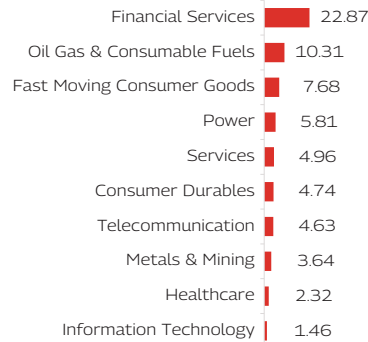
NAV as on Dec 29, 2023:

NAV/Unit	Regular Plan (In Rs.)	Direct Plan (In Rs.)
IDCW	11.3213	11.6431
Growth	11.3213	11.6431

Portfolio (• Top Ten Holdings - Issuer wise) as on December 31, 2023

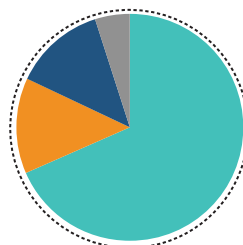
Company / Issuer	% of Net Assets	Company / Issuer	% of Net Assets	Rating
Fully Hedged equity		Mutual Fund Units	13.61	
Consumer Durables	4.74	• Mahindra Manulife Liquid Fund -Direct Plan - Growth ⁵	13.61	Others
Titan Company Ltd.	4.74	Treasury Bill	13.01	
Fast Moving Consumer Goods	7.68	• 182 Days Tbill (MD 04/01/2024)	5.26	SOV
• Hindustan Unilever Ltd.	6.31	• 364 Days Tbill (MD 18/01/2024)	5.25	SOV
ITC Ltd.	1.36	• 364 Days Tbill (MD 17/10/2024)	2.49	SOV
Financial Services	22.87	Cash & Other Receivables	4.96	
• Axis Bank Ltd.	5.63	Grand Total	100.00	
• HDFC Bank Ltd.	5.20			
• State Bank of India	4.82			
ICICI Bank Ltd.	4.41			
Kotak Mahindra Bank Ltd.	2.81			
Healthcare	2.32			
Sun Pharmaceutical Industries Ltd.	2.32			
Information Technology	1.46			
Infosys Ltd.	1.46			
Metals & Mining	3.64			
Tata Steel Ltd.	3.64			
Oil Gas & Consumable Fuels	10.31			
• Hindustan Petroleum Corporation Ltd.	6.24			
Coal India Ltd.	2.70			
Reliance Industries Ltd.	1.36			
Power	5.81			
• Tata Power Company Ltd.	5.31			
NTPC Ltd.	0.49			
Services	4.96			
• Adani Ports and Special Economic Zone Ltd.	4.96			
Telecommunication	4.63			
Indus Towers Ltd.	4.63			
Equity Total	68.43			

SECTOR ALLOCATION (%)



Data as on December 31, 2023

Asset Allocation (%)



Data as on December 31, 2023

³Includes additional expenses charged in terms of Regulation 52(6A)(b) and 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Service Tax; ²Yield to maturity should not be construed as minimum return offered by the Scheme.

IDCW: Income Distribution cum Capital Withdrawal

⁵Calculated on amount invested in debt securities (including accrued interest), deployment of funds in TREPS and Reverse Repo and net receivable / payable.

⁶Mutual Fund units as provided above is towards margin for derivatives positions.

Please refer Page no. 28 for Product labelling and Benchmark Riskometer