

# 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. Navin Matta<sup>EE</sup>  
**Total Experience:** 19 years  
Experience in managing this fund: Not available (Managing since October 24, 2024)
- Fund Manager (Equity):** Mr. Manish Lodha  
**Total Experience:** 23 years  
Experience in managing this fund: 3 years and 10 months (Managing since December 21, 2020)
- Fund Manager (Debt):** Mr. Rahul Pal  
**Total Experience:** 22 years  
Experience in managing this fund: 4 years and 2 months (Managing since August 24, 2020)



## Scheme Details

- Date of allotment:** August 24, 2020
- Benchmark:** Nifty 50 Arbitrage 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 October 31, 2024 (Rs. in Cr.):** 107.79
- Monthly AUM as on October 31, 2024 (Rs. in Cr.):** 108.62
- Total Expense Ratio<sup>1</sup> as on Oct 31, 2024:** Regular Plan: 1.21%  
Direct Plan: 0.41%
- 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 <sup>2A</sup>	6.35% <sup>3</sup>
Macaulay Duration <sup>1</sup>	31.53 days <sup>3</sup>
Modified Duration <sup>1</sup>	0.09 <sup>3</sup>
Residual Maturity <sup>1</sup>	31.53 days <sup>3</sup>
Portfolio Turnover Ratio (Last 1 year)	8.78
As on (Date)	October 31, 2024
Standard Deviation	0.59%
Beta	0.68
Sharpe Ratio <sup>4</sup>	-3.21
Jenson's Alpha	-0.1284

<sup>1</sup>In case of semi annual YTM, it will be annualised  
<sup>A</sup>For debt component  
<sup>#</sup>Risk-free rate assumed to be 6.61% (MIBOR as on 31-10-24)  
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 October 31, 2024



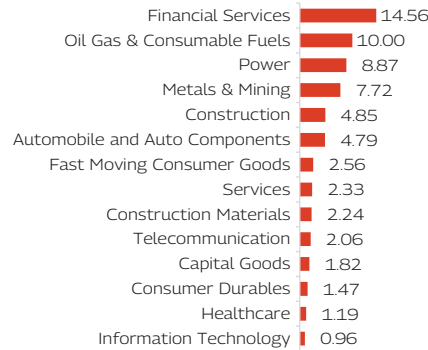
## NAV as on Oct 31, 2024:

NAV/Unit	Regular Plan (In Rs.)	Direct Plan (In Rs.)
IDCW	11.8977	12.3173
Growth	11.8977	12.3173

## Portfolio (• Top Ten Holdings - Issuer wise) as on October 31, 2024

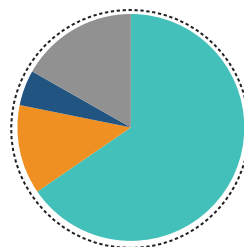
Company / Issuer	% of Net Assets	Company / Issuer	Rating	% of Net Assets
<b>Fully Hedged equity</b>		Tata Steel Ltd.		2.33
<b>Automobile and Auto Components</b>	<b>4.79</b>	JSW Steel Ltd.		1.98
• Maruti Suzuki India Ltd.	3.06	Hindalco Industries Ltd.		1.33
Mahindra & Mahindra Ltd.	1.32	Vedanta Ltd.		1.28
Hero MotoCorp Ltd.	0.41	Steel Authority of India Ltd.		0.81
<b>Capital Goods</b>	<b>1.82</b>	<b>Oil Gas &amp; Consumable Fuels</b>		<b>10.00</b>
Ashok Leyland Ltd.	1.82	• Reliance Industries Ltd.		3.25
<b>Construction</b>	<b>4.85</b>	• Hindustan Petroleum Corporation Ltd.		3.12
• Larsen & Toubro Ltd.	4.85	Coal India Ltd.		1.92
<b>Construction Materials</b>	<b>2.24</b>	Oil & Natural Gas Corporation Ltd.		1.70
UltraTech Cement Ltd.	2.24	<b>Power</b>		<b>8.87</b>
<b>Consumer Durables</b>	<b>1.47</b>	• Tata Power Company Ltd.		6.73
Titan Company Ltd.	1.47	NTPC Ltd.		2.14
<b>Fast Moving Consumer Goods</b>	<b>2.56</b>	<b>Services</b>		<b>2.33</b>
ITC Ltd.	1.44	Adani Ports and Special Economic Zone Ltd.		2.33
Hindustan Unilever Ltd.	1.12	<b>Telecommunication</b>		<b>2.06</b>
<b>Financial Services</b>	<b>14.56</b>	Indus Towers Ltd.		1.92
• HDFC Bank Ltd.	4.22	Bharti Airtel Ltd.		0.14
• Axis Bank Ltd.	3.00	<b>Equity and Equity Related Total</b>		<b>65.43</b>
• Kotak Mahindra Bank Ltd.	2.55	<b>Mutual Fund Units</b>		<b>5.05</b>
Cholamandalam Investment and Finance Company Ltd	1.68	• Mahindra Manulife Liquid Fund - Direct Plan - Growth**	Others	5.05
Bajaj Finserv Ltd.	1.61	<b>Treasury Bill</b>		<b>12.74</b>
Canara Bank	0.77	• 364 Days Tbill (MD 23/01/2025)	SOV	4.54
IndusInd Bank Ltd.	0.73	364 Days Tbill (MD 14/11/2024)	SOV	1.84
<b>Healthcare</b>	<b>1.19</b>	364 Days Tbill (MD 12/12/2024)	SOV	1.83
Sun Pharmaceutical Industries Ltd.	1.19	364 Days Tbill (MD 26/12/2024)	SOV	1.82
<b>Information Technology</b>	<b>0.96</b>	364 Days Tbill (MD 02/01/2025)	SOV	1.82
Infosys Ltd.	0.58	364 Days Tbill (MD 02/05/2025)	SOV	0.89
Wipro Ltd.	0.38	<b>Cash &amp; Other Receivables</b>		<b>16.78</b>
<b>Metals &amp; Mining</b>	<b>7.72</b>	<b>Grand Total</b>		<b>100.00</b>

## SECTOR ALLOCATION (%)



Data as on October 31, 2024

## Asset Allocation (%)



Data as on October 31, 2024

<sup>3</sup>Includes additional expenses charged in terms of Regulation 52(6A)(b) and 52(6A)(c) of SEBI (Mutual Funds) Regulations, 1996 and Goods and Services Tax; <sup>2</sup>Yield to maturity should not be construed as minimum return offered by the Scheme. IDCW: Income Distribution cum Capital Withdrawal

<sup>3</sup>Calculated on amount invested in debt securities (including accrued interest), deployment of funds in TREPS and Reverse Repo and net receivable / payable.

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

<sup>EE</sup>Pursuant to change in Fund Management Responsibilities, the scheme shall be managed by Mr. Navin Matta, Mr. Manish Lodha and Mr. Rahul Pal effective from October 24, 2024.

Please refer Page no. 30 for Product labelling and Benchmark Riskometer