

# 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 11 months (Managing since April 1, 2022)

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

Experience in managing this fund: 3 years and 2 months (Managing since December 21, 2020)

**Fund Manager (Debt):** Mr. Rahul Pal

**Total Experience:** 22 years  
Experience in managing this fund: 3 years and 6 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 February 29, 2024 (Rs. in Cr.):** 48.74

**Monthly AUM as on February 29, 2024 (Rs. in Cr.):** 51.76

**Total Expense Ratio<sup>1</sup> as on Feb 29, 2024:** Regular Plan: 1.17%  
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 <sup>2*</sup>	6.81% <sup>3</sup>
Macaulay Duration <sup>4</sup>	84.07 days <sup>3</sup>
Modified Duration <sup>4</sup>	0.23 <sup>3</sup>
Residual Maturity <sup>4</sup>	84.07 days <sup>3</sup>
Portfolio Turnover Ratio (Last 1 year)	9.15
As on (Date)	Feb 29, 2024
Standard Deviation	0.60%
Beta	0.64
Sharpe Ratio <sup>5</sup>	-4.50
Jenson's Alpha	-0.1548

<sup>1</sup>In case of semi annual YTM, it will be annualised

<sup>2</sup>For debt component

<sup>3</sup>Risk-free rate assumed to be 6.80%

(MIBOR as on 29-02-24)

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 February 29, 2024



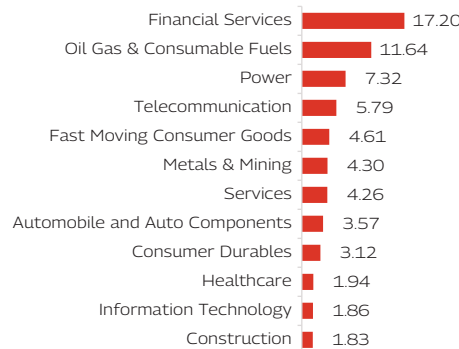
## NAV as on Feb 29, 2024:

NAV/Unit	Regular Plan (In Rs.)	Direct Plan (In Rs.)
IDCW	11.4484	11.7897
Growth	11.4484	11.7897

## Portfolio (• Top Ten Holdings - Issuer wise) as on February 29, 2024

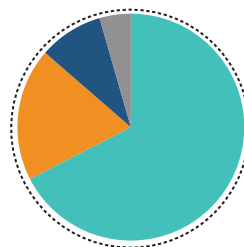
Company / Issuer	% of Net Assets	Company / Issuer	Rating	% of Net Assets
<b>Fully Hedged equity</b>		<b>Mutual Fund Units</b>		<b>9.18</b>
<b>Automobile and Auto Components</b>	<b>3.57</b>	• Mahindra Manulife Liquid Fund - Direct Plan -Growth*	Others	9.18
Maruti Suzuki India Ltd.	3.57	<b>Treasury Bill</b>		<b>18.93</b>
<b>Construction</b>	<b>1.83</b>	• 182 Days Tbill (MD 07/03/2024)	SOV	4.38
Larsen & Toubro Ltd.	1.83	• 364 Days Tbill (MD 25/04/2024)	SOV	4.34
<b>Consumer Durables</b>	<b>3.12</b>	182 Days Tbill (MD 09/05/2024)	SOV	3.46
Titan Company Ltd.	3.12	364 Days Tbill (MD 02/01/2025)	SOV	3.31
<b>Fast Moving Consumer Goods</b>	<b>4.61</b>	182 Days Tbill (MD 21/03/2024)	SOV	1.75
• Hindustan Unilever Ltd.	3.81	364 Days Tbill (MD 17/10/2024)	SOV	1.68
ITC Ltd.	0.80	<b>Cash &amp; Other Receivables</b>		<b>4.45</b>
<b>Financial Services</b>	<b>17.20</b>	<b>Grand Total</b>		<b>100.00</b>
• Axis Bank Ltd.	5.31			
• HDFC Bank Ltd.	4.33			
ICICI Bank Ltd.	3.10			
Bajaj Finserv Ltd.	2.80			
Kotak Mahindra Bank Ltd.	1.66			
<b>Healthcare</b>	<b>1.94</b>			
Sun Pharmaceutical Industries Ltd.	1.94			
<b>Information Technology</b>	<b>1.86</b>			
Infosys Ltd.	1.06			
Tech Mahindra Ltd.	0.80			
<b>Metals &amp; Mining</b>	<b>4.30</b>			
Tata Steel Ltd.	2.45			
Hindalco Industries Ltd.	1.86			
<b>Oil Gas &amp; Consumable Fuels</b>	<b>11.64</b>			
• Hindustan Petroleum Corporation Ltd.	5.31			
Oil & Natural Gas Corporation Ltd.	3.22			
Coal India Ltd.	2.09			
Reliance Industries Ltd.	1.03			
<b>Power</b>	<b>7.32</b>			
• Tata Power Company Ltd.	3.96			
NTPC Ltd.	3.36			
<b>Services</b>	<b>4.26</b>			
• Adani Ports and Special Economic Zone Ltd.	4.26			
<b>Telecommunication</b>	<b>5.79</b>			
• Indus Towers Ltd.	3.92			
Bharti Airtel Ltd.	1.87			
<b>Equity and Equity Related Total</b>	<b>67.44</b>			

## SECTOR ALLOCATION (%)



Data as on February 29, 2024

## Asset Allocation (%)



Data as on February 29, 2024

<sup>1</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.

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