

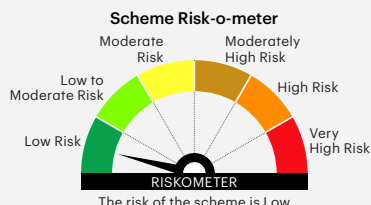
Invesco India Arbitrage Fund

(An open ended scheme investing in arbitrage opportunities)

This product is suitable for investors who are seeking*

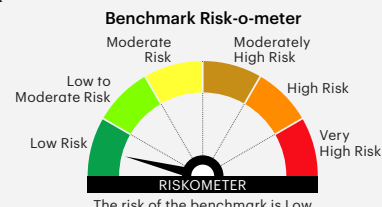
- Income over medium-term
- Income through opportunities emerging out of difference in pricing between cash and derivatives markets and through deployment of surplus cash infixed income instruments.

***Investors should consult their financial advisers if in doubt about whether the product is suitable for them.**



SCHEME BENCHMARK

As Per AMFI
Tier 1 Benchmark i.e.
NIFTY 50 Arbitrage



Presenting Invesco India Arbitrage Fund

- The scheme does not take any directional exposure to equities and predominantly observes a 'Long Cash - Short Future' strategy.
- It maintains a 'fully hedged equity exposure', which means each position in equity stock is hedged by corresponding position in stock future
- Looks at opportunities to enhance potential portfolio returns – at times, the fund can churn the equity portfolio aggressively to capitalize on the changing “spreads” in the spot and futures market.
- The scheme's debt component (up to 35%) comprise of tactical and strategic allocation to enhance return potential with focus on safety of investments
- The scheme maintains average equity and equity related exposure at 65%[®] to qualify for the status of equity fund taxation.

[®]On a rolling 12 month basis based on opening and closing average.

What is arbitrage?

Arbitrage is a strategy to buy and sell an asset, such as equity shares, simultaneously in two or more markets or different segments of the market to take advantage of the price differential due to inefficiencies between these markets. Gains are pocketed due to mismatch in the price of the asset in these markets/segments of the market. Arbitrage strategy is however different from trading as it calls for simultaneous execution of both sale and purchase transactions to avert an exposure to risk price fluctuations in the market.

To illustrate, assume an equity share of 'X' Ltd. trades at Rs. 100 in spot market while its 1-month future trades at Rs. 115. For arbitrage to ensue, the investor will buy the security in spot and short its future thereby locking a gain of Rs. 15. If on the settlement day, the security trades at Rs. 120, the future price will converge towards the spot. To unwind the position, the investor will sell the underlying security at Rs. 120 at a loss of Rs. 5, ensuring the net gains of Rs. 15 (which were earlier locked in at the time of initiation of the trade).

Note: If on the settlement date, when the arbitrage strategy is to be unwound, the price in the spot market and in futures do not converge wholly, the actual net gains could be different at the time of initiation of trade.

Disclaimer: The above simulation is for illustration purpose only and should not be construed as recommendation from Invesco Asset Management (India) Pvt. Ltd. / Invesco Mutual Fund.

Why arbitrage mutual funds?

Arbitrage mutual funds seek to generate risk-free returns by exploiting the price differential of equity securities in two or more markets or in different segments of the market. This price differential arises on account of market inefficiencies. For instance, an arbitrage strategy will attempt to exploit the price mismatch in an equity security in the cash and the derivative segment of the market.

Being market neutral and given the fact that this strategy does not participate in the market highs and lows, arbitrage mutual fund schemes are relatively indifferent to market volatility and are not much impacted by frequent corrections in the market. These schemes are thus reckoned to have low risk and suit the investment needs of conservative investors who do not wish to take direct exposure in equities.

Why consider Invesco India Arbitrage Fund?

- **Experienced fund manager** - Long track record in arbitrage space
- **Active management** of rolls with different mandates for each stock
- **Higher midcap allocation** - Increases potential for relatively better spreads
- **Actively churning the portfolio and using strategies like dividend arbitrage**
- **Low risk profile** - Low credit risk, Low duration risk

Top 10 Holdings as on March 31, 2025		
Particulars	Equity Exposure	Derivative Exposure
ICICI Bank Limited	4.64%	-4.66%
Reliance Industries Limited	2.88%	-2.89%
HDFC Bank Limited	2.46%	-2.47%
Tata Consultancy Services Limited	2.04%	-2.05%
Infosys Limited	1.60%	-1.60%
Jio Financial Services Limited	1.39%	-1.40%
ITC Limited	1.35%	-1.35%
Axis Bank Limited	1.33%	-1.33%
Oil & Natural Gas Corporation Limited	1.17%	-1.18%
Bharat Petroleum Corporation Limited	1.16%	-1.16%

Total equity exposure:
71.18% of net assets

Corresponding derivatives exposure:
-71.45% of net assets

Performance as on March 31, 2025						
Period	Returns % (CAGR)			Value of Rs.10,000/-invested		
	Fund	Benchmark Nifty 50 Arbitrage	Addi. Benchmark CRISIL 1 Yr T Bill Index	Fund	Benchmark Nifty 50 Arbitrage	Addi. Benchmark CRISIL 1 Yr T Bill Index
1 Year	7.38%	7.65%	7.49%	10,738	10,765	10,749
3 Years	6.96%	7.01%	6.39%	12,232	12,249	12,037
5 Years	5.58%	5.42%	5.51%	13,118	13,014	13,072
7 Years	5.68%	5.50%	6.05%	14,726	14,548	15,090
10 Years	5.87%	5.54%	6.31%	17,693	17,149	18,435
Since Inception (30 April, 2007)	6.59%	NA	6.28%	31,410	NA	29,799

Past Performance may or may not be sustained in future. The performance details provided herein are of existing plan (Regular) – Growth Option. Different plans have different expense structure. For calculating returns since inception, NAV as on the date of allotment is taken as Rs. 10/- . Face Value per unit is Rs. 10/-. Returns above 1 year are Compounded Annualised Growth Rate (CAGR). Fund Manager(s) : Deepak Gupta managing since November 11, 2021 and Kuber Mannadi since September 1, 2022. Please refer the performance of other schemes managed by Fund Managers.

Asset Profile	% Weightage
Corporate Bond	0.57%
Equity	71.18%
Money Market Instruments	2.37%
Mutual Fund Units	21.94%
Cash & Cash Equivalent	3.94%

Performance of other Schemes managed by the Fund Manager (as on March 31, 2025)											
Fund	Fund Manager	1 Year		3 Years		5 Years		7 Years		10 Years	
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM
Invesco India Equity Savings Fund - Reg - Growth	Dhimant Kothari, Amit Nigam, Deepak Gupta & Krishna Cheemalapati	9.11%	7.76%	9.13%	8.80%	10.68%	12.35%	-	-	-	-
Invesco India Nifty 50 ETF	Kuber Mannadi	6.49%	6.65%	11.64%	11.77%	23.54%	23.72%	13.98%	14.16%	11.93%	12.08%

Past performance may or may not be sustained in future. BM - Benchmark. The performance details provided herein are of existing plan (non - direct plan) - growth option. Different plans have different expense structure. Face Value per unit is Rs. 10/-. Returns less than 1 year are simple annualised. Returns above 1 year are Compounded Annualised growth Rate (CAGR). No. of schemes managed - Deepak Gupta : 2 and Kuber Mannadi: 2. Fund benchmark: Invesco India Nifty 50 Exchange Traded Fund - Nifty 50 TRI; ; Invesco India Equity Savings Fund - Nifty Equity Savings Index. Fund Managers managing the schemes since: Invesco India Nifty 50 Exchange Traded Fund - Kuber Mannadi managing - May 19, 2020; Invesco India Equity Savings Fund - Dhimant Kothari (for equity investments) - May 19, 2020, Amit Nigam (for equity investments) - September 3, 2020, Deepak Gupta (For Arbitrage Investments) - December 1, 2023 and Krishna Cheemalapati (for debt investments) - March 7, 2019. Benchmark Returns are calculated using Total Return variant of respective benchmark index, wherever applicable.

As on March 31, 2025

Portfolio Statistics	
YTM [@]	6.90%
Average Maturity	145 Days
Macaulay Duration	138 Days
Modified Duration	136 Days

[@]YTM: Yield to maturity should not be construed as minimum return offered by Scheme.

Invesco Asset Management (India)

Invesco Asset Management (India) offers expertise across equity and fixed income investments, with a broad range of funds to suit your every investment need. Our aim is to provide best-in-class investment products across asset classes, regions and risk spectrum, with high standards of customer service.

Invesco Limited – One of the world’s leading independent global investment management firms

- US\$1.8 trillion in assets under management around the globe.
- Specialised investment teams managing investments across a wide range of asset classes and investment styles.
- More than 8,400 employees worldwide.
- On-the-ground presence in more than 20 countries, serving clients in more than 120 countries.

Source: AUM of \$1,795.6 billion, client-related data, investment professional and employee data as of September 30, 2024. AUM includes all assets under advisement, distributed and overseen by Invesco.

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Key Facts

Category: Arbitrage Fund

Type: An open ended scheme investing in arbitrage opportunities

Investment Objective: To generate income through arbitrage opportunities emerging out of difference in pricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments. There is no assurance that the investment objective of the scheme will be achieved.

Asset Allocation		
Instruments	Indicative Allocation (% of Net Assets)	
	Minimum	Maximum
Equity & Equity Related Instruments	65–100%	
¹ Equity Derivatives including stock future and stock options ²	65–100%	
Debt & Money Market Instruments	0–35%	

Debt instruments may include securitized debt upto 35% of the net assets of the Scheme. The Scheme will not invest in foreign securitized debt.

¹The exposure to derivative shown in the above asset allocation table is the exposure taken against the underlying equity investments and should not be considered for calculating the total asset allocation. The idea is not to take additional asset allocation with the use of derivatives.

²The notional value exposure in derivatives securities would be reckoned for the purposes of the specified limits, the margin money deployed on these positions would be included in the Money Market category.

The maximum derivative position will not exceed 100% of the net assets of the Scheme. The cumulative gross exposure through equity, debt, derivative positions, other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the scheme.

Minimum Application Amount		
Lumpsum: Rs. 1,000/- per application and in multiples of Re. 1 thereafter. For Systematic Investment Plan (SIP):		
Options	Minimum Amount	Minimum Installments
Monthly	Rs. 500 per month and in multiples of Rs. 1/thereafter	12
	Rs. 1,000 or more per month and in multiples of Rs. 1/thereafter	6
Quarterly	Rs. 1,500 per quarter and in multiples of Rs. 1/thereafter	4

Plans^/Options (Applicable for Direct Plan also)

- Growth Option
- Income Distribution cum Capital Withdrawal (IDCW) option
- IDCW Payout
- IDCW Reinvestment
- (If IDCW under payout of IDCW is equal to or less than Rs.100/- then the IDCW would be compulsorily reinvested in the respective plan/option of the scheme)

Fund Manager: Deepak Gupta and Kuber Mannadi

Loads: Exit Load: #
If redeemed/switched-out on or before 15 Days from the date of allotment: 0.5%
If redeemed/switched-out after 15 Days from the date of allotment: Nil
Switch between the Plans under the Scheme: Nil
[#]Exit load charged, if any, will be credited back to the scheme, net of Goods and Services tax.

Benchmark : Nifty 50 Arbitrage

Disclaimer: This information alone is not sufficient and shouldn’t be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. The readers should exercise due caution and/or seek independent professional advice before making any investment decision or entering into any financial obligation based on information, statement or opinion which is expressed herein. While utmost care has been exercised while preparing this document, Invesco Asset Management (India) does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information

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