

JioBlackRock Arbitrage Fund

NFO dates : 9 Dec 2025 - 11 Dec 2025

One click. Smart short-term investing starts here.



BlackRock



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



What is Arbitrage?

Arbitrage means buying something at a lower price in one place and selling it at a higher price somewhere else to make a profit.

Analogy

Imagine you're a mango trader. You notice that Alphonso mangoes are selling for ₹100 per kilo in Market A, but people in Market B are willing to pay ₹102 per kilo for the same mangoes.

So, you:




-  **Buy mangoes in Market A at ₹100**
-  **Immediately agree to sell them in Market B at ₹102**
-  **₹2 profit per kilo**

You have the potential to make ₹2 profit per kilo without waiting or guessing whether mango prices will go up or down. You're simply taking advantage of the price differential between two markets.

Now, how does it work in an arbitrage fund?

Let's say a company's stock is priced ₹100 today (in the cash market). The same stock may be priced ₹102 in a futures market (a deal to sell it later).

Similarly, in an arbitrage fund, the fund manager may:

-  **Buy the stock at ₹100 in the cash market**
-  **Agree to sell it in the futures market at ₹102**
-  **Fund earns ₹2 profit per share**

The price differential between cash market price and future market price is called **spread**.

Spreads determine potential returns in an arbitrage fund

Wider spreads mean **better arbitrage** opportunities.

Historical spreads between Nifty 50 Index and Nifty 50 Futures



Factors driving spreads

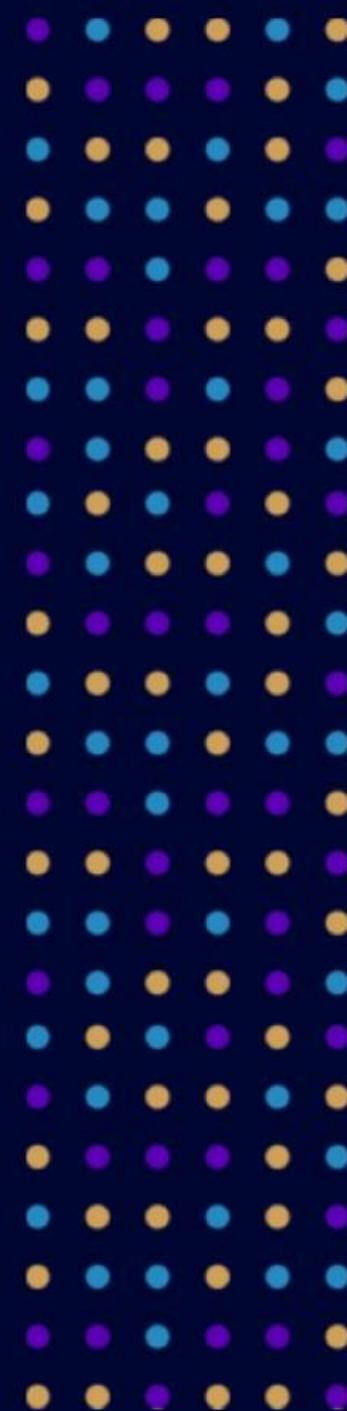
Volatile markets: Arbitrage funds thrive in volatile markets. When markets are volatile, these price gaps widen, creating more opportunities for arbitrage and potentially higher returns.

Positive outlook In the near-term increases buying of futures, which widens cash-futures spreads and improves arbitrage opportunities.

Interest rate environment: Arbitrage funds may invest part of the fund in short-term debt instruments or money market securities. Higher short-term rates can potentially increase the spreads.



JioBlackRock Arbitrage Fund



Aladdin: The engine behind functional efficiency

Why does this matter to you?

By leveraging BlackRock's decades of expertise, we aim to offer the same technology and processes to manage investments efficiently.

Powered by Aladdin®



Portfolio-wide view combines data from all asset classes into one system, giving fund managers a clear picture of risk across strategies and assets.



Centralized dashboard for real-time data from multiple sources, helping them make quick, informed decisions.



Provides operational efficiency by combining trading, accounting, and risk management into one system to cut complexity.



Fund managers have access to get real-time intraday views, including placed margins, through integrated operations improving efficiency.



Centralized compliance helps automate orders and trades, flags issues, and ensures all rules are followed.



Ongoing monitoring & scalability with tools like Explore and Position Roller helps fund manager analyze portfolio performance and handle large order volumes efficiently.

Optimizing roll spreads through quantitative analysis

Since futures contracts have an expiration date, the fund manager may "roll over" the futures position. Rollover analysis is a critical process of determining the best time and terms for this roll.

We aim to bring a unique edge by applying quantitative analysis to rollover decisions, ensuring data-driven and optimized outcomes.

How we use this data?



Spreads change even in calm markets. Our data-driven approach helps choose smarter rollover timing by empowering fund managers to act swiftly at scale.

Cost efficiency you can trust: The TER advantage

Why does this matter to you?

We believe that our efficient execution processes could help lower costs and potentially increase your portfolio returns



Global quality and cost efficiency

Our intention is to provide top-tier, international-quality investment management services at reasonable prices.



Investment process and technology

Our scalable process powered by Aladdin® can allow us to offer competitive TER prices without compromising on performance.

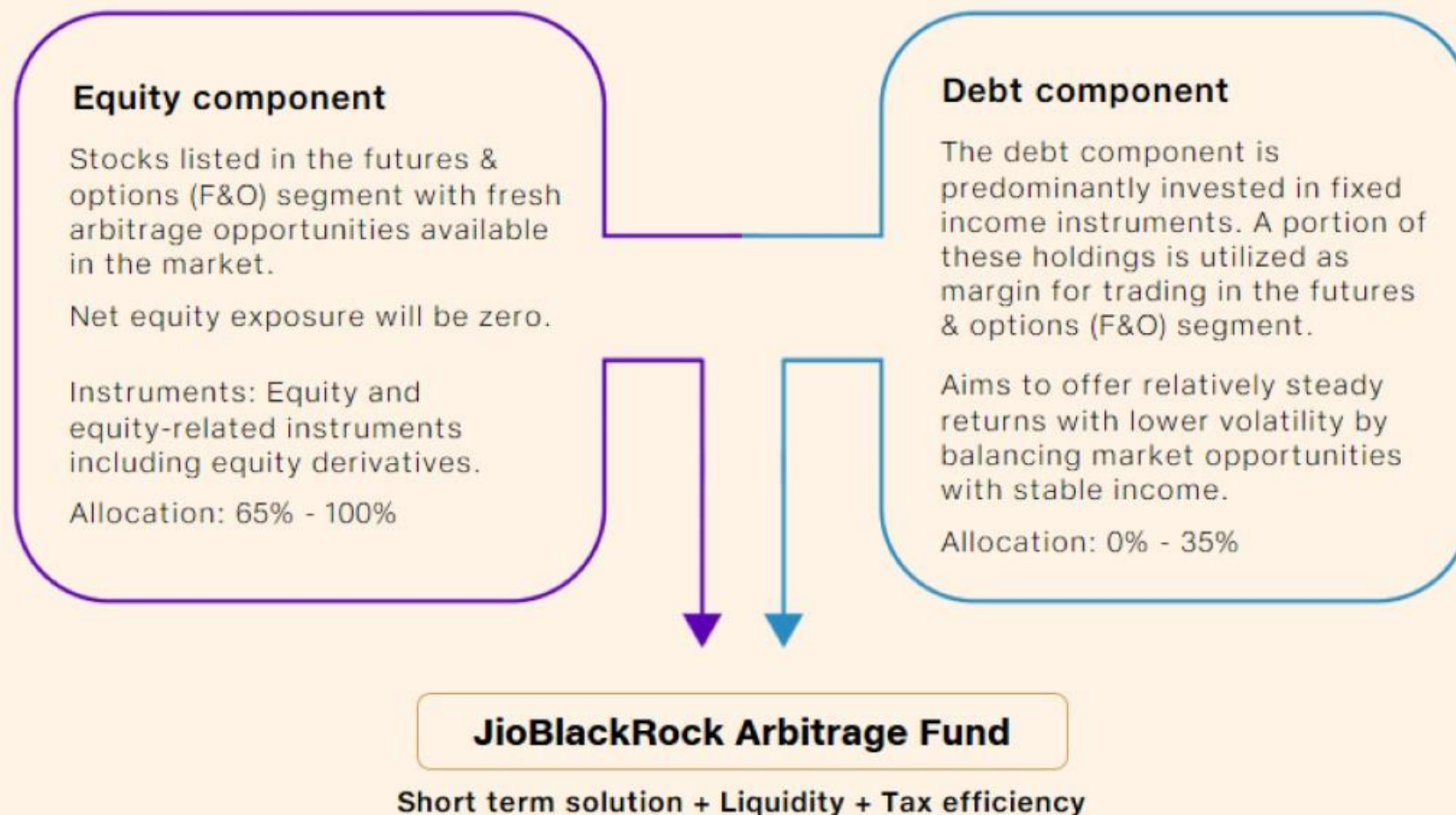
How does it impact your investments?

Small difference in cost can lead to a big difference in returns over time

Potential savings on ₹10 Crore in Nifty 50 Arbitrage over 1 year at 40BPS compared to 30BPS and 35BPS

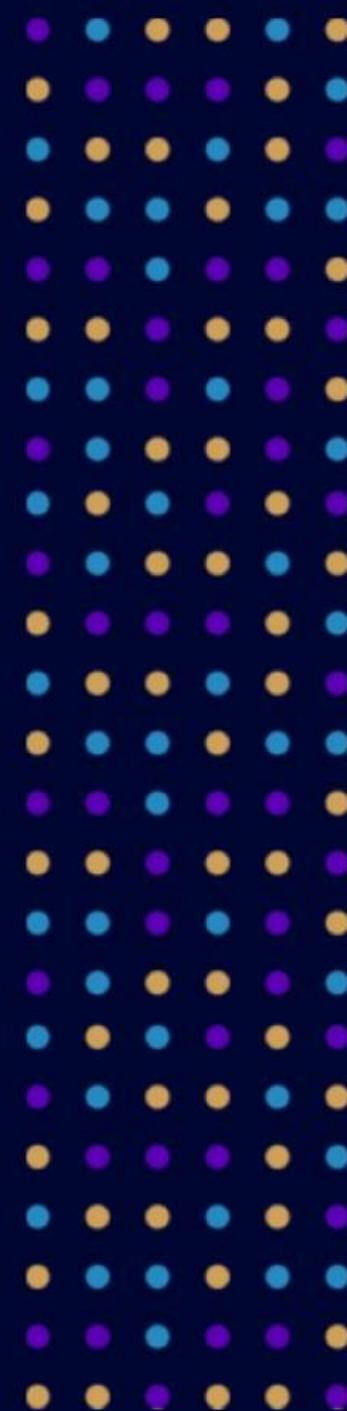


The portfolio mix





Why does it
matter to you?



Historic trends show spreads are better in the month of December

December month typically witness an elevated arbitrage spreads due to a combination of seasonal factors and year-end market dynamics.

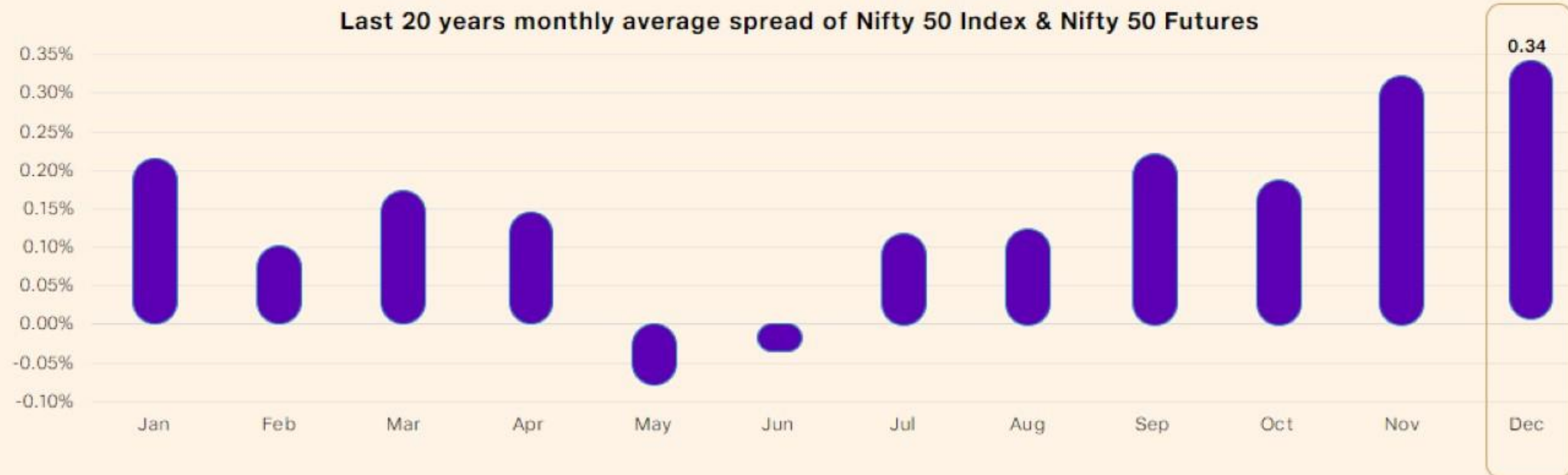
Here's why this trend usually persist

Seasonal strength

Positive sentiment during the festive season (Diwali to New Year) drives strong participation from local investors, including retail and HNIs.

Year-end dynamics of FPIs

FPIs often scale back or close positions in December to book profits and plan for the new year. With less FPI money chasing arbitrage, spreads face less pressure and tends to stay higher.



Arbitrage funds are gaining momentum now

Expanded F&O market, favorable market spreads, strong investor demand has made arbitrage funds notably attractive in the current context

Growing F&O Universe



- Expanded arbitrage universe
- Better portfolio optimization
- Improved liquidity and execution
- Higher probability of price differentials

Investor interest driving arbitrage category AUM



Tax treatment of arbitrage funds

Arbitrage funds qualifies for equity taxation making them tax efficient as compared to debt funds and other traditional deposits, thus making it an appealing option for investors in higher tax brackets seeking efficient short term investment opportunities.

	Short term capital gains (Holding \leq 1 year)	Long term capital gains (Holding $>$ 1 year)
Arbitrage fund	20%	12.5%* (On gains exceeding 1.25 lakh in a financial year)
Debt fund	30%	30%
Traditional investments	30%	30%

Short-term capital gains: Holding period \leq 1 year. Long-term capital gains: Holding period $>$ 1 year. Long-term capital gains up to ₹1.25 lakh in a financial year are exempt from income tax as mentioned above. Surcharge and other cess (as applicable) are not considered and will apply as per the investor's tax bracket in addition to this. The above illustration is based on the highest tax rates applicable to Individuals/HUFs/Domestic Companies under the Finance Act, 2025 read with Taxation Laws, and is for illustrative purposes only. It should not be construed as a guarantee of minimum returns or protection of capital. Investors are advised to consult their tax advisor. Unlike traditional savings instruments, mutual fund investments are subject to market risks, and past performance may not be strictly comparable.

Tax analysis

	Nifty 50 Arbitrage Index			NIFTY Liquid Index A-I		
	3 month	6 month	> 1 year	3 month	6 month	1 year
Amount invested	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000
Returns	4.24%	6.37%	7.72%	5.65%	5.99%	7.30%
Redemption Value	1,01,060	1,03,184	1,07,719	1,01,413	1,02,997	1,07,298
Tax rate	20.0%	20.0%	12.5%	30.0%	30.0%	30.0%
Tax amount	212	637	965	424	899	2189
Post-tax value	1,00,848	1,02,547	1,06,754	1,00,989	1,02,098	1,05,108
Post-tax returns (Annualized* for < 1Y)	3.39%	5.09%	6.75%	3.96%	4.20%	5.11%

Returns for Nifty 50 Arbitrage Index & Nifty Liquid Index A-I for 3M & 6M are annualized and > 1 year is CAGR. Returns for Nifty Liquid Index A-I > 1 year refer to 1.11.2023 to 31.10.2025. Tax rates are excluding surcharge and education cess as applicable. The chart is for illustration purpose only. Calculation is internal. Past performance may or may not be sustained in future and is not a guarantee of any future returns. Investors can consult their financial advisors before making any investment related decisions.

Who should invest?

Risk-averse investors

Aims for steady returns and want to avoid the ups and downs of the stock market.

Income focused savers

May suit investors seeking relatively stable income with limited exposure to interest rate or credit-related risks

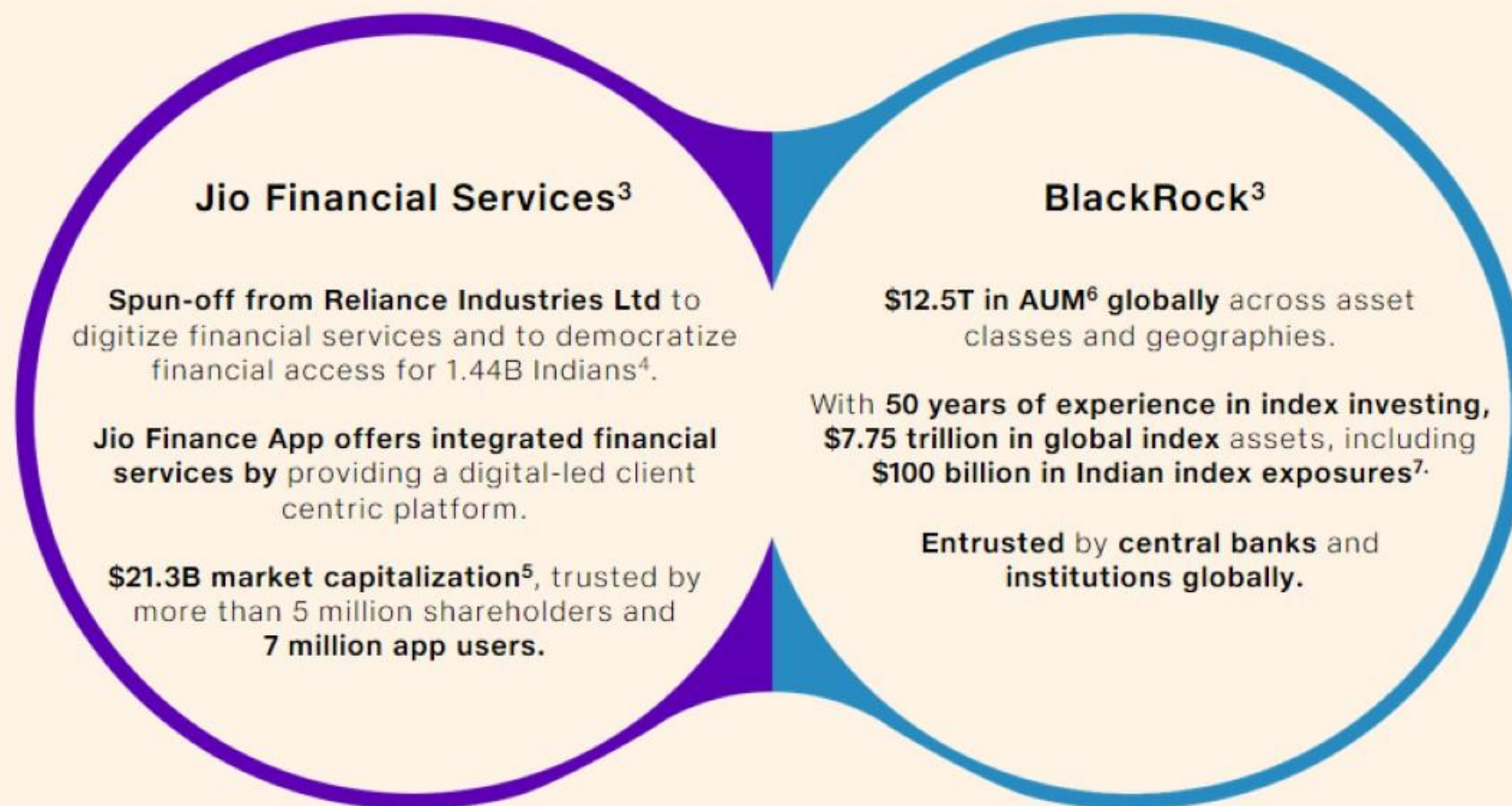
Short term investors

Alternative to traditional investments.

Tax savvy individuals

Focused on maximizing post tax gains and seeking investments with favorable tax treatment.

We bring together the capabilities of the world's largest asset manager¹ and India's strongest brand²



(1) As of 31st March 2025, [BlackRock Financials](#), [ADV Ratings](#) (2) [Jio](#) (3) Jio Financial Services Ltd and BlackRock Financial Management Inc. (wholly owned subsidiary of BlackRock Inc.) are the sponsors for the JioBlackRock Mutual Fund (4) World Bank 2023 data (5) As of 30th May 2025, Bloomberg. (6) As of 30th June 2025 – Q2 Report [BlackRock](#). (7) [Annual Earnings Report](#).

Invest with us

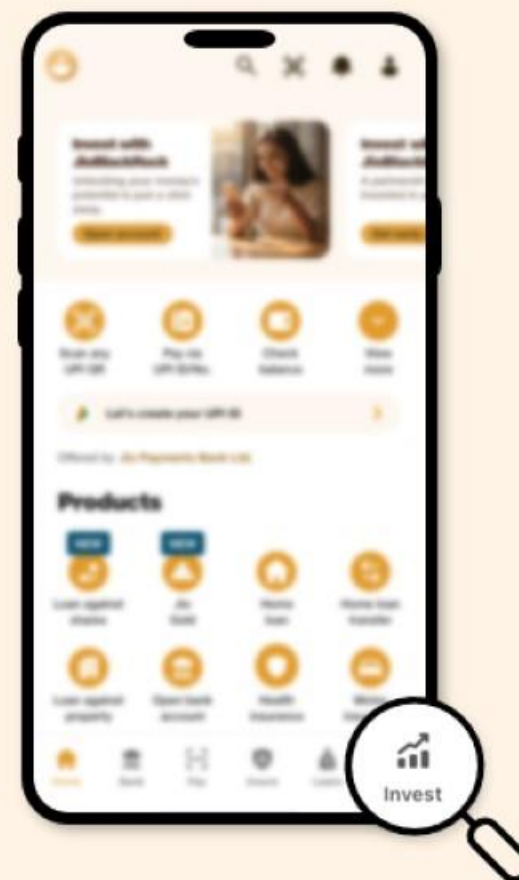
Download now to start investing through



Visit: www.jioblackrockamc.com



Tap on the "Invest" button and start your investment journey today.



Market experts managing your money

Why does this matter to you?

Empowering local investors with global expertise, process and tools to manage your money.



Sid Swaminathan
MD & CEO

20 years of experience



Rishi Kohli
Chief Investment Officer

24 years of experience



Amit Bhosale
Chief Risk Officer

23 years of experience

Equity Fund Managers



Sahil Chaudhary

14 years of experience



Tanvi Kacheria

14 years of experience



Haresh Mehta

18 years of experience



Anand Shah

23 years of experience



Vikrant Mehta

30 years of experience

Debt Fund Managers



Arun Ramachandran

19 years of experience



Siddharth Deb

19 years of experience

JioBlackRock Arbitrage Fund

An open ended scheme investing in arbitrage opportunities

Built for today's investor



Low-risk, market-neutral strategy

Captures price differences between cash and futures markets, aiming for stable returns regardless of market direction



Tax-efficient returns Enjoys equity taxation benefits, making it relatively more attractive than many traditional short-term debt funds



Smart parking for short-term surplus

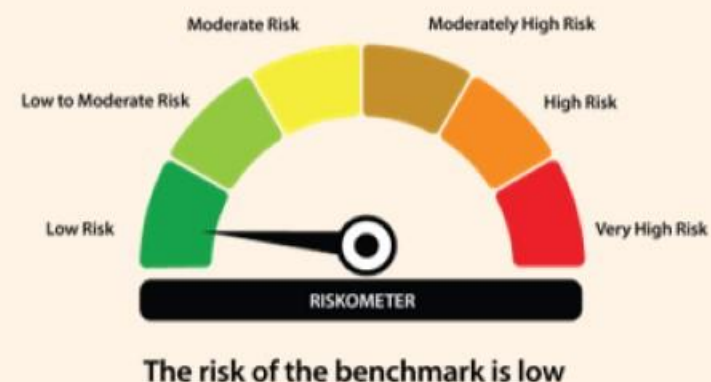
Ideal for investors seeking liquidity and potential returns on idle cash without taking high market risk

Fund	
Investment objective	<p>The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and by investing the balance in debt and money market instruments.</p> <p>There is no assurance that the investment objective of the scheme will be achieved.</p>
Scheme category	Hybrid Scheme – Arbitrage Fund
Benchmark	Nifty 50 Arbitrage (TRI)
Total Expense Ratio (TER)*	0.30%
Exit load	Exit load of 0.25% is payable if units are redeemed / switched-out on or before 15 days from the date of allotment
Fund managers	Mr. Anand Shah, Mr. Haresh Mehta, Mr. Siddharth Deb & Mr. Arun R

*TER shown above is for indicative purposes only and does not reflect the actual TER. Please refer to the Scheme Information Document for the maximum permissible TER chargeable by the scheme. Post NFO, investors are suggested to visit AMC's website for the actual TER of the Scheme.

Risk-o-Meter & other details

Fund	This product is suitable for investors who are seeking*	Benchmark
JioBlackRock Arbitrage Fund (An open ended scheme investing in arbitrage opportunities)	<ul style="list-style-type: none"> Income over short term Investment predominantly in arbitrage opportunities in cash and derivative segment of the equity market 	Nifty 50 Arbitrage (TRI)



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

The above product labelling assigned during the New Fund Offer (NFO) is based on an internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

Disclaimer

This document is for informational purposes only and does not constitute investment advice or constitute an offer or solicitation to sell or buy any securities. This document is for intended recipients only. The views expressed herein are based on internal data, publicly available information and other sources believed to be reliable. The document does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. There is no assurance that any investment strategy or Scheme will achieve its objectives or avoid losses. Certain statements in this document may contain forward-looking information, including projections, estimates, and other statements regarding future events or the future financial performance of the Scheme. These statements are based on current expectations and assumptions and actual results may differ materially due to various risks and uncertainties. The value of investments may fluctuate and there is no assurance or guarantee that the investment objectives of the Scheme will be achieved. Past performance of the sponsors, asset management company or any Scheme of the fund does not guarantee or indicate future results/returns. Neither the AMC, Trustee Company, sponsors or its affiliates nor any person connected with them shall accept any liability arising from the use of this document.

Investors are advised to read all scheme-related documents carefully before investing. Investment in mutual funds involves risks, including the possible loss of principal.

The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein.

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