

# Bank of India Money Market Fund

(An open-ended debt scheme investing in money market instruments.  
A relatively low-interest rate risk and moderate credit risk.)

**Bank of India**   
Mutual Fund

**April 2026 Update**  
Portfolio Data as on 31<sup>st</sup> March 2026

# Understanding Money Market Funds

- Money Market funds are a type of open-ended debt funds that invest in high-quality money market instruments issued by government, corporation and financial institutions
- They aim to provide investors with an investment option which is highly liquid in nature along with returns on investments
- They are designed for investors that are seeking a relatively low risk avenue to park surplus cash while earning potentially higher yield

Where does the fund invest?

High quality debt and money market instruments with high liquidity (**tenure of underlying securities up to 1 year**)

What is the objective of the fund?

The investment objective is to generate returns with reasonable liquidity to the unit-holders by **investing in money market instruments**

What is the purpose of the fund for an investor?

To provide a **liquid investment option** along with return generating potential

What should be the investment horizon?

Suitable for investors having an investment horizon **up to 1 year**

# Current Scenario!

# RBI Policy Highlights - Stability with Watchful Cautions

## Policy Decision – MPC April 2026

- Repo rate held at 5.25%; stance remains Neutral.
- Signals a pause after 125 bps of cumulative easing

## Macro Assessment

- Growth outlook remains strong; FY27 GDP projected at 6.9%
- Inflation stays benign and within tolerance; temporary uptick expected from base effects
- Medium-term inflation projected to normalize around target. CPI Inflation projected at 4.6% for FY27, remaining close to RBI's comfort range

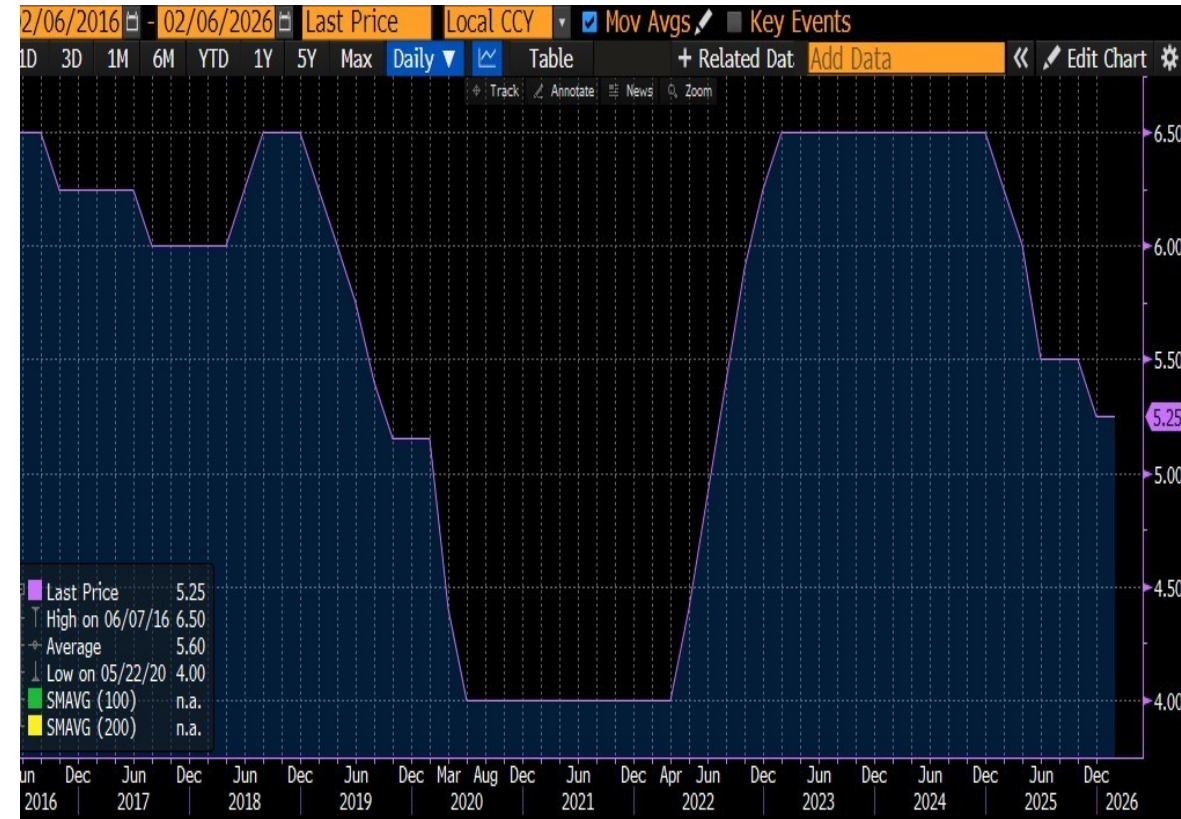
## Liquidity & Transmission

- System liquidity remains in surplus
- RBI reiterates **proactive, pre-emptive liquidity management**
- Iran-US conflict pushed crude oil above \$100/barrel, raising upside inflation risk and weakening the rupee.

## Market Read-Through

- No explicit guidance on OMOs to manage FY27 borrowing supply
- Bond markets remain cautious on supply dynamics despite macro strength
- Supply-side inflation shock from geopolitics make a repo rate cut a blunt and potentially ineffective tool at current stage.

## Repo Trend



# RBI Maintains Neutral Stance, Prolonged Pause & Vigilant on liquidity dynamics

## What RBI Did:

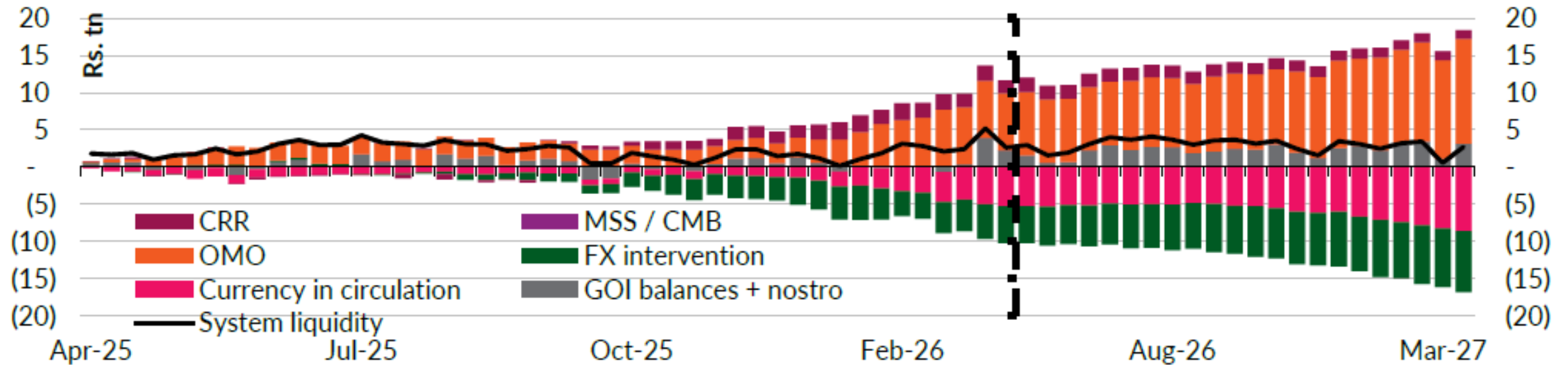
- ▶ Repo rate unchanged at 5.25%
- ▶ Policy stance neutral; decision unanimous
- ▶ Growth outlook as been lowered and Inflation prognosis : FY27 GDP growth projected at 6.9%, down from the February estimate of 7.4% with West Asia conflict and elevated crude oil prices as primary headwinds.

## What It Signals:

- ▶ Cumulative 125 bps easing already delivered
- ▶ Monetary transmission well underway; limited need for further cuts
- ▶ Risk to growth forecast tilted to the downside if the conflict escalates further

Net Injection in FY till date	INR Lakh Crore
CRR Cut	2.5
Forex Sale (Till Jan26)	-4.5
BUY Sell SWAP	2.3
OMO (incl. Secondary)	8.8
CIC Circulation( till 15 March)	-4.1
VRR	1.6
<b>Total Money Injection</b>	<b>6.6</b>

# Liquidity & Markets: Where the Caution Lies



Source: RBI; Axis Bank Research

## Liquidity Conditions

- RBI remains vigilant, closely monitoring incoming data, neutral stance provides flexibility to respond as per the evolving situation.
- RBI reiterates proactive liquidity management

## Market Impact

- 10Y GOI yield: ~6.95% (post-policy)
- Short-term rates hardened modestly across the curve

## Market Read-Through

- Limited clarity on OMOs to manage FY27 borrowing supply
- volatility due to uncertain global uncertainty
- Bond markets react to supply concerns, not macro weakness

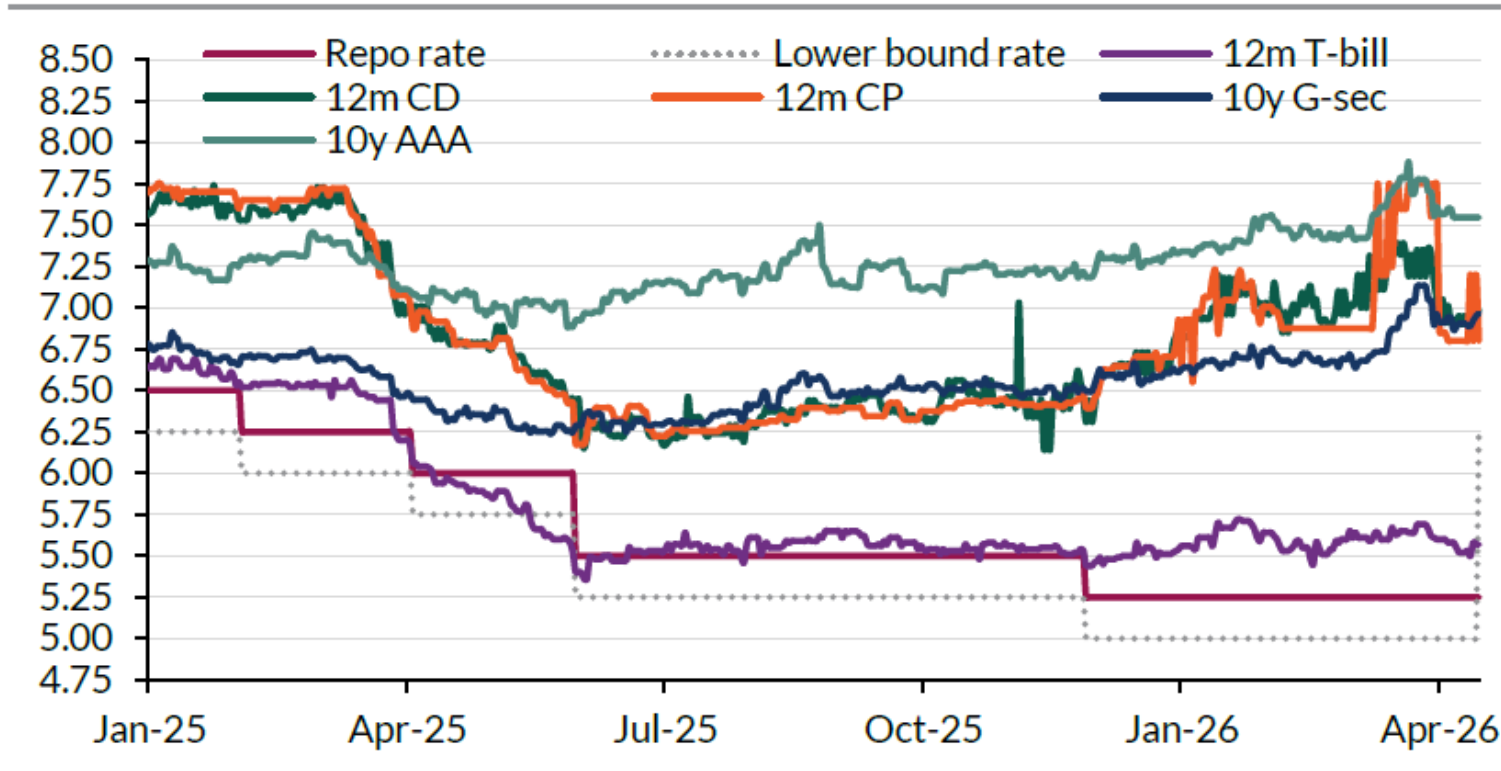
# Policy Takeaway: A Constructive Setup for Fixed Income Securities

Instruments	Tenure	Pre Policy April 2026	27-04-26	Change
CD AAA	3 Month	7.2	6.3	-0.9
CD AAA	1 Year	7.3	7.05	-0.25
AAA PSU CORP	3 Year	7.73	7.58	-0.15
AAA PSU CORP	5 Year	7.8	7.62	-0.18
AAA PSU CORP	10 Year	7.8	7.64	-0.16
GOI	5 Year	6.7	6.5	-0.2
GOI	10 Year	7.05	6.94	-0.11

- Money market instruments : JFM maturity CDS/CPS offer the best carry in the current environment. And also best risk /reward profile : Money Market funds
- In this environment, duration strategies in **high-quality corporate bonds in the 3-5 year maturity** segment remain particularly attractive

# Why Bank of India Money Market Fund?

# Short-End Opportunity: 1-Year Maturity Offers relatively better Carry - Past Vs Present



Source: AMFI, Axis Bank Research

- With the repo rate currently at 5.25% and systemic liquidity expected to remain in surplus, **6-month to 1-year segment offers the most attractive carry** and return potential
- In a neutral policy stance and with liquidity infusion measures already announced, the **JFM 2027 segment offers the most favorable risk-to-return profile**

# How the Roll Down Investment Strategy would Benefit the Investors?

An Illustration- Roll Down Investment strategy for Jan, Feb, Mar 2027 maturity CDS

Roll Down Scenario Analysis	Yield-to-Maturity (in %)				
1 Year CD YTM	7.05	7.05	7.05	7.05	7.05
Change in levels (BPS)	-0.35	-0.25	0	0.25	0.35
MD for 1 year Portfolio	0.9	0.9	0.9	0.9	0.9
6m Investment Return	7.37%	7.28	7.05	6.83	6.74

# How Bank of India Money Market Fund to benefit the Investors?



Investors investing in Bank of India Money Market Fund are given a **two-pronged rates advantage**



**Higher accrual** in the scenario of no rate cuts and **cushioning** for a marginal increase in rates due to the low duration

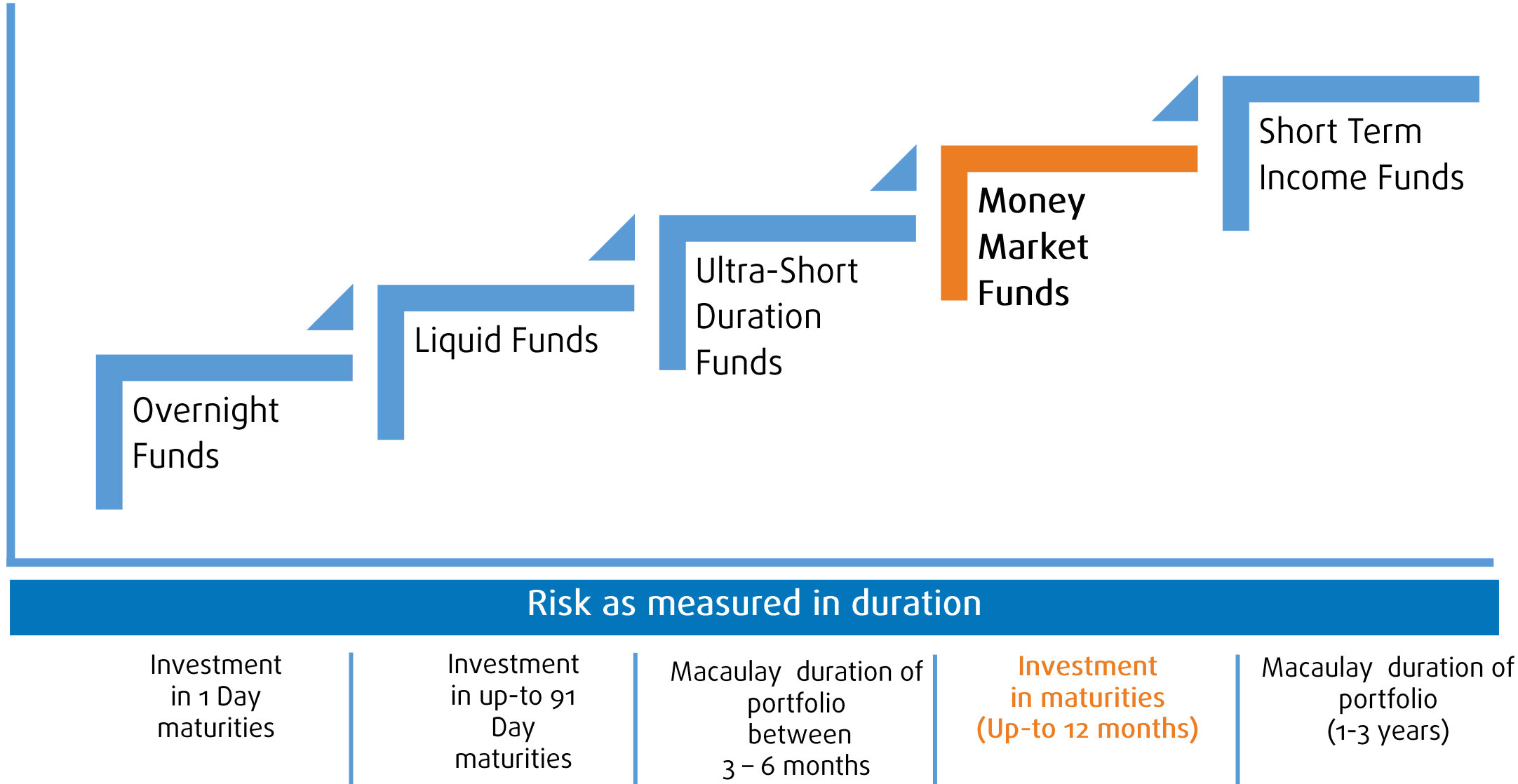


Possible **Outperformance** in the scenario of rate cuts



Suggested investment horizon **up to 1 year**, however with **zero exit load**

# Fund Positioning



# Portfolio Positioning



Fund will invest in CDs (Certificate of Deposits), CPs (Commercial Bills), Treasury Bills and Government Securities having a **maturity up to 1 year**



Portfolio will maintain a **Higher Credit Quality** with a focus on higher accruals



Aim to capture opportunities in Money Market instruments with **better liquidity**



Suitable for investors having an investment **horizon up to 1 year**

# Why is Bank of India Money Market Fund being relevant in the current scenario?

- Fund would take exposure predominantly in instruments having a maturity of 1 year
- In a neutral policy stance and System liquidity to remain comfortable , the 1-year segment offers the most favorable risk-to-return profile
- 12 Month CD YTM in the range of 6.95-7.05%



# Who can invest in Bank of India Money Market Fund?

Investors seeking low risks and low volatility along with better liquidity can invest in this fund

## Potential Risk Class (PRC) Matrix

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			



**Corporate Treasuries:** Companies seeking to manage surplus funds efficiently.



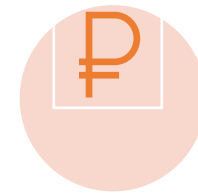
**Short-term Investors:** Individuals looking for a safe place to park their funds for a short duration



**Retirees:** Investors who prefer low-risk and liquid investments



**High Net-worth Individuals (HNIs):** Those looking to diversify their investment portfolio with low-risk instruments



**Conservative Investors:** those seeking low-risk investment options with potential returns

# Bank of India Money Market Fund

<b>Type</b>	An open-ended debt scheme investing in money market instruments. A relatively low-interest rate risk and moderate credit risk
<b>Investment Objective</b>	The investment objective is to generate returns with reasonable liquidity to the unitholders by investing in money market instruments. There is no assurance that the investment objective of the Scheme will be achieved.
<b>Benchmark</b>	First Tier Benchmark: CRISIL Money Market A-1 Index.
<b>Fund Manager</b>	Mr. Mithraem Bharucha
<b>Plan &amp; Options</b>	Plans- Direct Plan and Regular Plan Options under each Plan(s): Growth Income Distribution cum Capital Withdrawal (IDCW) (Reinvestment of IDCW & payout of IDCW)
<b>Exit Load</b>	NIL

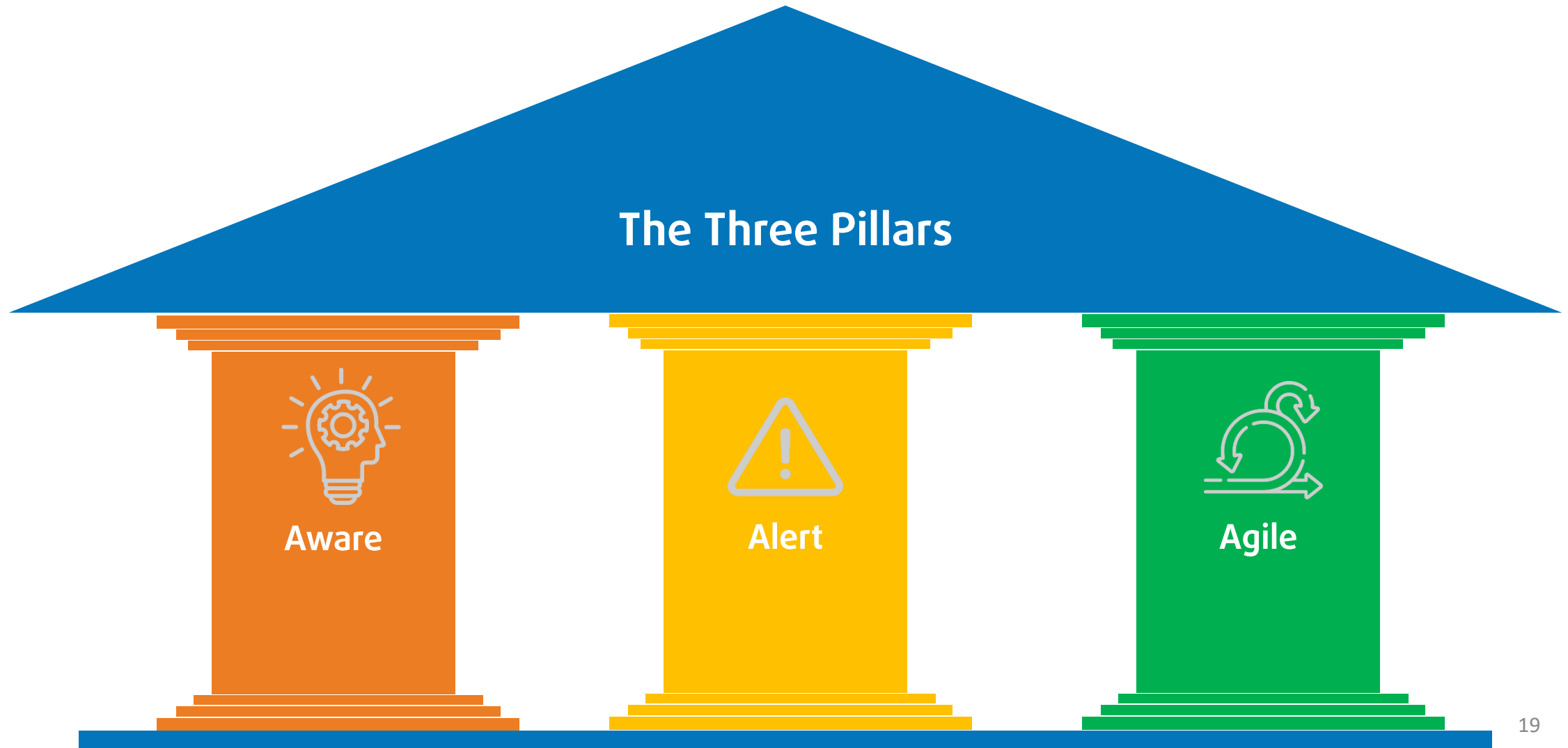
The background of the image is a blurred screenshot of a financial trading platform. It features a candlestick chart on the left, a list of numerical values in the center, and a smaller chart at the bottom left. The text is overlaid on this background.

# Investment Philosophy

## GUIDED BY RESEARCH, DRIVEN BY RESULTS

# Investment Approach – Fixed Income Funds

Our Strategic 3A Investment Approach for Fixed Income Funds



# Investment Process: Fixed Income Funds

## Macro-Economic Analysis

- Comprehensive Economic Review
- Policy Analysis
- Global Interest Rate Assessment



## Qualitative and Quantitative Research

- Qualitative Research Insights
- Quantitative Research Analysis



## Technical and Market Analysis

- Market Trend Analysis
- Trader Insights
- Economic Data Impact



## Credit Research, Portfolio Positioning, Asset Allocation & Security Selection

- Interest Rate & Yield Curve Positioning
- Holding Period Return Analysis
- Proactive Company Credit Research
- External Ratings and Insights



## Risk Management and Review


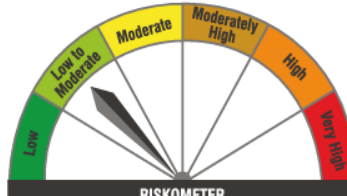
- Internal Credit Exposure Limits
- Individual & Group Exposure Limits
- Repo Counterparty Exposure Limits



# Product Label

## Bank of India Money Market Fund

(An open-ended debt scheme investing in money market instruments. A Relatively Low-interest rate risk and Moderate Credit Risk)

<p><b>This product is suitable for investors who are seeking*:</b></p>	<p>Risk-o-meter is based on the scheme portfolio as on March 31, 2026</p>	<p>Benchmark Risk-o-meter as on March 31, 2026<sup>^</sup></p>
<ul style="list-style-type: none"> <li>Regular income over short to medium term</li> <li>Investment in Money Market instruments with maturity upto one year</li> </ul>	 <p><b>RISKOMETER</b> Investors understand that their principal will be at low to moderate risk</p>	 <p><b>RISKOMETER</b> Benchmark riskometer is at low to moderate risk</p>

\*Investors should consult their financial advisor if they are not clear about the suitability of the product.

## Statutory Disclaimer:

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As per SEBI Circular dated, June 07, 2021; the potential risk class (PRC) matrix based on interest rate risk and credit risk, is mentioned below :

Potential Risk Class Matrix				
		Credit Risk		
		Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk	Relatively Low (Class I)		<b>B-I</b>	
	Moderate (Class II)			
	Relatively High (Class III)			

The image features a close-up of two hands shaking in a firm grip, set against a dark blue background. The hands are positioned centrally, with the fingers interlocked. The lighting is soft, highlighting the texture of the skin and the creases in the clothing. The overall mood is professional and collaborative.

# Thank You

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.