

Domestic Inflows through SIP offset the FPI outflows

Key Highlights

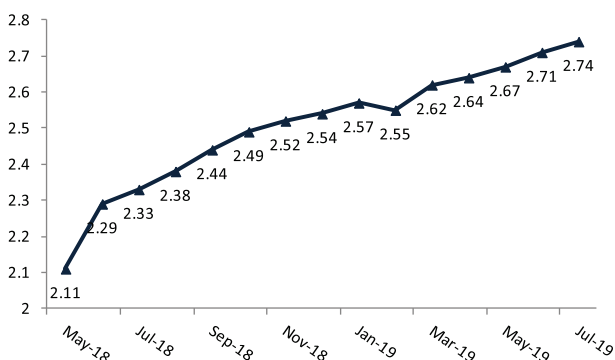
- Inflows into Equity mutual funds have continuously grown for the last 4 months amid volatile market and negative sentiments. Equity mutual funds inflow touched a new 5 month high for the month of August 2019 at Rs. 9152 crore.
- Large and Multi Cap Funds have found flavour with the market as they saw inflows of Rs.2583 and Rs.1581 crore respectively.
- Mid & Small Cap Funds have continued to find traction despite minimal to negative returns in the past 2 years. Mid Cap funds saw inflow worth Rs.1068 crores while small cap funds attracted Rs.1307 crores.
- The only equity oriented fund which has now seen outflows for 5 straight months is dividend yield funds.
- The Retail Participation stood strong despite the volatility faced by equity markets and all the mutual funds showing negative returns. The SIP inflow for the month of August was at Rs. 8230 crores.
- Credit Risk Funds continue to witness selling pressure in the wake of upcoming defaults by companies.
- The foreign portfolio investor's confidence among the Indian market has been tepid in the last couple of months with the weak macro story and global trade war concerns. Cumulative equity outflows in July and August have been Rs. 30011 crores. Inflows towards Indian debt papers however have gained Rs. 21105 crores in July and August 2019.
- The debt inflow could be visible with the government easing norms for FPI's to buy bonds in India.
- Gold ETF's has seen positive buying momentum in the country after many months of outflows. Inflows for August stood at Rs 145.29 crores.
- The Mutual fund industry's average AUM for the month of August stood at 25.47 lakhs.

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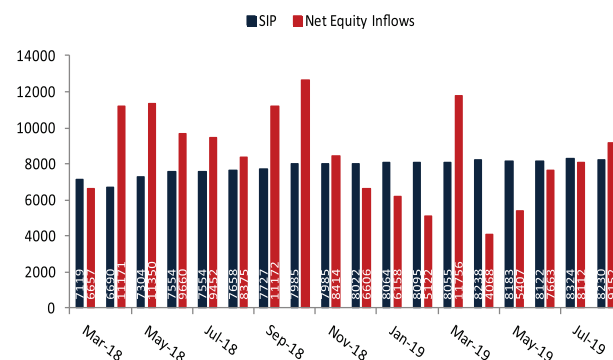
Exhibit 1: Growth in MF folios



source-amfi

Exhibit 2: Growth in investments through SIP

The investments through SIP showed a tepid fall

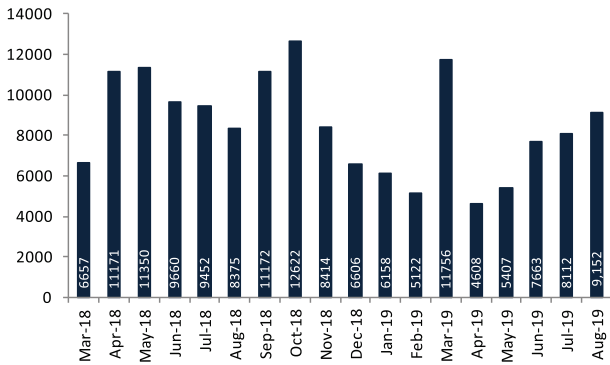


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Exhibit 3: Equity mutual funds inflow

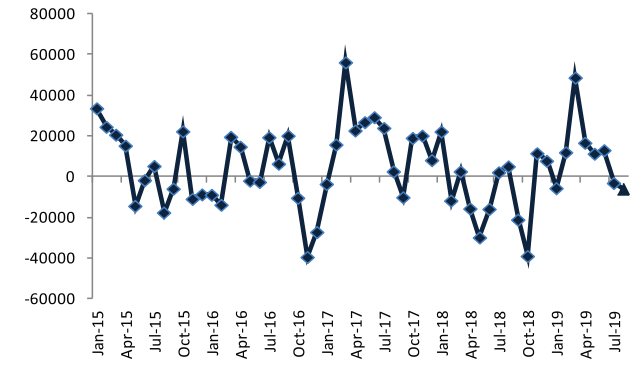
Equity funds in August saw increased inflows



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Exhibit 4: FPI Net inflows

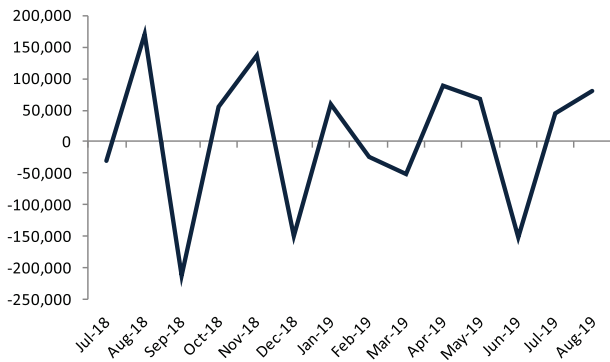
FPI's flow witnessed negative outflows



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Exhibit 5: Liquid funds

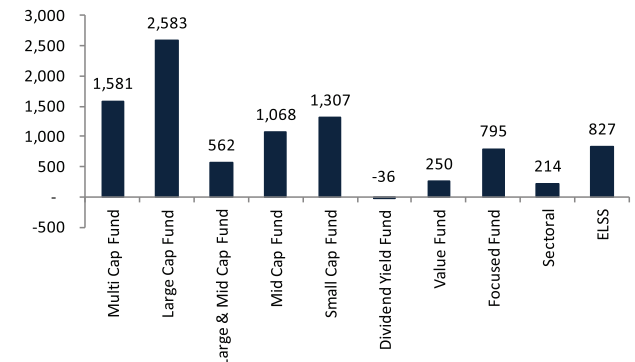
Liquid funds saw huge cyclical inflows



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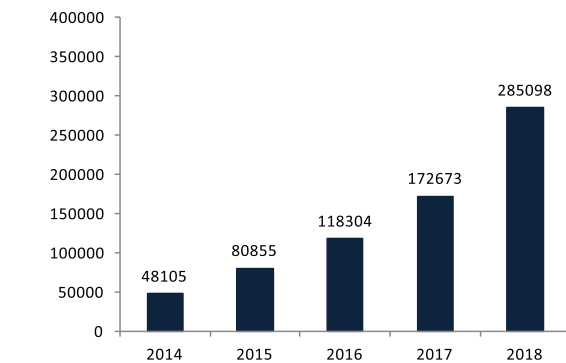
Exhibit 6: Equity funds segregation

Highest inflows in large and multicap funds



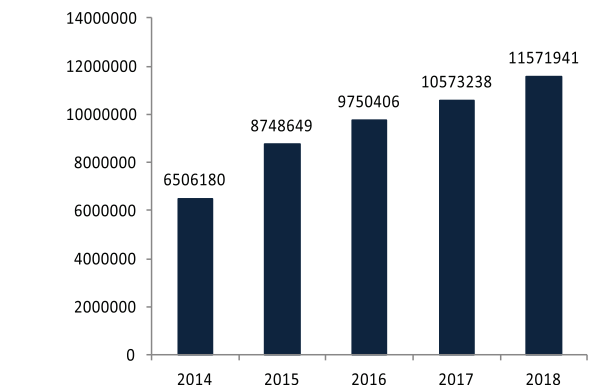
source-amfi

Exhibit 7: Average AUM in NPS trust



source-NPS

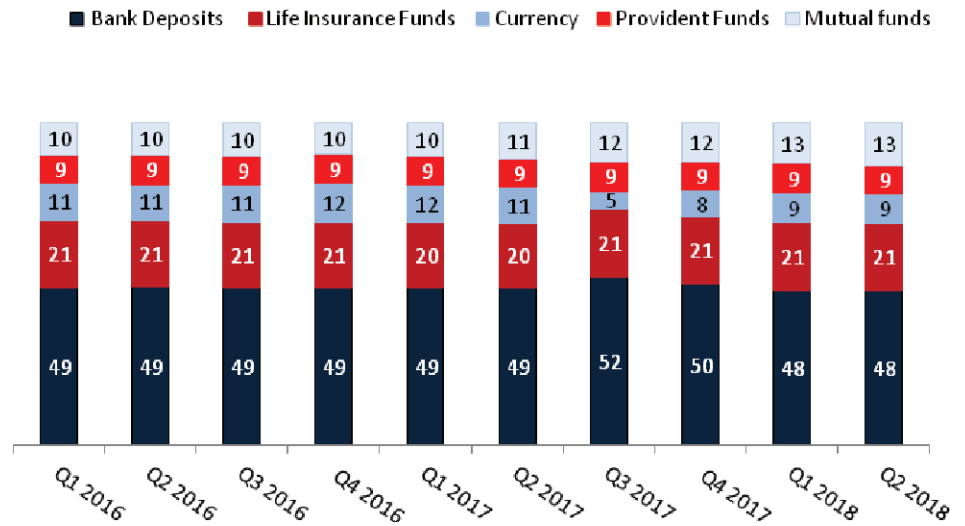
Exhibit 8: Subscriber base of NPS trust



source-NPS

Exhibit 9: Indian household savings pattern

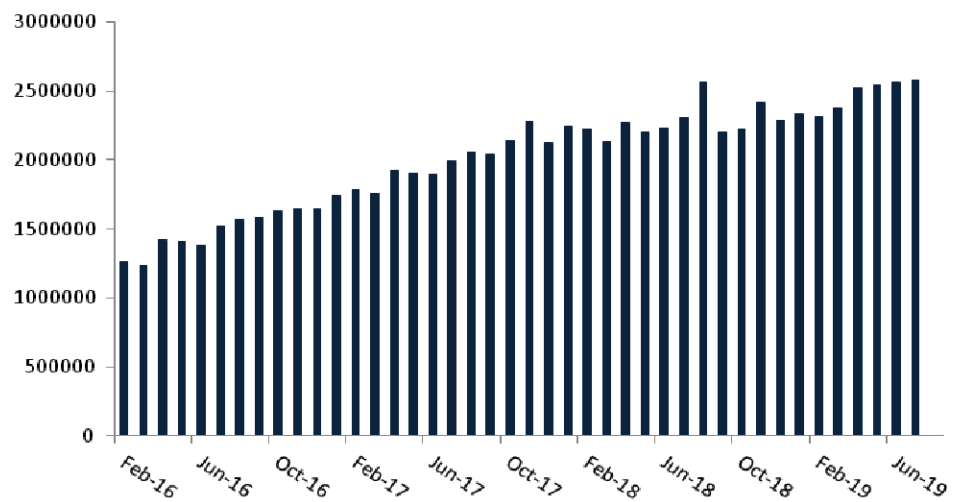
The Indian household's financial assets: Mutual funds gained 1% market share in the last 4 quarters while currency investment increased from 5 to 9%. The bank deposits have gradually depleted from 52% to 48%.



source-RBI

Exhibit 10: AUM Growth of Mutual funds

The AUM of mutual funds Slowed down a bit in August'19



source-amfi

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