

Net Inflows into equity funds fall due to higher redemptions

Key Highlights

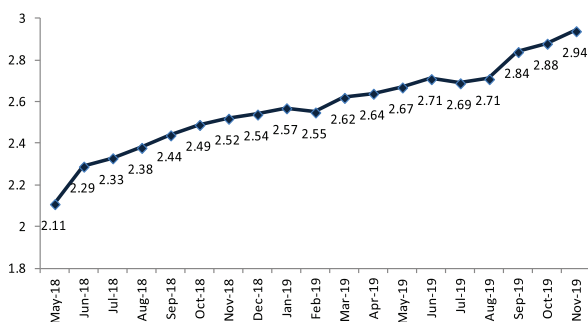
- Inflows into Equity mutual funds saw a steep fall in November 2019 and stood at just Rs.1311 crores which is a new low in 3 and a half years.
- The gross inflows have been largely similar, the degrowth in net inflows have been due to higher redemptions in the month of November'19.
- Large Cap funds and Mid Cap funds have seen continuous traction from the retail buyers and saw inflows in November at Rs. 1197 crores and Rs.802 crores respectively.
- Inflows in to small cap and multi cap funds turned tepid after months of high inflows. The inflows stood at Rs.261 crores and Rs.181 crores respectively.
- The month of November saw outflows from 4 different categories of mutual funds. Large & Mid Cap Funds (-252 crore), Dividend Yield Fund (-51 crore), Value Fund (-956 crore) and Sectoral Funds (-637 crore).
- The retail SIP market has not been susceptible to the redemptions and witnessed a marginally higher inflow in the month of November at Rs.8272 crores compared to Rs.8245 crores a month ago.
- **Credit Risk Funds on the back of negative market sentiments saw net outflows in November'19. On the other hand Banking & PSU funds and floater funds have seen significant jump in the inflows at Rs.7231 crores and Rs.3256 crores on the back of sustained high returns.**
- The foreign portfolio investor's have regained their confidence in the Indian equity market since the corporate tax cut. Net Equity inflows in November has been Rs. 25231 crores. Outflows were seen towards Indian debt papers at Rs.2358 crores.
- Inflows into Index funds fell drastically from Rs. 780 crores in October to just Rs.12 crores in November'19.
- The Mutual fund industry's average AUM for the month of november stood at 26.94 lakh crore.

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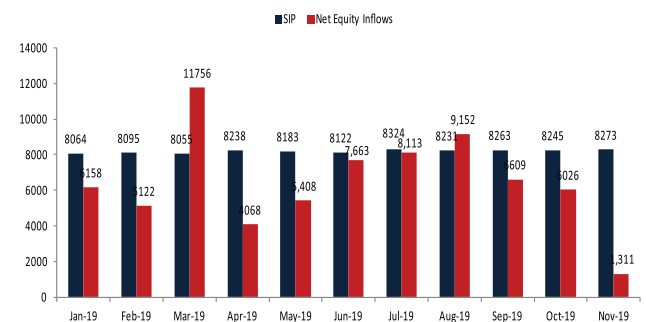
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Exhibit 1: Growth in MF folios



source-amfi

Exhibit 2: Growth in investments through SIP

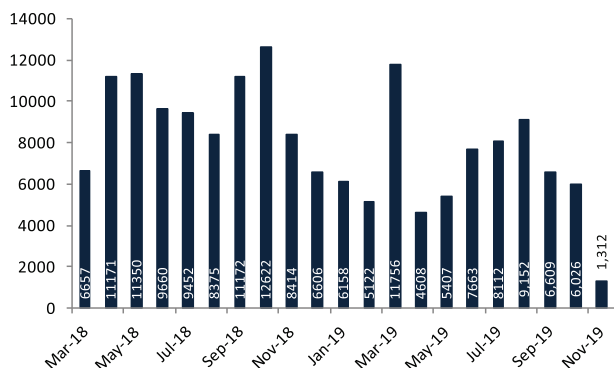


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Exhibit 3: Equity mutual funds inflow

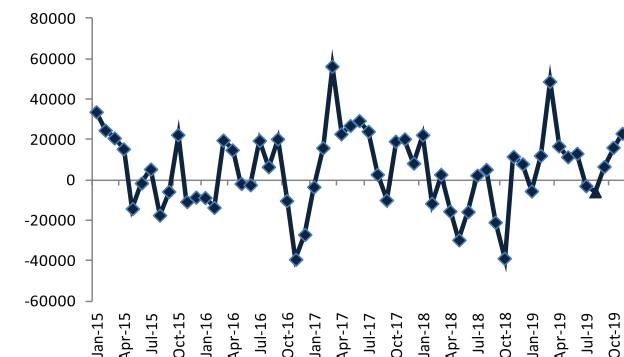
Equity funds in November saw a steep fall



source-amfi

Exhibit 4: FPI Net inflows

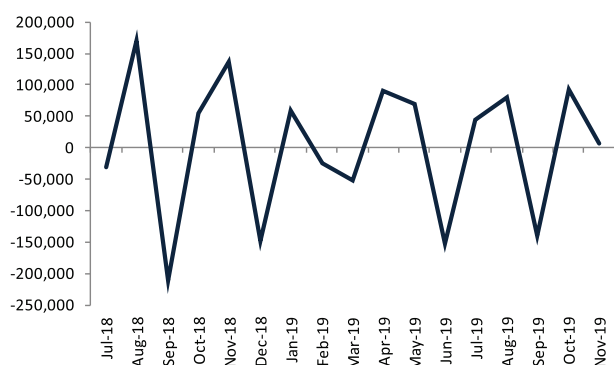
FPI's flow witnessed positive inflows in equity



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Exhibit 5: Liquid funds

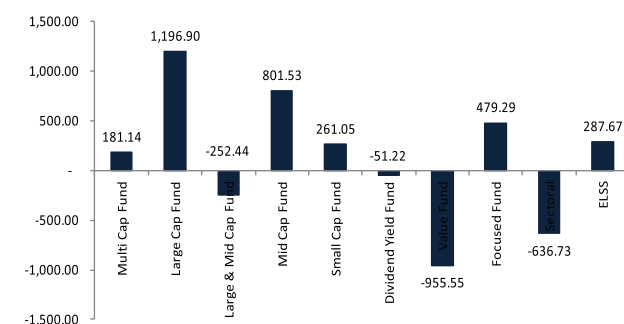
Liquid funds remained tepid



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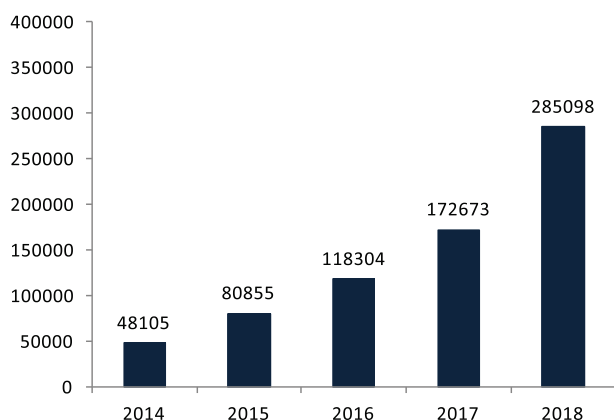
Exhibit 6: Equity funds segregation

Highest inflows in large cap funds



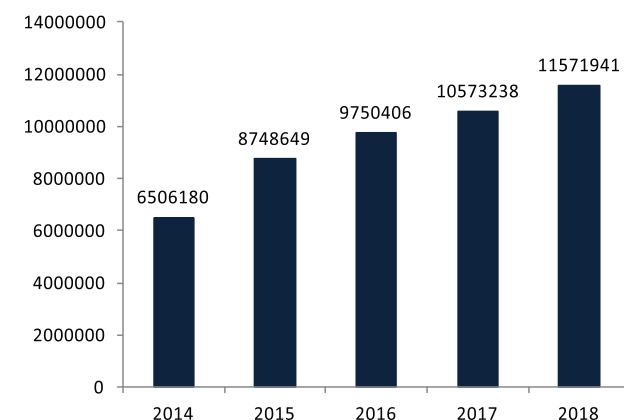
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Exhibit 7: Average AUM in NPS trust



source-NPS

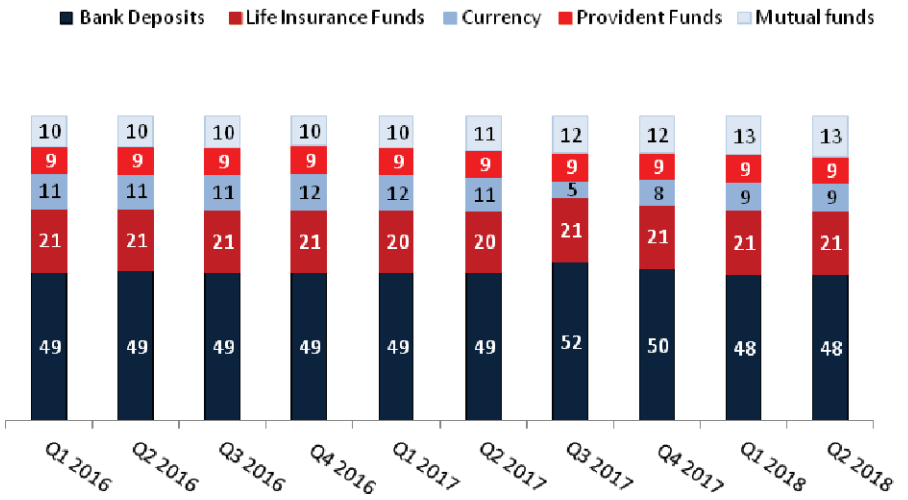
Exhibit 8: Subscriber base of NPS trust



source-NPS

Exhibit 9: Indian household savings pattern

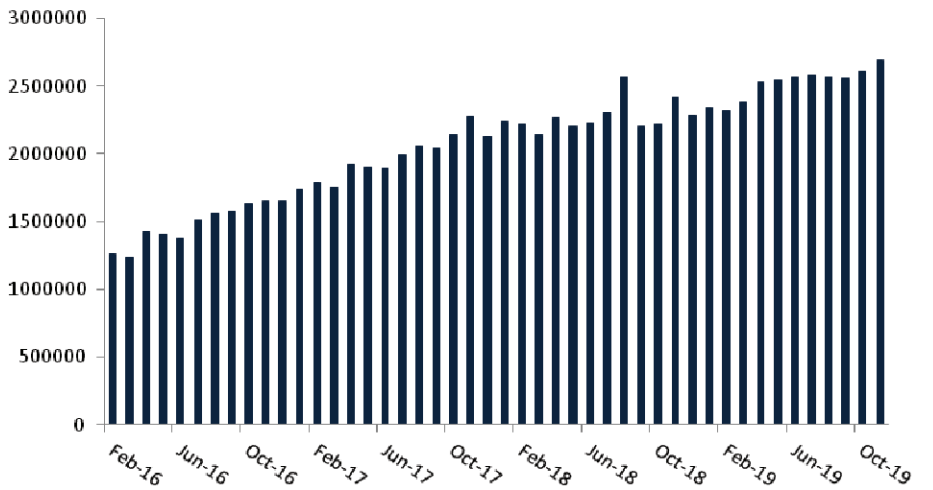
The Indian household's financial assets: Mutual funds gained 1% market share in the last 4 quarters while currency investment increased from 5 to 9%. The bank deposits have gradually depleted from 52% to 48%.



source-RBI

Exhibit 10: AUM Growth of Mutual funds

The AUM of mutual funds rose in the month of November'19



source-amfi

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