

Net Inflows into equity funds rise after 3 months of decline

Key Highlights

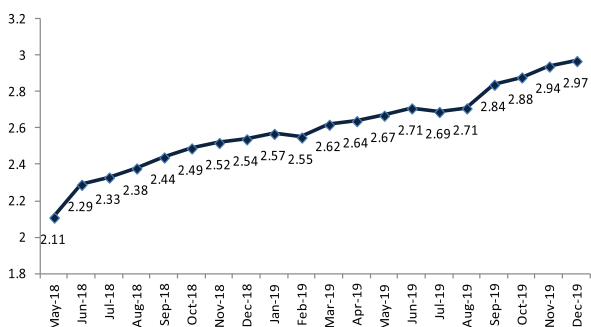
- Net Equity Inflows for the month of December 2019 stood at Rs.4499 crores. The figure rose after 3 continuous months of continuous fall on the back of high redemptions.
- The retail SIP figure has grown strong in the month of December 2019 at Rs. 8518.5 crores as opposed to Rs. 8273 crores in the previous month. There has been a decent uptick in the SIP figure after months of lingering around Rs. 8200 -8300 crores.
- Large Cap funds and Mid Cap funds have seen continuous traction from the retail buyers and saw inflows in December 2019 at Rs.1134 crores and Rs.796 crores respectively. A similar trend has been witnessed in equity oriented funds in the past couple of months.
- Inflows in to small cap and multi cap funds have remained stable and moderate. The inflows stood at Rs.422 crores and Rs.512 crores respectively.
- The month of December 2019 saw net outflows from 3 different categories of equity mutual funds. Dividend Yield Fund (-23 crore), Value Fund (-818 crore) and Sectoral Funds (-161 crore).
- Medium duration(1-3 years) and Medium to long duration funds(3-7 years) have been out of flavour with the market since more than 6 months as to play the credit cycle people have started adapting to very low duration funds or fund duration with more than 7 years.
- Credit Risk Funds on the back of negative market sentiments saw net outflows in December'19 too with a net outflow of Rs.20067 crores since April 2019. On the other hand Banking & PSU funds and floater funds have seen significant jump in the inflows at Rs.4770 crores and Rs.714 crores on the back of sustained high returns.
- The foreign portfolio investors have regained their confidence in the Indian equity market since the corporate tax cut. Net Equity inflows in December 2019 has been Rs. 7338 crores. Outflows were seen towards Indian debt papers at Rs.4616 crores.
- The Mutual fund industry's average AUM for the month of December 2019 stood at 27.25 lakh crore.

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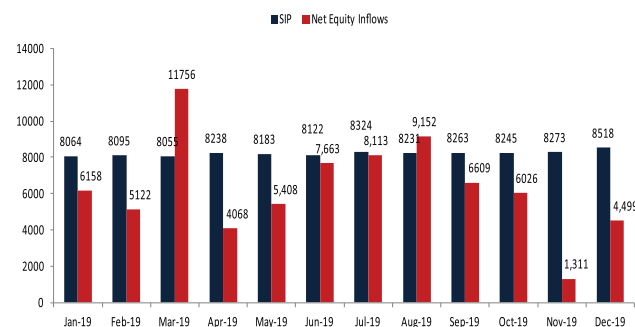
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Exhibit 1: Growth in MF folios



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Exhibit 2: Growth in investments through SIP

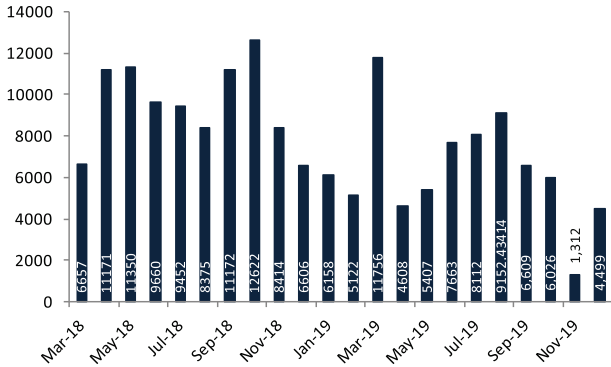


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Exhibit 3: Equity mutual funds inflow

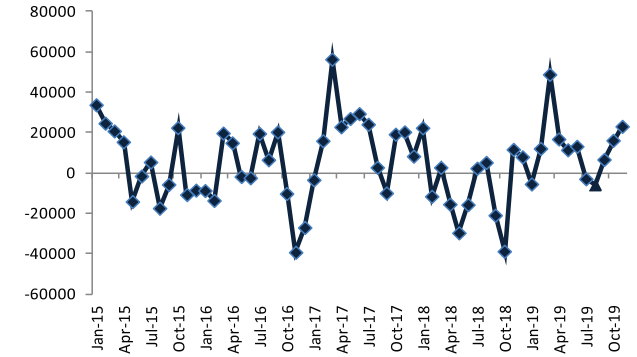
Equity funds in December'19 saw a spike



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Exhibit 4: FPI Net inflows

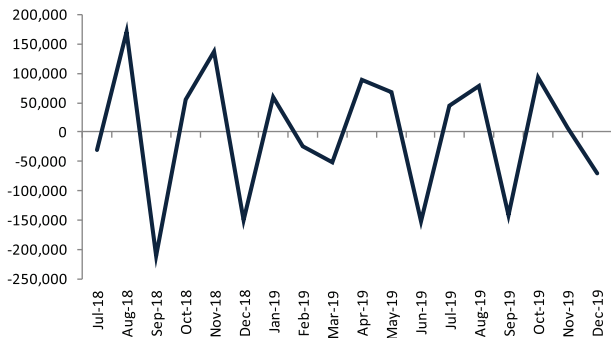
FPI's flow witnessed positive inflows in equity



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Exhibit 5: Liquid funds

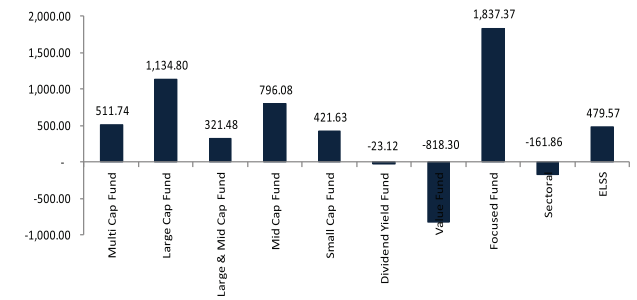
Liquid funds saw high outflows



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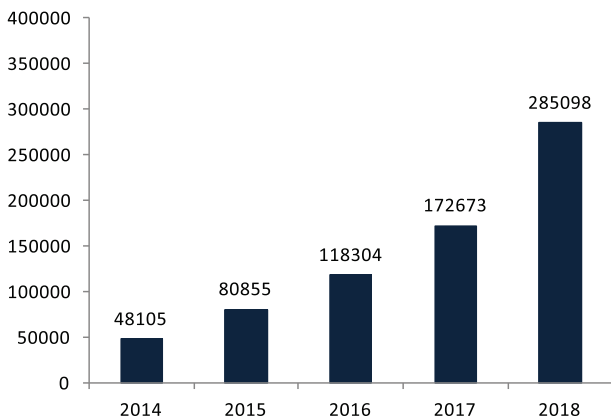
Exhibit 6: Equity funds segregation

Highest inflows in large cap funds



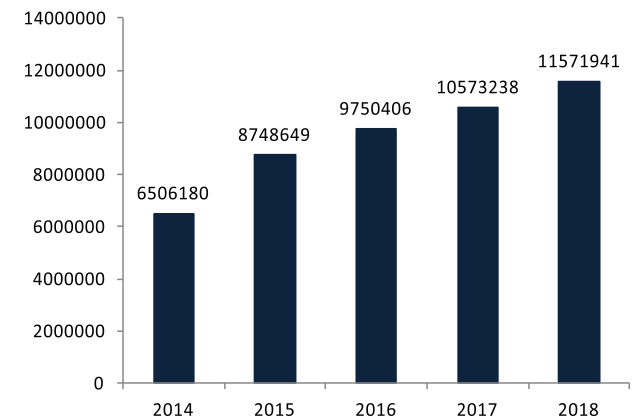
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Exhibit 7: Average AUM in NPS trust



source-NPS

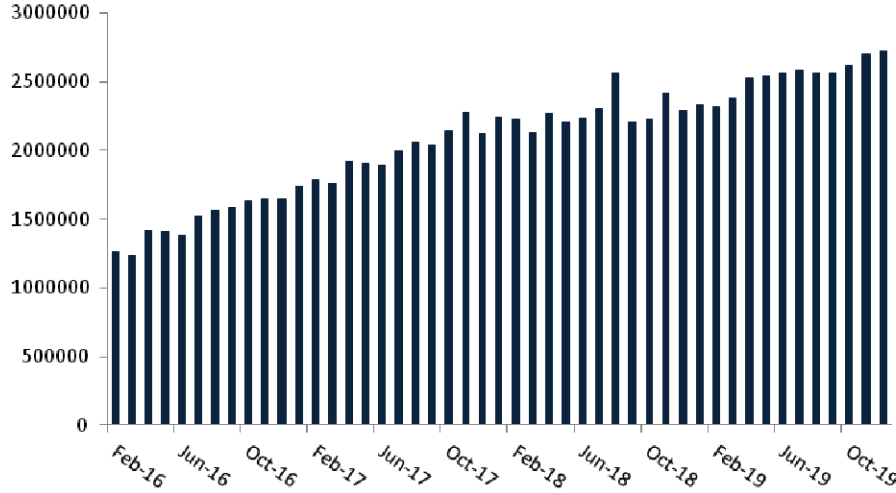
Exhibit 8: Subscriber base of NPS trust



source-NPS

Exhibit 9: AUM Growth of Mutual funds

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



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