

**SIP Inflows fall for the second straight month**

**Key Highlights:**

- ❑ The month of May'20 saw equity mutual funds inflows at Rs 5256 crores a fall of 15% MoM after witnessing an inflow of Rs 6217 crores in April'20.
- ❑ The SIP inflows saw a decline in the monthly flows for a second month in a row. The SIP Inflows for the month of May came in at Rs.8123 crores as compared to an inflow of Rs 8376 crores in April.
- ❑ Job losses and negative market outlook has prompted a lot of people to pause or stop the SIP flows.
- ❑ The mutual fund's equity segment has seen most of the buying towards funds who have a large cap bias in them. Large Cap funds & large and mid cap funds have seen inflows to the tune of Rs.1555 crore and Rs 703 crore.
- ❑ Mid Cap funds & Small Cap funds witnessed muted inflows at Rs.279 crores and Rs. 293 crores respectively.
- ❑ Dividend Yield Funds have continued to witness outflows. With the extension of Income Tax deadlines the ELSS have garnered high inflows to the tune of Rs. 712 crores.
- ❑ Debt fund investors have remained cautious in deploying more money after the Franklin fiasco and have thus remained invested towards safer funds, namely Liquid funds and banking & PSU Funds.
- ❑ Arbitrage Funds, considered as safe options have seen high inflows in the month of May worth Rs. 10806 crores. Balanced Funds in the hybrid category saw outflows worth Rs. 978 crores on high underperformance and low dividend payout.
- ❑ Index funds and ETFs have been in favour of the market in such volatile times. Gold ETFs and Other ETFs witnessed inflows worth Rs. 815 crores and Rs. 1017 crores respectively.
- ❑ The month of may has been good for the country in respect of FII inflows towards the equity at Rs.14569 crores after two months of outflow.

**Research Analyst**

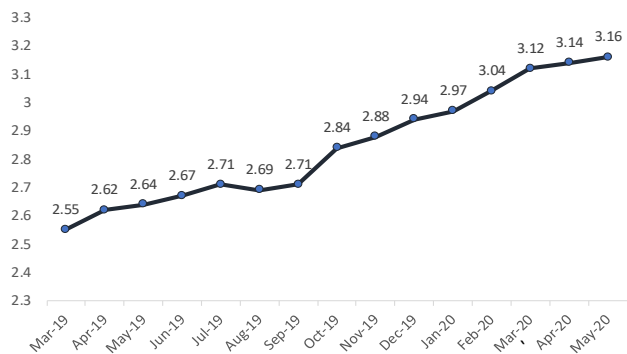
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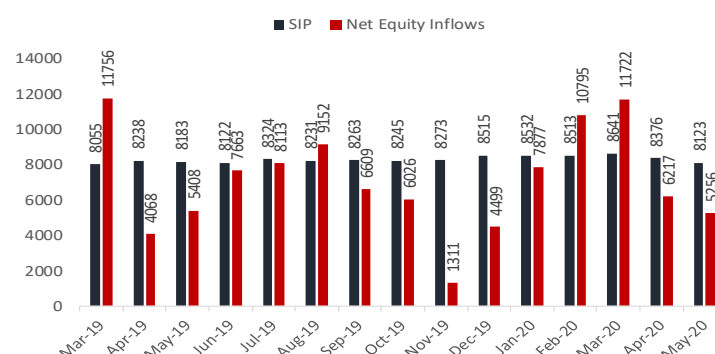
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**Exhibit 1: Growth in SIP folios**



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**Exhibit 2: Growth in investments through SIP**

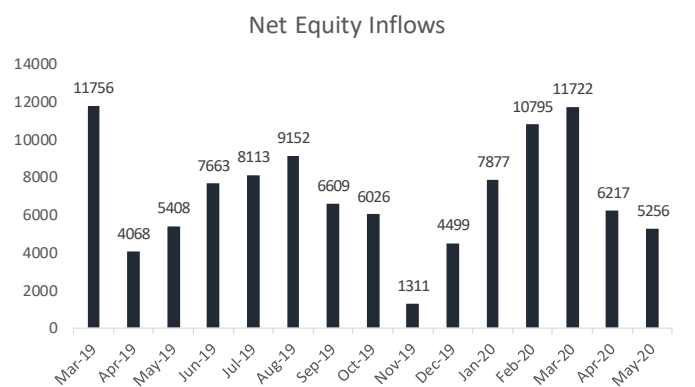


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## Exhibit 3: Equity mutual funds inflow

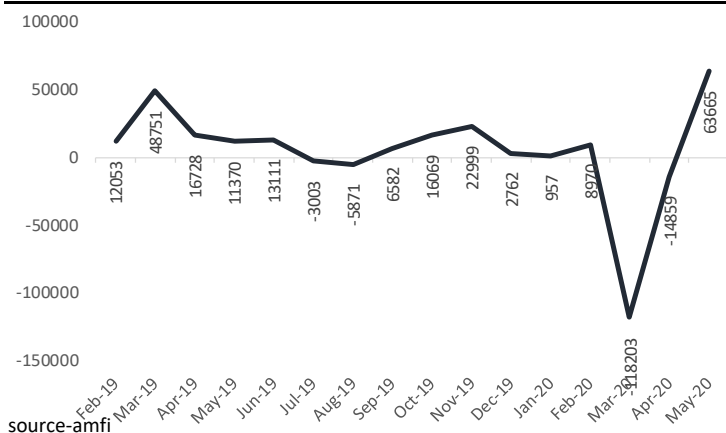
Equity funds in April'20 fell after 4 months of MoM growth



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## Exhibit 4: FPI Net inflows

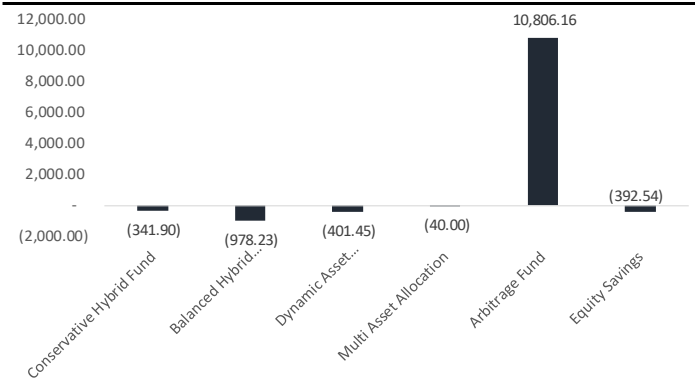
FPI's redemption slowed down in the month of April 2020



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## Exhibit 5: Hybrid Fund

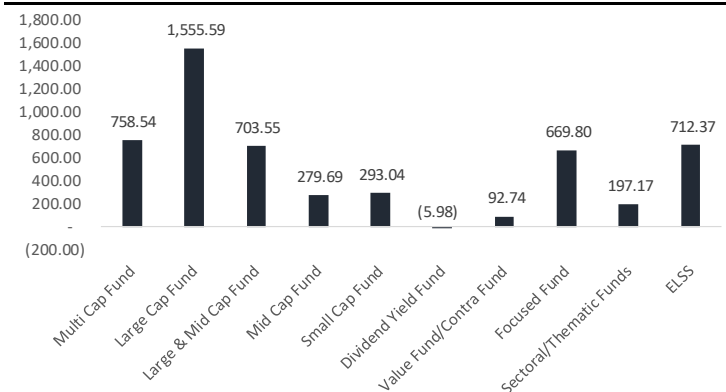
Arbitrage Funds saw the highest inflows



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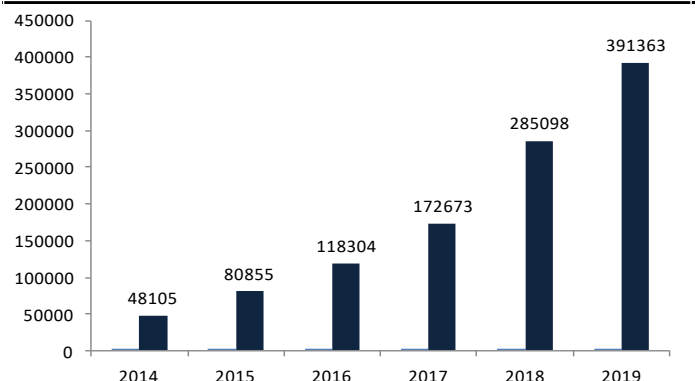
## Exhibit 6: Equity funds segregation

Highest inflows in Large Cap Funds



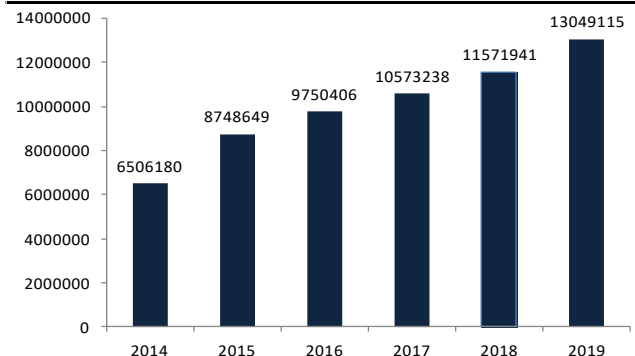
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## Exhibit 7: Average AUM in NPS trust



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## Exhibit 8: Subscriber base of NPS trust



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