

Worrying signals oozing from the retail investors

Key Highlights

- **Equity Mutual Funds inflow decline for a 4th consecutive month in June-20. The inflows for the month of June stood at Rs.240 crores compared to Rs.5256 crores in May-20 signifying a 95% Mom decline.**
- **The Systematic Investment plans have also been badly impacted in the current pandemic due to restricted cash flows for a number of households. The SIP inflows for June stood at Rs.7927 crores falling below the 8000 mark after more than a year.**
- 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 ELSS & Small Cap Segment. The extension of tax deadline to June end has helped pump up the inflow.**
- **Multi Cap & Large Cap Funds have saw the highest outflows at Rs. 777 crores and Rs.212 crores respectively.**
- Net Inflows from Debt Funds stood at Rs.2861 crores. The figure has been low because of a quarter end where corporates usually redeem their Liquid funds. Liquid Funds saw an outflow of Rs.44226 crores.
- Investment security has been a new trend evolving in the market as investors have started being cautious towards their debt funds. Corporate Bond Funds and Banking & PSU Funds have seen the highest inflows at Rs. 10737 crores and Rs.5477 crores respectively.
- **Arbitrage Funds, considered as safe options have seen high inflows in the month of June too worth Rs. 3537 crores. All other hybrid schemes have witnessed outflows in the month of June-20. Balanced advantage funds saw the highest outflows at Rs. 1704 crores.**
- **Index Funds and ETFs have caught up as a category with decent inflows towards the schemes. Gold ETF saw inflows at Rs. 494 crores.**
- **The FII inflows have been in an uptrend in the month of June. FIIs put in Rs. 21832 crores towards Indian equities while redeemed Rs. 1545 crores worth of Debt papers.**

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Exhibit 1: Growth in SIP folios

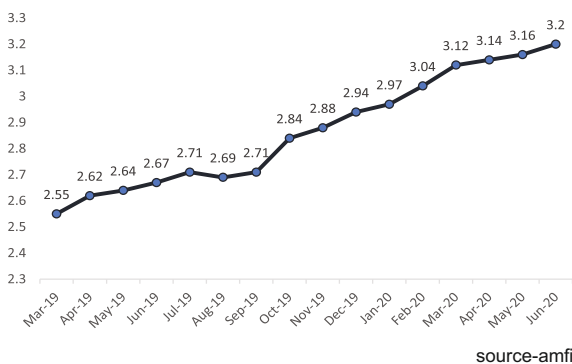
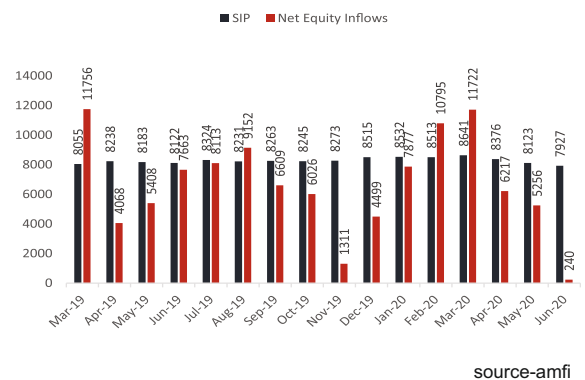


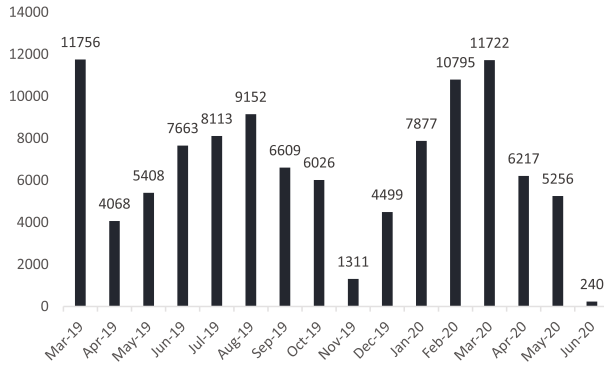
Exhibit 2: Growth in investments through SIP



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Exhibit 3: Equity mutual funds inflow

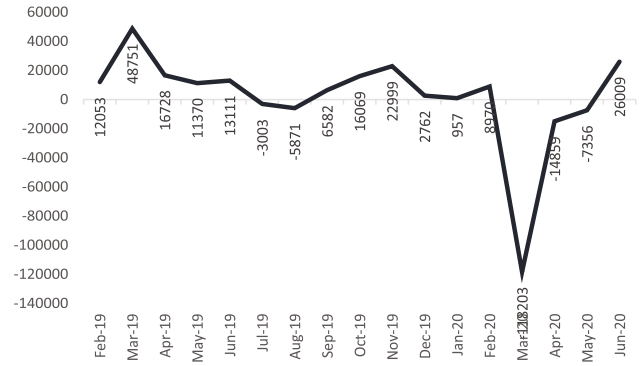
Equity funds in June fell for a fourth straight month



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Exhibit 4: FPI Net inflows

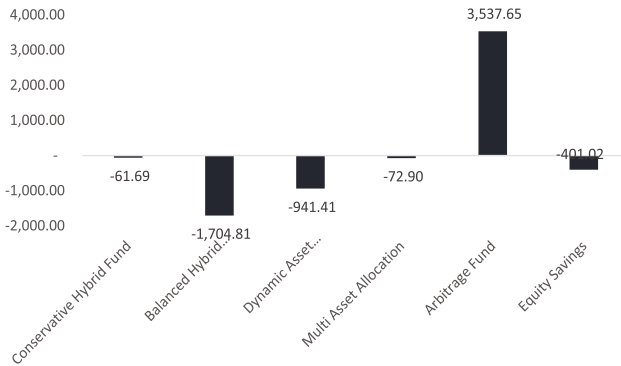
FPI's inflow has started to gain traction



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Exhibit 5: Hybrid Fund

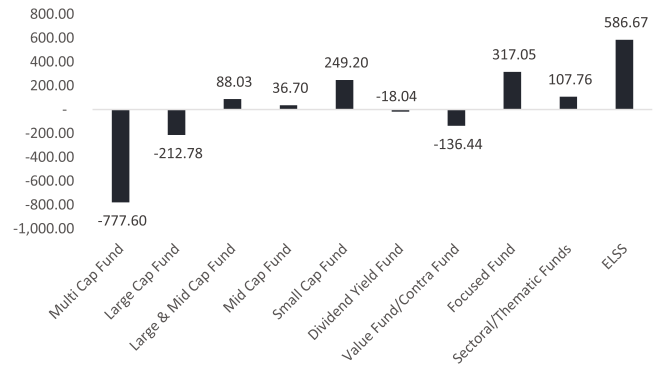
Arbitrage Funds saw the highest inflows



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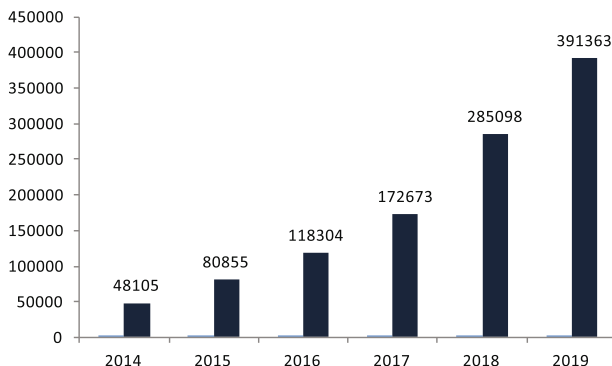
Exhibit 6: Equity funds segregation

Highest inflows in ELSS Funds



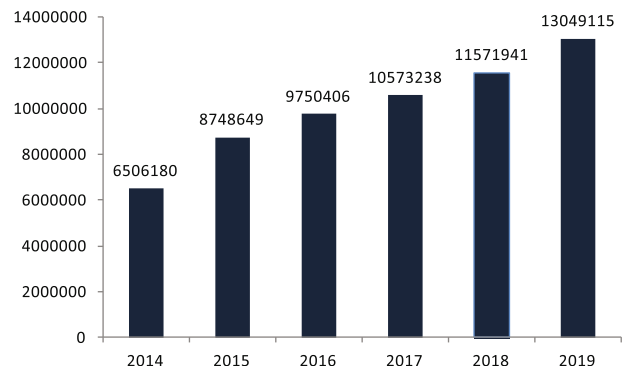
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Exhibit 7: Average AUM in NPS trust



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Exhibit 8: Subscriber base of NPS trust



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