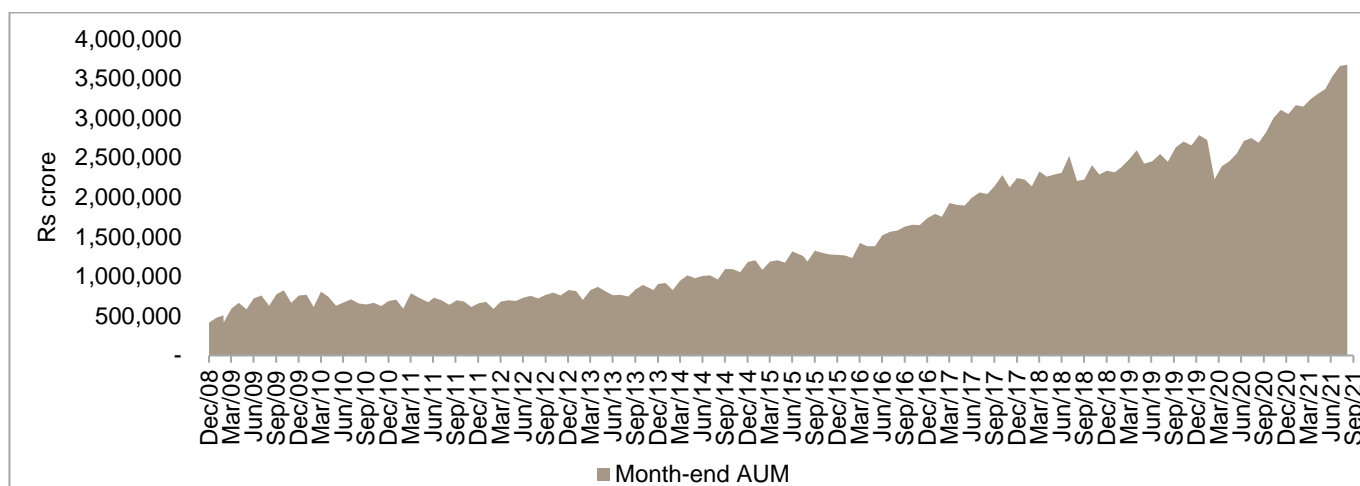


MF AUM continues to rise despite quarter-end debt fund outflows, near Rs 37 lakh crore

AUM up ~0.4%, led by MTM gains and equity and hybrid scheme inflows

The domestic mutual fund industry’s asset base hit a record high in September, rising 0.39% on-month to settle at Rs 36.74 lakh crore. In absolute terms, assets under management (AUM) advanced Rs 14,448 crore on-month. Inflows in open-ended equity and hybrid schemes contributed to the growing asset base, while mark-to-market (MTM) gains in the equity market also helped. Outflows from the open-ended debt category, however, limited a further rise in industry assets. On an aggregate basis, industry fund flows turned negative at ~Rs 47,257 crore.

Industry assets inch closer to Rs 37 lakh crore



Note: Excludes domestic FoFs

Source: Association of Mutual Funds in India (AMFI), CRISIL Research

- **Open-ended equity fund AUM crosses Rs 12.5 lakh crore; SIP monthly flows past Rs 10,000 crore**

The open-ended equity fund base advanced 3.77% or Rs 46,505 crore to settle at a record Rs 12.80 lakh crore, aided by a seventh straight month of net inflows and MTM gains in the underlying equity market. Benchmark equity indices, the S&P BSE Sensex and Nifty 50, rose ~3% each. New scheme offerings also contributed. According to Association of Mutual Funds of India (AMFI) data, five schemes were launched within the open-ended equity category in September.

Within the category, multi-cap funds led the way with net inflows of Rs 3,569 crore. Both sectoral / thematic schemes and flexi-cap schemes registered net inflows for the seventh month on the trot at Rs 2,618 crore and Rs 2,009 crore, respectively.

Equity-linked savings schemes registered net outflows for the sixth straight month, at Rs 872 crore. Investor sentiment remained muted for value / contra schemes as well; the category witnessed net outflows for the fourth straight month, at Rs 117 crore.

On an aggregate basis, net inflows for the open-ended equity category totalled Rs 8,677 crore, marginally higher than the previous month's Rs 8,667 crore.

Furthermore, data indicated investor confidence in systematic investment plans (SIP) is growing steadily. Monthly collections through the SIP route crossed the Rs 10,000 crore mark for the first time since AMFI began disseminating the data in fiscal 2017. For September, the SIP contribution was Rs 10,351 crore, higher than August's Rs 9,923 crore. Over the first six months of this fiscal, cumulative monthly collections stood at Rs 56,454 crore, 18% higher than the corresponding figure in the previous fiscal. The number of SIP folios also increased to 4.49 crore in September from 4.32 crore in August.

- **Hybrid funds AUM crosses the Rs 4.5 lakh crore mark**

Hybrid schemes recorded net inflows for the ninth straight month at ~Rs 3,588 crore, though the figure was less than the previous month's Rs 18,706 crore.

While there were net inflows of Rs 5,234 crore in balanced advantage schemes, the number was sharply lower than the Rs 16,571 crore net inflow figure in August. The latter was led by sharp flows in new fund launches in the category. Equity savings schemes recorded net inflows Rs 916 crore (the fifth straight month), while conservative hybrid schemes recorded net inflows for the 11th month in a row, at Rs 426 crore.

There were net outflows of Rs 3,009 crore in arbitrage funds after net inflows over the previous eight months.

Overall, the asset base of hybrid funds rose for the eighth straight month in September, up ~2.8% or Rs 12,051 crore on-month to a fresh record high of ~Rs 4.50 lakh crore. It was buoyed by MTM gains in the underlying equity component of the schemes.

- **Investor interest in passive investing remains firm**

Cumulative net inflows in exchange-traded funds (ETFs) – gold and equity – totalled Rs 8,106 crore in September, only marginally less than the corresponding August figure of Rs 8,572 crore. Inflows into index funds and fund of funds (FoFs) that invest overseas totalled Rs 3,514 crore in September, a little higher than August's Rs 3,020 crore. Cumulatively, September's net inflows were the highest since July 2020's net inflow of Rs 14,266 crore.

Aided by the inflows, the category's asset base rose 5.4% on-month to settle at a record high ~Rs 4.34 lakh crore.

- **Open-ended debt schemes see sharp quarter-end outflows**

Open-ended debt schemes recorded net outflows of Rs 63,910 crore in September owing to redemptions made by corporate houses and institutional investors for making advance tax payments. August's net fund flows had been positive at Rs 1,074 crore.

Liquid funds bore the brunt of the net outflows at Rs 48,379 crore. Low duration funds also registered net outflows, at Rs 16,609 crore.

Overnight and floater funds recorded net inflows of Rs 16,312 crore and Rs 5,871 crore, respectively.

In the close-ended debt category, redemptions in fixed-term plans totalled Rs 4,980 crore in September compared with August's Rs 6,480 crore.

Weighed by the net outflows, the open-ended debt category's AUM declined ~4% to settle at ~Rs 14.15 lakh crore. The asset base had settled at a record high ~Rs 14.75 lakh crore at August-end.

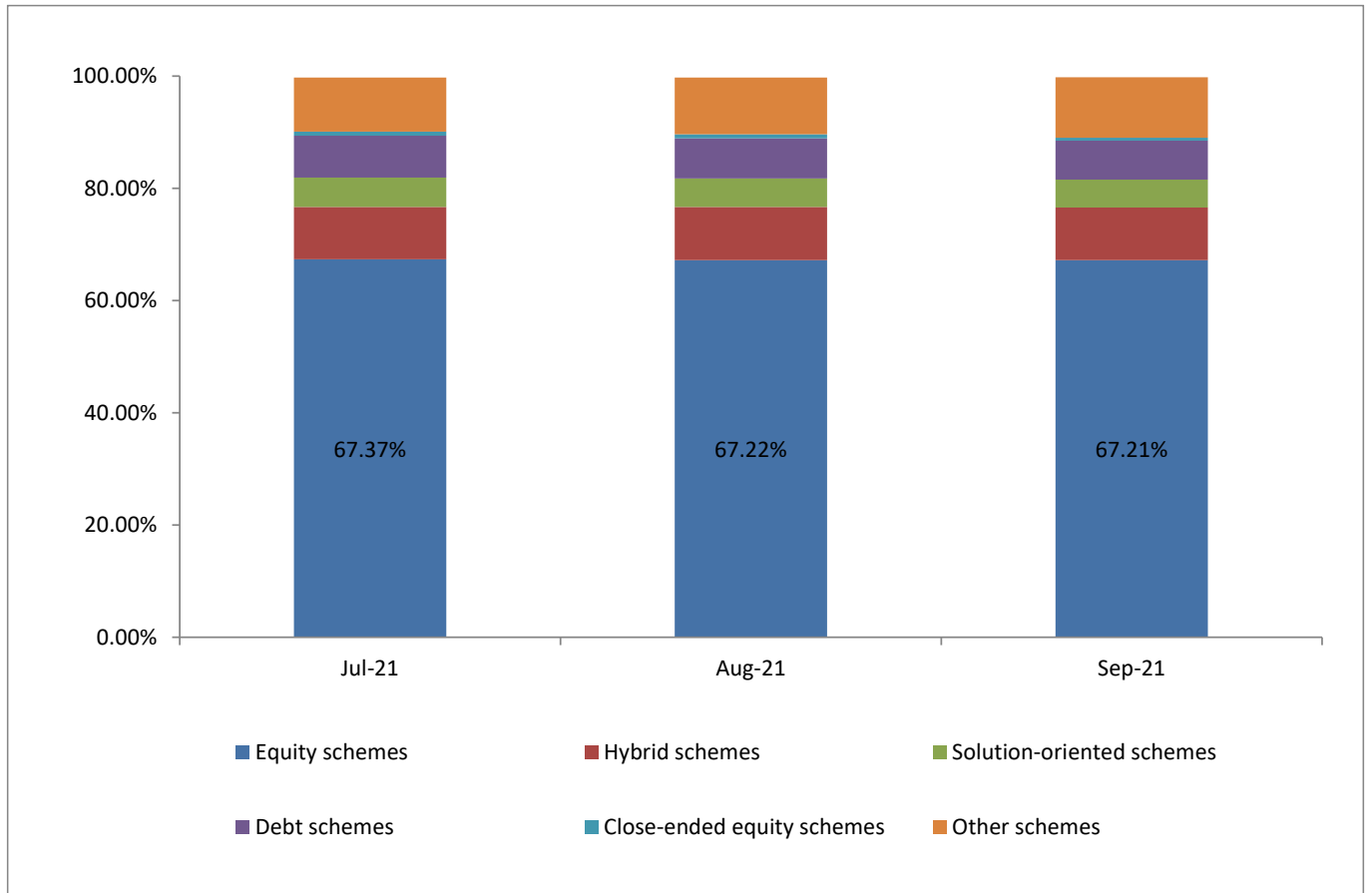
Category-wise inflow/outflow and industry AUM (Rs crore)

Categories	Net inflow		Month-end AUM		
	Sep-21	Aug-21	Sep-21	Aug-21	Change
A – Open-ended schemes					
Debt-oriented schemes	-63,910	1,074	1,415,417	1,474,691	-59,275
Equity-oriented schemes	8,677	8,667	1,279,647	1,233,142	46,505
Hybrid schemes	3,588	18,706	450,165	438,114	12,051
Solution-oriented schemes	81	30	28,950	28,217	733
Other schemes	11,620	11,592	434,225	412,134	22,091
B – Closed-ended schemes					
Debt-oriented schemes	-5084	-6480	52,092	57,054	-4,962
Equity-oriented schemes	-2221	-610	13,287	15,974	-2,687
C – Interval schemes					
Debt-oriented schemes	-9	-3	110	118	-8
Equity-oriented schemes	0	0	0	0	0
Total (A + B + C)	-47257	32976	3673893	3659445	14448

Note: Excludes domestic FoFs

Source: AMFI

Folio share of schemes



Note: Excludes domestic FoFs

Source: AMFI

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