

SENSEX
60858.43**NIFTY 50**
18107.85**GOLD**
56755.00**USDINR**
81.36**CRUDEOIL**
6550.00

[SIP collection jumps 31% to Rs 1.5 lakh cr in 2022 on higher retail participation](#)

Contributions to mutual fund schemes through systematic investment plans or SIPs remain unfazed from the market volatility in 2022 with inflow growing to Rs 1.5 lakh crore in 2022, a surge of 31 per cent from a year earlier, due to higher retail participation.

In comparison, an inflow of Rs 1.14 lakh crore through the route was registered in 2021 and Rs 97,000 crore in 2020, data with the Association of Mutual Funds in India (AMFI) showed.

Going ahead, SIP numbers are expected to continue to remain strong in 2023 as investors are increasingly appreciating the importance of regular investing through the route.

SIP is an investment methodology offered by mutual funds wherein an individual saver can invest a fixed amount in a chosen scheme periodically at fixed intervals - say once a month, instead of making a lump sum investment. The SIP instalment amount can be as small as Rs 500 per month.

The SIP book has grown consistently from Rs 11,305 crore in December 2021 to an all-time high of Rs 13,573 crore in December 2022. This was also the third time in a row, when monthly SIP contributions touched over Rs 13,000-crore.

During the calendar year, SIP inflows averaged more than Rs 12,400 crore per month, helping investors to stay in the stock market and benefit from Rupee cost averaging. The steady inflow suggests resilience in domestic inflows, which have been a strong counterbalance to FPIs (Foreign Portfolio Investors) selling.

Further, SIP's assets under management (AUM) climbed 19 per cent to Rs 6.75 lakh crore at the end of December 2022 from Rs 5.65 lakh crore in December-end 2021.

Currently, mutual funds have about 6.12 crore SIP accounts through which investors regularly invest in mutual fund schemes.

Industry experts believe that a staggered investment approach (via SIP or STP) in equity markets seems the ultimate solution to ride the wave of uncertainty as corrections would bring down the average cost of total investments or in case the bull run continues, investors would not lose out on opportunity cost.

The 42-player mutual fund industry mainly depends on SIPs for inflows, with equity mutual funds attracting Rs 1.6 lakh crore in 2022, way higher than Rs 96,700 crore seen in 2021.

The consistent monthly increase in SIP flows have helped the industry to add Rs 2.2 lakh crore to the AUM in 2022 to 39.88 lakh crore from Rs 27.72 lakh crore at the end of December 2021.

As newer investors come to the fore, the SIP numbers will continue to increase. While SIP numbers will remain strong, lump sum flows will be dependent on market levels and volatility, we have seen investors book profits when markets run up and re-allocate to equities when markets are lower.

MF industry adds 60 lakh new investors in 2022

The Rs.40 lakh crore MF industry has added over 60 lakh new investors in 2022. AMFI data shows that the industry has a total of 3.66 crore investors in December 2022 as against 3.06 crore investors in December 2021, an addition of 60.55 lakh new investors in one year.

While the industry has recorded growth of 20% in terms of new investor registration last year, the pace of growth declined substantially compared to the calendar year 2021. The industry had added over 90 lakh new investors during 2021.

Experts attribute this decline to a host of reasons like no NFOs for three months during FY 2022, market volatility and discontinuation of pooled account.

The change in KYC norms has also affected the pace of growth for the MF industry. In fact, the industry added just 2.93 lakh new investors in December and 80,000 new investors in November, which was much lower than the average monthly addition of close to 4 lakhs in 2021.

Overall, the total investor count with PAN reached 3.62 crore by the end of December 2022. If we include 4.28 lakh PAN exempt KYC (PEKRN) investors, the investor count rises further to 3.66 crore.

Year	Unique PAN	Unique PEKRN	Total
2022	36226580	428358	36654938
2021	30131278	468906	30600184
2020	21092418	453999	21546417

BSE StAR MF accounts for 76 pc of net equity inflow, 50% of new SIP in December

Leading stock exchange BSE on Friday said its mutual fund distribution platform StAR MF accounted for 76 per cent of the net equity inflow in December. The platform had contributed Rs 5,515 crore of mutual fund investments compared to the industry's net equity inflow of Rs 7,303 crore in December.

BSE StAR MF had also contributed new SIP registration of 50 per cent, which is 11.67 lakh against the total new SIP registration of 23.24 lakh in December 2022, the exchange said in a release.

It has also processed 37.75 lakh transactions on December 12, 2022, surpassing its previous best single-day record of 34.29 lakh transactions on October 10, 2022.

In December, BSE StAR MF processed a monthly highest record of 2.44 crore transactions against its previous best of 2.32 crore transactions in November 2022.

Overall, the platform recorded 18.72 crore transactions in the first nine months of FY23 against 18.47 crore transactions in FY22.

The platform also registered a network of over 74,101 distributors in India. Since the launch of its mobile app BSE StAR MF, the distributors have processed over 94.95 transactions worth Rs 25,746 crore as of December 2022.

Kotak Bluechip Fund turns 24 years, SIP of ₹10,000 turns ₹1.25 Cr

SYSTEMATIC INVESTMENT PLAN (SIP)

Systematic Investment Plan (SIP) If you had invested ₹10,000 every month

Monthly SIP of Rs 10000	Since Inception	10 years	7 years	5 years	3 years	1 year
Total amount invested (₹)	23,90,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on Dec 30, 2022 (₹)	1,25,14,394	23,89,362	13,57,515	8,67,148	4,62,668	1,24,989
Scheme Returns (%)	14.62	13.21	13.48	14.73	17.03	7.83
Nifty 100 (TRI) Returns (%)	14.29	13.77	14.47	15.29	18.60	9.30
Alpha	0.33	-0.56	-0.99	-0.56	-1.57	-1.47
Nifty 100 (TRI) (₹)#	1,20,24,121	24,61,815	14,06,109	8,79,269	4,73,024	1,25,912
Nifty 50 (TRI) Returns (%)	13.95	13.77	14.83	15.67	18.98	10.52
Alpha	0.67	-0.56	-1.34	-0.95	-1.96	-2.69
Nifty 50 (TRI) (₹)#	1,15,36,415	24,61,522	14,24,212	8,87,594	4,75,578	1,26,675
S&P BSE SENSEX (TRI) (₹)^	1,17,76,183	24,93,658	14,43,056	8,89,301	4,72,878	1,26,941
S&P BSE SENSEX (TRI) Returns (%)	14.12	14.01	15.19	15.75	18.57	10.95

If you had made a lump-sum investment of Rs. 10,000 in the fund since its inception, you would now have received a return of Rs. 38,408 as of now at a 14.35% CAGR, as opposed to the benchmark return of Rs. 34,867. The same money invested for the same time period in other asset classes, such as gold, would have generated returns of ₹18,225, ₹16,062 from a fixed deposit, and ₹17,228 from a PPF.

Key details of Kotak Bluechip Fund

The fund is being managed by Mr. Harish Krishnan & Mr. Arjun Khanna and as of December 31, 2022, the fund recorded an AUM of ₹5,256.16 Cr and AAUM of ₹5,288.80 Cr. The fund is benchmarked against Nifty 100 TRI (Tier 1) and Nifty 50 TRI (Tier 2).

The fund's top 10 sector allocations are into Financial Services, Information Technology, Automobile and Auto Components, Oil, Gas & Consumable Fuels, Fast Moving Consumer Goods, Health Care, Construction, Construction Materials, Consumer Durables and Services. The top 10 stock holdings of Kotak Bluechip Fund are ICICI Bank, Reliance Industries, HDFC Bank, Infosys, Axis Bank, Larsen and Toubro, ITC Ltd, Maruti Suzuki India, State Bank of India and HDFC Ltd.

Indian wealthy allocate 60% of their assets to financial assets

Indian ultra HNIs invest over 60% of their investible corpus in financial assets, shows a study done by Knight Frank, a global property consultancy firm. The study reveals that ultra HNIs prefer equity with the highest exposure of 34% of the total assets across all assets. Other financial holdings include bonds and private equity/venture funds with 16% and 10% allocation, respectively.

Commercial properties and gold constitute allocation of 25% and 6%, respectively. Interestingly, Indian wealthy do not have any exposure to crypto.

The report said, "Equities, at 34%, constituted the highest proposition of the investable wealth in 2022. A significant proportion of 25% was allotted to commercial properties (directly through ownership or indirectly through funds). The rise of commercial asset as an investment category with high allocation is a sign of improved confidence among investors towards India's growth story."

(Cont.)

Another interesting finding is exposure towards ‘passion investing’ like art, classic cars, wine and rare whiskey. The study shows that ultra HNIs invested 4% of their wealth in passion investing. “Within this, art, watches, and luxury handbags remain the most sought-after investment of passion in 2023 with 53% of ultra HNIs likely to make a purchase in them. Classic cars, wine and furniture are the second most sought passion led investments for 2023,” said the report.

Overall, 2022 ended on a good note for the ultra HNIs. The report reveals that 88% or nearly 9 out of 10 Indian wealthy witnessed an increase in wealth in 2022. Around 35% of Indian wealthy saw total wealth change by above 10%.

Assets	Percentage allocation by Indian UHNWI
Equities	34%
Commercial property	25% Directly – e.g., ownership of assets: 17% Indirectly through funds: 3% Indirectly through REITs: 5%
Bonds	16%
Private equity/venture capital	10%
Gold	6%
Passion led investments	4%
Art, car, wine	
Crypto assets	0%
Others	6%
Total	100%

NEWS IN BRIEF

SEBI to increase net worth requirement for MF sponsors to Rs.150 crore

SEBI has issued a consultation paper in which it has proposed that the sponsors of mutual fund should have networth of Rs.150 crore i.e., Rs.100 crore as a liquid networth and Rs.50 crore as five-year running expenses. Sharing the rationale, SEBI said, "It was also observed that average expenses of the recently incorporated AMC's were approximately around Rs. 10 crores. per year. Hence, a top up of Rs. 50 crores. (Rs. 10 crore * 5 years) be added to the requirement of Rs. 100 cr. to cover for operational expenses of the AMC for the first 5 years without requiring financial support from the sponsor. Therefore, Rs.150 crore appears to be a reasonable requirement as it will create sufficient entry barriers and at the same time is not too steep for any serious applicant. Rs. 150 crore is also a logical extension of existing requirements of Rs.50 crore networth for existing route and Rs.100 crore requirement for non-profitable companies." Currently, a sponsor has to have a networth of Rs.50 crore to start MF business. Sponsors who are not profitable in the past will have to fetch Rs.100 crore as a networth.

Budget 2023 | MF industry body proposes uniformity in taxation on listed debt securities, debt mutual funds

The Association of Mutual Funds in India (AMFI) has laid out several proposals for Budget 2023. One is parity in tax treatment for direct investment in listed debt securities and indirect investment in the same instruments through debt-oriented mutual fund schemes. AMFI said that the holding period for long-term capital gains (LTCG) for direct investment in listed debt securities/and Zero Coupon Bonds (listed or unlisted) and for investment through debt mutual funds should be harmonised and made uniform.

New Fund Offer(NFO)

Aditya Birla Sun Life Mutual Fund

ADITYA BIRLA CAPITAL

**ACTION OF EQUITY,
DANCE OF DEBT AND
ROMANCE OF GOLD,
DOESN'T THAT MAKE FOR A
BLOCKBUSTER?**

Introducing
**ADITYA BIRLA SUN LIFE
MULTI ASSET ALLOCATION FUND**

An open ended scheme investing in Equity, Debt and Commodities

NFO Opens: January 11, 2023

NFO closes: January 25, 2023

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TATA MULTICAP FUND

(An open ended equity scheme investing across large cap, mid cap, small cap stocks)

(SCHEME CODE TATA/O/E /MCF/22/10/0053)



NFO Opens: 16th January 2023 | NFO Closes: 30th January 2023

This product is suitable for investors who are seeking*:	Scheme Risk-O-Meter	Risk-O-Meter of Nifty 500 Multicap 50:25:25 TRI
<ul style="list-style-type: none"> To Generate Long Term Capital Appreciation An open ended equity scheme investing across large cap, mid cap and small cap stocks <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them</p>	<p>RISK - O - METER Investors understand that their principal will be at Very High Risk</p>	<p>RISK - O - METER</p>

(It may be noted that risk-o-meter specified above is based on internal assessment. The same shall be updated in accordance with provisions of SEBI circular dated October 5, 2020 on Product labelling in mutual fund schemes on ongoing basis)

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

HSBC Mutual Fund

Why stop at one

Invest in
HSBC Multi Cap Fund

(Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap stocks)

NFO

Opens 10 January, 2023
Closes 24 January, 2023

Reopening 3 February, 2023



when you can
aim to win
them all?

(Source: - Economicstimes, Moneycontrol, AMFI, IBJARates, Cafemutual, Livemint, Financial Express etc.)

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