



SENSEX
61749.25

NIFTY
18255.80

GOLD
61044.00

USD
81.80

CRUDE OIL
5647.00

Despite not so good markets, equity assets of the MF industry zoom by 9.5% in FY22-23

Trends in Top 20 MFs by equity value

	Value (INR b)	MoM Change (%)												12M Chg		Cash Holding. %
		Mar-23	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	(INRb)	
SBI Mutual Fund	4,550	0.7	-0.7	-4.0	10.0	4.7	-0.2	5.6	3.8	-1.9	-1.7	-1.7	0.8	616	15.7	9.0
ICICI Prudential Mutual Fund	2,481	0.5	1.2	-3.2	6.9	1.3	-1.0	5.1	3.1	-1.5	-0.2	-0.4	3.0	328	15.2	6.1
HDFC Mutual Fund	2,194	-0.6	-1.1	-3.3	10.3	4.2	-3.4	5.7	4.2	-1.5	0.1	-0.9	1.7	290	15.2	5.2
Nippon India Mutual Fund	1,635	1.4	-3.1	-3.9	9.7	3.6	-1.6	4.8	1.5	-2.4	0.1	-0.6	0.4	142	9.5	3.1
UTI Mutual Fund	1,598	-0.5	-1.8	-3.8	10.6	4.8	-1.5	4.7	3.1	-2.3	-2.2	-1.4	-0.3	127	8.6	3.4
Kotak Mahindra Mutual Fund	1,378	0.6	-3.1	-2.9	8.9	3.7	-1.7	4.4	1.8	-1.6	-0.8	-1.6	1.2	109	8.6	3.7
Axis Mutual Fund	1,285	-1.7	-5.5	-5.4	12.6	3.7	-2.4	1.3	0.9	-4.1	-5.4	-1.8	-0.9	-134	-9.4	10.4
Aditya Birla Sun Life Mutual Fund	1,083	-1.0	-3.9	-5.3	9.9	2.2	-3.5	3.8	3.0	-3.4	-2.9	-0.8	-0.4	-38	-3.4	2.3
Mirae Asset Mutual Fund	1,013	0.2	-1.3	-2.9	8.7	4.3	-1.4	3.4	3.1	-1.5	-1.8	-0.7	0.9	101	11.0	0.6
DSP Mutual Fund	647	-0.3	-3.8	-5.7	10.8	2.4	-1.0	2.3	1.3	-2.0	-2.0	-1.7	-0.6	-8	-1.2	3.4
Canara Robeco Mutual Fund	519	1.2	0.0	-2.1	12.0	6.4	-0.5	6.1	3.4	-0.8	-0.6	0.4	1.9	120	30.1	4.2
Tata Mutual Fund	512	0.0	-1.6	-4.8	7.0	3.7	-1.7	4.0	2.9	-2.4	-0.4	2.1	1.3	46	9.9	4.7
Franklin Templeton Mutual Fund	508	-2.0	-3.4	-4.2	8.7	3.8	-0.7	4.0	2.9	-2.8	-3.1	-1.2	1.0	9	1.9	4.1
HSBC Mutual Fund	429	-1.8	-5.1	-5.6	8.4	3.3	-16.2	3.2	21.7	-3.2	-2.1	0.5	0.4	-4	-0.9	3.1
Sundaram Mutual Fund	314	-1.5	-3.8	-4.3	9.0	4.8	0.7	2.4	1.6	-3.3	-3.4	-1.8	-1.2	-5	-1.7	7.5
Invesco Mutual Fund	287	-0.7	-2.1	-3.7	11.2	4.4	-1.8	4.8	3.6	-3.2	-0.3	-1.7	1.3	29	11.3	2.5
Bandhan Mutual Fund	275	-0.8	-4.3	-5.2	9.7	3.2	-1.7	3.6	1.9	-1.7	-0.3	-2.4	-0.1	3	1.0	5.1
PPFAS Mutual Fund	230	2.2	4.2	4.3	7.3	6.7	2.3	8.0	1.8	-2.1	1.1	5.2	4.3	82	55.6	13.3
Motilal Oswal Mutual Fund	198	-0.9	-3.7	-3.1	6.5	4.3	0.3	1.3	-0.5	-3.6	-1.7	-2.3	3.9	0	0.0	3.6
PGIM India Mutual Fund	165	1.3	-3.4	1.6	15.8	7.2	2.1	6.1	1.5	-5.6	-1.0	-3.2	7.7	40	32.1	5.5
Total of above	21,302	0.0	-1.9	-3.8	9.6	3.8	-1.7	4.5	3.2	-2.2	-1.5	-1.0	1.0	1,854	9.5	5.0
Nifty	17,360	-2.1	-3.0	-4.8	8.7	3.5	-3.7	5.4	4.1	-3.5	-2.4	-2.0	0.3		-0.6	

The value of the equity assets managed by top 20 fund houses increased by 9.5% to Rs. 21.30 lakh crore in FY 2022-23, as per Motilal Oswal Fund Folio Indian Mutual Fund Tracker. This annual change is greater than the 0.6% decline in the Nifty.

Motilal Oswal Fund Folio Indian Mutual Fund Tracker covers top 20 MFs in terms of equity exposure of all schemes including balanced and other schemes.

At Rs. 4.55 lakh crore, SBI MF is the largest fund house in terms of equity valuation, followed by ICICI Prudential MF (Rs. 2.48 lakh crore) and HDFC MF (Rs. 2.19 lakh crore).

Besides, six other fund houses have equity assets of over Rs. 1 lakh crore. These are Nippon India MF (Rs. 1.63 lakh crore), UTI MF (Rs. 1.60 lakh crore), Kotak MF (Rs. 1.38 lakh crore), Axis MF (Rs. 1.28 lakh crore) Aditya Birla Sun Life MF (Rs. 1.08 lakh crore) and Mirae Asset MF (Rs. 1.01 lakh crore). In terms of percentage change, PPFAS MF reported the highest rise (55.6%) followed by PGIM India MF (32.1%) and Canara Robeco MF (30.1%).

Notes:

* Equity value represents the equity exposure of all MF schemes (including balanced and other schemes)

* Cash is derived by deducting equity AUM (Including foreign equity) from total AUM; only equity growth schemes have been considered for cash

* HSBC MF equity value for previous month and year includes L&T MF value for comparability

Disclaimer: Property of SakthiFinance Financial Services Limited. For internal circulation only. Strictly Private & Confidential. Mutual Fund investments are subject to market risks, read all scheme related documents carefully, the past performance of the mutual funds is not necessarily indicative of future performance of the schemes.



Mutual Funds' SIP collection rises 25 per cent to Rs 1.56 lakh crore in FY23

Inflows in the mutual fund industry through systematic investment plans or SIPs reached Rs 1.56 lakh crore in 2022-23, up 25 per cent from the preceding fiscal, suggesting retail investors' trust in the route despite volatility in the markets. In comparison, an inflow of Rs 1.24 lakh crore through the route was registered in 2021-22 and Rs 96,080 crore in 2020-2021, data with the Association of Mutual Funds in India (Amfi) showed.

Moreover, mutual fund SIP contribution has seen over three-fold rise during the last seven years. It was at Rs 43,921 crore during 2016-2017.

Additionally, SIP book has also grown consistently from Rs 12,328 crore in March 2022 to an all-time high of Rs 14,276 crore in March 2023, indicating a growth of 16 per cent.

During the financial year, SIP inflows averaged nearly Rs 13,000 crore flows per month, helping investors to stay in the stock market and benefit from rupee cost averaging. The steady inflow suggests resilience in domestic market which have been a strong counterbalance to FPIs (Foreign Portfolio Investors) selling. Investors continue to believe in the long-term growth story and continue to add investments through SIPs and lump sum.

All NFOs will now remain open for at least 3 working days: SEBI

The regulator has directed fund houses to keep NFOs open for subscription for at least three working days.

SEBI stated, "To safeguard the interests of investors in securities market, it has been decided that all new fund offers shall remain open for subscription for a minimum period of three working days."

This provision primarily appears to be for debt NFOs, where the subscription period can be as low as one day in the case of FMPs. Elaborating this further, Sandeep Bagla, CEO of Trust Mutual Fund said, "One-day NFOs are rare and are mostly launched for tactical reasons. Such NFOs could have a negotiated set of investors and small investors may not be able to participate."

He added, "This is a welcoming change and in the best interest of investors."

In another development, as a part of the go green initiative, the regulator did away with the requirement of filing physical offer documents and asked fund houses to file them only digitally.

The fund houses should file all final offer documents (final SID and final KIM) only digitally by emailing them to imdsidfiling@sebi.gov.in. The regulator clarified that there would be no requirement of filing physical copies with SEBI.

It said, "Based on the consultation with Association of Mutual Funds in India, such submission of all final SID and KIM in digital form shall be made at least two working days prior to the launch of the scheme."

These provisions are applicable with effect from May 1, 2023.

Disclaimer: Property of SakthiFinance Financial Services Limited. For internal circulation only. Strictly Private & Confidential. Mutual Fund investments are subject to market risks, read all scheme related documents carefully, the past performance of the mutual funds is not necessarily indicative of future performance of the schemes.



Indian regulator plans to allow mutual funds with performance-based fees

India's market regulator is planning to permit a new category of mutual fund schemes where asset managers' charges will partly be linked to performance, according to an official document reviewed by Reuters and a source directly familiar with the matter.

As part of the proposal, the Securities and Exchange Board of India (SEBI) wants to allow additional charges if a fund consistently outperforms a relevant benchmark index and gives higher annualised returns, according to an internal SEBI document.

The proposal to introduce performance-linked charges on select mutual fund schemes has not been previously reported. According to the plan, the base fees currently charged for mutual funds would be reduced and additional charges would be based on performance.

The proposed changes are part of a comprehensive review of fees that India's 39.46 trillion rupee (\$480.26 billion) asset management industry currently charges from its investors. There is a need for transparency on charges levied by mutual funds, SEBI chairperson Madhabi Puri Buch said on March 28.

At present, Indian Asset Management Companies are allowed to levy charges called Total Expense Ratio, which range from 0-2.25% of the investment amount. The fee includes the total costs associated for managing the fund.

To get more investors to invest in mutual fund schemes from India's tier-2 and tier-3 cities, the regulator also allows fund houses to charge additional fees for marketing and to incentivise intermediaries.

However, during inspections of India's 44 asset managers, SEBI found instances of malpractices, including incentive charges on the same investor by different funds, according to the document cited earlier.

To curb this, SEBI will only allow funds to charge additional fees if an investor is buying any mutual fund for the first time, the document showed.

MF industry sees disruption due to non-linking of PAN and PEKRN with MF folios

The Rs.40 lakh crore MF industry has been witnessing disruption due to non-linking of PAN and PAN Exempt KYC Reference Number (PEKRN) PEKRN with MF folios.

RTA officials confirmed that close to 27 lakh MF folios did not have PAN or PEKRN updated. Investors having these folios cannot make fresh purchase, redeem or do SIP transaction.

It was compulsory for investors to update their PAN and PAN Exempt KYC Reference Number (PEKRN) in MF folios by March 31, 2023. AMFI clarified that investors with such non-compliant folios cannot execute any financial transaction in mutual funds from April 1, 2023.

You can visit CAMS and Kfintech to update your PAN or PEKRN with MF folios.

Disclaimer: Property of SakthiFinance Financial Services Limited. For internal circulation only. Strictly Private & Confidential. Mutual Fund investments are subject to market risks, read all scheme related documents carefully, the past performance of the mutual funds is not necessarily indicative of future performance of the schemes.



Equity Ranking: SBI and ICICI Prudential retain top rankings

Mutual Fund	Equity AAUM (Mar 23 Qtr)	Equity AAUM (Dec 22 Qtr)	Ranking Change	AAUM Change	% Change
SBI	1,65,767	1,64,149	-	1,619	1%
ICICI Prudential	1,59,971	1,57,018	-	2,953	2%
HDFC	1,47,184	1,44,068	1↑	3,116	2%
Axis	1,37,861	1,47,135	1↓	-9,274	-6%
Nippon India	1,05,631	1,05,850	-	-219	0%
Kotak	1,04,041	1,03,367	-	674	1%
Aditya Birla Sun Life	94,545	98,525	-	-3,980	-4%
Mirae Asset	93,928	94,460	-	-532	-1%
UTI	70,494	73,631	-	-3,137	-4%
DSP	57,605	59,037	-	-1,432	-2%
Franklin Templeton	50,936	53,592	-	-2,656	-5%
Canara Robeco	46,939	45,247	-	1,693	4%
HSBC	37,654	38,336	-	-681	-2%
Tata	37,418	35,805	-	1,612	5%
PPFAS	31,015	28,725	1↑	2,290	8%
Sundaram	30,845	32,122	1↓	-1,277	-4%
Invesco	26,724	27,275	-	-551	-2%
Bandhan (Erstwhile IDFC)	23,717	23,892	-	-175	-1%
Motilal Oswal	17,424	18,283	-	-859	-5%
PGIM India	15,936	16,000	-	-65	0%
quant	15,398	12,472	-	2,926	23%
Edelweiss	8,726	8,540	1↑	186	2%
Baroda BNP Paribas	8,721	9,268	1↓	-546	-6%
Mahindra Manulife	6,595	6,131	-	464	8%
Union	4,769	4,620	-	149	3%
LIC	3,999	4,129	-	-130	-3%
IIFL	3,512	3,556	-	-44	-1%
ITI	2,809	2,410	-	399	17%
IDBI	2,195	2,319	-	-125	-5%
NJ	-	-	-	-	NA
Total	15,12,358	15,19,962		-7,604	-1%

Disclaimer: Property of SakthiFinance Financial Services Limited. For internal circulation only. Strictly Private & Confidential. Mutual Fund investments are subject to market risks, read all scheme related documents carefully, the past performance of the mutual funds is not necessarily indicative of future performance of the schemes.

SEBI has not done away with B30 incentive norms: SEBI ED

B30 incentives will continue to exist as SEBI has confirmed that it has not done away with the B30 incentive norms.

Manoj Kumar, Executive Director, SEBI said that the market regulator is working on a new structure to increase penetration of mutual funds in B30 cities. He was speaking at a panel discussion at the CII Mutual Fund Summit held in Mumbai.

Manoj said, "We have not done away with B30 incentive structure. We have suspended it temporarily. And there is a reason for that. Based on our internal checks, we have come across some practices, which are not desirable."

While SEBI has asked AMFI to come up with a solution to stop misuse of B30 incentives, the trade body is yet to formulate an action plan on this.

The ED said, "We are working on a new B30 incentive structure, which will be far superior and inclusive than the present structure. The idea is to reach out to every nook and corner of the country."

SEBI will soon issue a consultation paper on TER

SEBI will soon issue a consultation paper on the new TER structure. In fact, the market regulator has constituted a working group which will submit its view on the new TER structure of mutual funds in India, said Ananta Barua, Whole Time Member SEBI. He was addressing the delegates at CII Mutual Fund Summit held today in Mumbai.

Barua further said that there is a possibility of introducing a performance-led TER i.e. schemes which perform better can charge more than the underperforming schemes. He said, "One of the suggestions which has come is that if any scheme or fund is performing well above the benchmark, it (fee) can be linked to their performance. When the committee finds merit then we can take it through a consultation paper."

At a panel discussion, Manoj Kumar, Executive Director, SEBI also said, "We will soon come out with a very elaborative consultation paper on the cost structure."

Fed hikes rate by 25 bps but signals possible pause in tightening cycle

The Federal Reserve raised interest rates by a quarter percentage point and hinted it may be the final move in the most aggressive tightening campaign since the 1980s as economic risks mount. "The committee will closely monitor incoming information and assess the implications for monetary policy," the Federal Open Market Committee said in a statement Wednesday. It omitted a line from its previous statement in March that said the committee "anticipates that some additional policy firming may be appropriate."

Instead, the FOMC will take into account various factors "in determining the extent to which additional policy firming may be appropriate."

The increase lifted the Fed's benchmark federal funds rate to a target range of 5% to 5.25%, the highest level since 2007, up from nearly zero early last year. The vote was unanimous. US equities maintained gains, while Treasury yields and the dollar declined.



NEWS IN BRIEF

Indian economy likely to grow at 6% in FY24: Economistst

India's economy is likely to post a resilient 6% growth in FY24, an ET poll of 20 economists showed, easing slightly from 7% in FY23 because of softer global growth and higher interest rates. The poll forecasts ranged from 5.2% to 6.3% with a median estimate of 6%.

Emkay Global gets approval to launch mutual fund biz

Emkay Global Financial Services has received in-principle approval from the capital markets regulator to launch its mutual fund business in India. The mutual fund industry manages assets of ₹40 lakh crore with as many as 42 players. Last month, Bajaj Finserv got the final approval to launch its mutual fund schemes. Few other players like Zerodha, Helios Capital, Angel One, Old Bridge Capital have already got in-principle approval from the Sebi.

AMCs cannot use training money to run a sales contest: AMFI

In a letter sent to AMFI, AMFI has asked fund houses not to use training money to run a sales contest like SIP drive or SIP trainings.

AMFI said, "It has come to AMFI's attention that certain AMCs have launched a special SIP drive under regular plan for a specific period, wherein the mutual fund distributors are offered training program/s at zonal / national location, based on the no. of SIPs/ incremental value of SIPs mobilised from T30 / B30 locations (with certain minimum target). It is also understood that under the SIP drive program, the MFDs are offered "credits" (points) @100% for regular SIPs and @125 % under booster schemes i.e., certain selective schemes."

SEBI imposes Rs. 1 lakh fine on NJ AMC for violating PMS norms

SEBI has imposed a fine of Rs. 1 lakh on NJ AMC for violating the PMS norms. The market regular has found 13 instances where the PMS company has received investment less than Rs.50 lakh. The minimum ticket size in PMS is Rs.50 lakh.

Further, in 6 other instances, the AMC received incremental investment of less than Rs.50 lakh, said SEBI. These instances happened between April 1, 2020 and December 31, 2021.

Retail investors' avg ticket size declines to Rs 68,321 in FY23

Mutual funds as an investment vehicle have gained popularity among investors, although the average ticket size of retail investors have dropped by close to 3 per cent to Rs 68,321 in March this year. The retail investors had an average account size of Rs 70,199 as of March 2022 as compared to average account size of Rs 68,321 at the end of March this year, according to data published by Association of Mutual Funds in India (Amfi).

Domestic funds turn sellers in April amid renewed buying by FPIs

At a time when foreign portfolio investors (FPIs) are once again showing interest in Indian equities, domestic funds seem to be in the mood of consolidation. The gross buy-to-sell ratio of domestic mutual funds dropped to a 28-month low of 0.93 in April 2023, the data from SEBI showed. It was below the long-term average value of 1.07 reflecting a decline in the buying momentum among local funds.

Source:- [Economicstimes](#), [Moneycontrol](#), [Livemint](#), [Cafemutual](#), [Ibjarates](#), [AMFIIndia](#) Etc.

Disclaimer: Property of SakthiFinance Financial Services Limited. For internal circulation only. Strictly Private & Confidential. Mutual Fund investments are subject to market risks, read all scheme related documents carefully, the past performance of the mutual funds is not necessarily indicative of future performance of the schemes.