



15th April 2023

Vol :- 23.24.02

SENSEX
60431.00

NIFTY
17828.00

GOLD
60880.00

USD
81.85

CRUDE OIL
6735.00



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Public issue of Rated Secured Redeemable
Non Convertible Debentures

Issue opens on
17TH APRIL 2023

Issue closes on
28TH APRIL 2023

Minimum investment
₹10,000

Credit Rating
ICRA BBB (STABLE)*

For Disclaimers of SEBI, BSE, RBI, and
ICRA, please refer to pages no's 234,
234, 235, and 235 of the prospectus
dated 10th April 2023

Options	Tenor (Months)	Coupon Rate (%) per annum	Effective Yield (%) per annum	Frequency of interest payment	Amount on Maturity (in Rs.)
I	24	9.00	9.00	Monthly	1,000.00
II		N.A.	9.74	Cumulative	1,194.83
III	36	9.25	9.25	Monthly	1,000.00
IV		N.A.	10.52	Cumulative	1,315.66
V	48	9.50	9.50	Monthly	1,000.00
VI		N.A.	11.40	Cumulative	1,455.80
VII	60	10.25	10.25	Monthly	1,000.00
VIII		N.A.	13.17	Cumulative	1,658.72
IX	85	N.A.	14.30	Cumulative	2,013.13

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Equity is on a positive run, inflows touch a 12-month high

Latest AMFI data depicts the faith of investors in equity as the inflows reported a month-on-month rise of 31% to touch a 12-month high in March 2023. The data also highlights the rising participation of retail investors as the monthly SIP contribution crossed the Rs. 14,000 crore mark.

Here are the latest numbers and other key highlights of March 2023.

Fund flows across categories

Equity funds - Overall inflows increased from Rs. 15,686 crore in February 2023 to Rs. 20,534 crore in March 2023, the highest since April 2022.

A category-wise review shows that sectoral/thematic funds received the highest inflows of Rs. 3,929 crore. Dividend yield funds witnessed the next highest flows of Rs. 3,716 crore. And, ELSS, small cap funds and mid cap funds had inflows of over Rs. 2,000 crore each.

A larger part of these inflows came from HDFC MNC Fund, SBI Dividend Yield Fund and Navi ELSS Tax Saver Nifty 50 Index Fund which individually mobilised Rs. 339 crore, Rs. 3,496 crore and Rs. 6 crore.

Other equity funds also reported positive inflows.

Talking about the positive equity inflows, N S Venkatesh, Chief Executive, AMFI, said, "India and its growing investor base, continue to put faith in the equity markets via the mutual fund route."

He added, "Equity-oriented mutual funds registered a net inflow of over Rs. 200,000 crores in FY 2022-23."

Debt funds - Debt funds reported an overall outflow of Rs. 56,884 crore. Liquid funds (Rs. 56,924 crore) followed by money market (Rs. 11,422 crore) and ultra short duration funds (Rs. 10,281 crore) witnessed the highest outflows.

Hybrid funds - Apart from multi asset allocation funds (Rs. 473 crore) and conservative hybrid funds (Rs. 283 crore), all categories reported negative flows. Here, arbitrage funds witnessed maximum outflows of Rs. 12,158 crore.

Overall, hybrid funds had negative flows of Rs. 12,372 crore.

Passive funds - The launch of 12 index funds partially contributed to the overall inflows of Rs. 27,228 crore. These funds collectively mobilised Rs. 566 crore in March 2023.

However, gold and other ETFs reported outflows of Rs. 267 crore and 331 crore, respectively.

Other data points

Industry AUM - The average AUM stood at Rs. 40.05 lakh crore. Of this, retail investors contributed 51% or Rs. 20.46 lakh crore through equity, hybrid and solution-oriented schemes.

Folio count - With a monthly addition of 14.79 lakh folios, the total count increased to 14.57 crore.

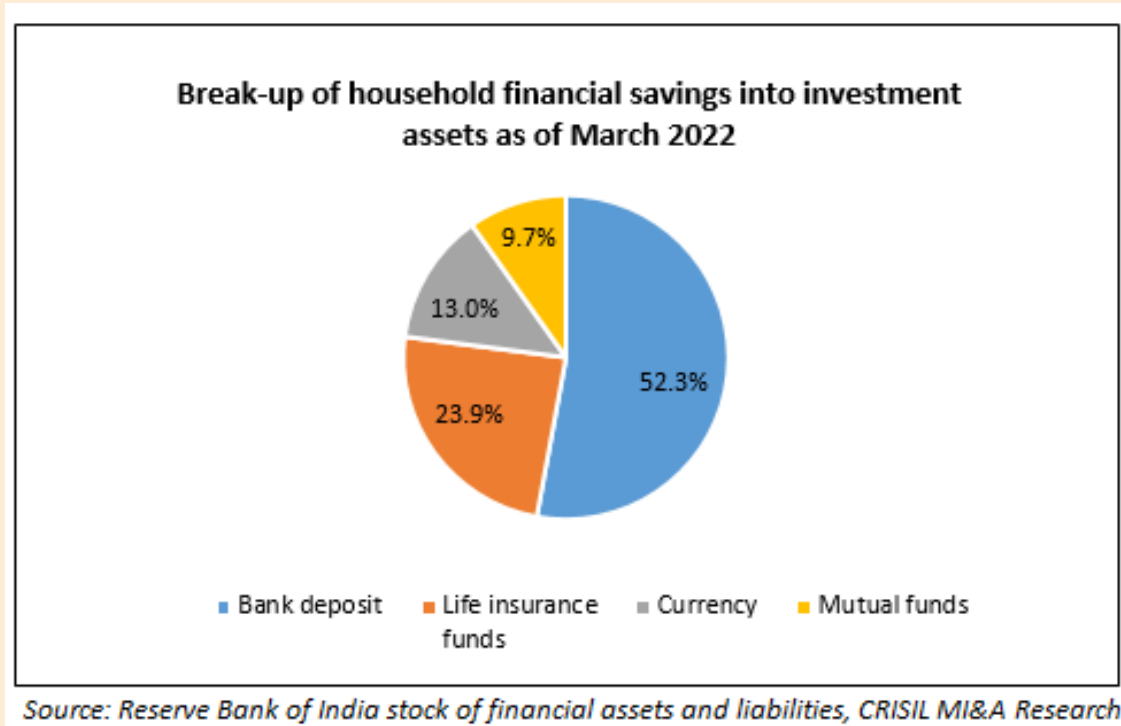
SIP - Investors registered 21.66 lakh SIPs in March 2023. The total SIP accounts and AUM stood at 6.36 crore and Rs. 6.83 lakh crore. Also, the monthly SIP flows crossed the Rs. 14,000 crore mark and stood at Rs. 14,276 crore.

Commenting on these figures, N S Venkatesh said, "SIP inflows continue to soar, breaking the record on a month-on-month basis - it would not be an overkill to say that the retail investor is the hero of the markets. The spike in investors witnessed in the post pandemic period, despite the volatility due to global geo-political reasons and inflation, is also a cue to resilient investor behaviour."

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Mutual funds penetration remains low, form less than 10% of household savings

Mutual funds continue to form a modest slice of the total pie of household savings. As per Edelweiss MF Report, they contribute only 9.7% to the total financial savings as on March 2022. Bank deposits continue to have a humungous share of 52.3%, followed by life insurance funds (23.9%) and currency (13%).



The low mutual fund penetration is also reflected in the modest contribution of B-30 cities. “Despite the industry reaching Bharat, mutual funds are still at the bottom when it comes to investment preference”, said the report.

It added, “Much needs to be done to improve the penetration of the industry in the country, both in terms of cornering a larger pie of household savings as well as better allocation of money for the populace.”

Low investor count

The MF industry and investor folios have respectively grown by 60% and 70% since April 2019. While the growth is significant, the investor count is only a fraction of the working population aged 15 to 64 years.

To elaborate, the industry assets stand at Rs. 40 lakh crore as on December 2022 and the folio count is 14 crore. If we conservatively assume that each investor holds four folios, the investor count stands only at 3.5 crore. This forms less than 4% of the total working population of over 94 crore, says the report.

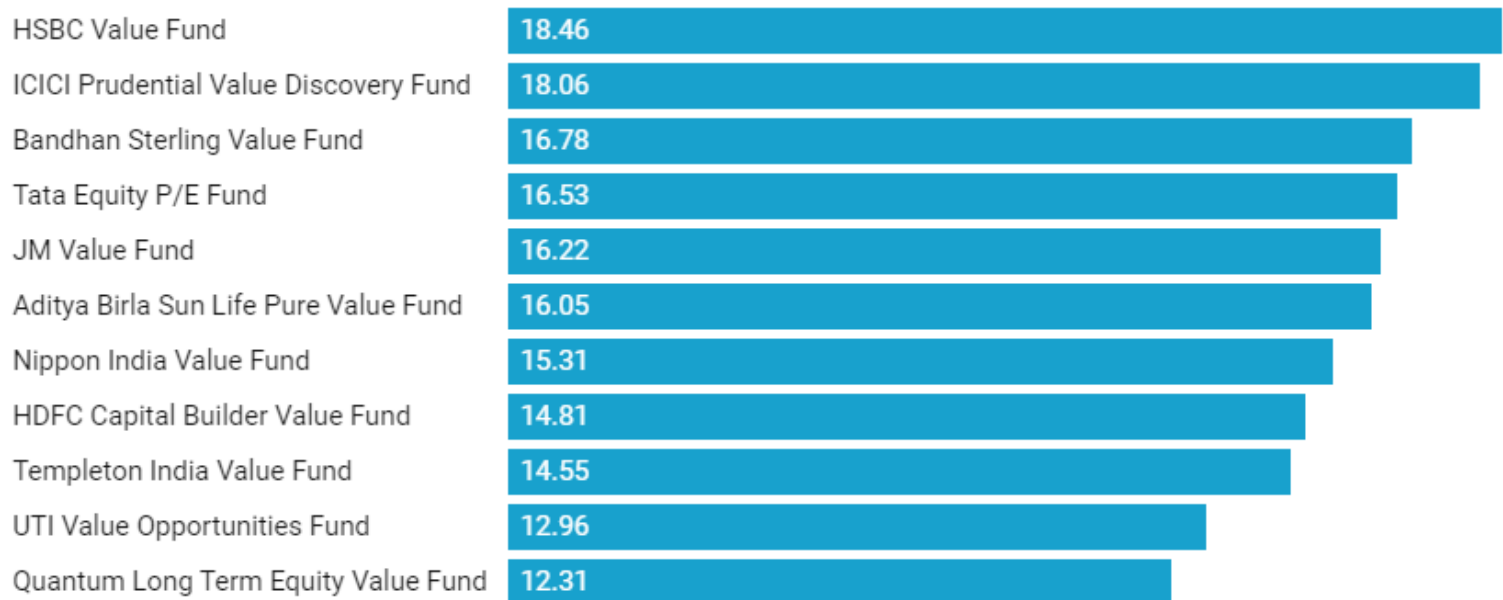


Six top value funds offer over 16% in 10 years

Mutual fund investors are very cautious about valuations of stocks these days. Investors who are more clued in would speak about their preference for mutual fund schemes that follow the growth or value strategies. The consensus is that the value strategy would continue to do well in the coming months. Mutual funds that follow the growth strategy have been doing badly in the last two years. Against this backdrop, ETMutualFunds decided to take a look at the performance of value fund category.

The good news is that value funds offered respectable double-digit returns in the 10-year horizon. Two toppers in the category offered a little over 18%. Four other value schemes offered over 16% returns in 10 years. Considering the prolonged underperformance of the value fund category between 2018 and 2019, the performance is really impressive.

Value funds: 10-year scorecard



Returns as on April 11, 2023

Source: ACE MF • [Get the data](#)

The value funds are benchmarked against Nifty500-TRI and S&P BSE 500-TRI. Nifty500-TR and S&P BSE 500-TRI offered 14.27% and 14.44% returns respectively in the 10-year

Mutual fund managers say investors can invest 10-20% of their overall long-term portfolio in value funds.

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What is a MNC or Multi-National Company Mutual Fund? 5 things to know

- 1.MNC funds are thematic equity funds that invest in multinational companies, which are spread across several different countries.
- 2.MNC funds invest in a diversified portfolio of multinational corporations, typically across different sectors, such as technology, healthcare, consumer goods and energy.
- 3.The MNCs usually have a competitive advantage over domestic companies due to their strong global presence, and have pricing power because of well established brands and R&D capabilities
- 4.Investing in MNC funds can provide diversification to an investor's portfolio and can help to reduce risk and volatility in the portfolio.
- 5.These funds carry global market risk as they have significant presence in different countries around the world.

A 5-point guide to deal with clients' moods and emotions

Over the last couple of years, mutual funds have become a household name. As a result, you can find plenty of content about mutual funds across media. Such information overload impacts moods and emotions of clients.

In this context, Cafemutual hosted Navneet Munot, MD & CEO, HDFC MF who shared with us a guide to managing clients' moods and emotions. Here are some key takeaways from Navneet's session:

Point 1 - Understand yourself first

Understand your mood and emotion first before approaching investors. If you know that how you react to a particular situation, you can evaluate your clients' emotion better.

Also, you should not let your clients know what's going on your head. Even if you have a bad day, you should go with a smile on your face whenever you meet a client.

Point 2 - Invest in investor education

In the current digital era, the ability to react (buy something in haste) has gone up as against the ability to respond (buy after evaluating a product). MFDs can deal with this issue by investing in investor education. Markets will continue to be volatile and investors will have changing moods and emotions. Educate them about staying invested patiently for the longer term to create wealth.

Point 3 - Remind investors repeatedly

While you made your clients aware of the benefits of long-term investments several times, they will approach you to redeem their investments after witnessing volatility and hearing market noises. Keep repeating the message of long term investing and motivate them to stay invested.

Point 4 - Use the power of framing

Instead of simply saying start investing for retirement planning, tell your clients to invest for leading a happy retired life. How you frame your pitch can influence investment decision of clients. Be creative and intelligent and use the power of framing to talk to clients.

Point 5 - Focus on solutions

Focus on offering solutions and not products. Take an example of mobile phone makers v/s Apple. iPhone does not focus on mobile specifications like RAM, processor and battery; instead, it highlights features that really matter like camera quality and privacy to people.

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27.50 lakh women investors joined the mutual fund bandwagon in last three years

The number of women investors in the mutual fund (MF) industry rose to 74.49 lakh at the end of December 2022 against 46.99 lakh in December 2019, according to data provided by the Association of Mutual Funds in India (AMFI).

Overall, the number of unique investors as gauged by PAN/PEKRN (PAN exempted KYC Reference Number) jumped more than three times, from 1.20 crore at the end of March 2017 to 3.77 crore at the end of March 2023.

The big jump in unique investors has been seen after the Covid-19 breakout — from 2.08 crore at the end of March 2020 to 3.77 crore at the end of March 2023.

In terms of age-wise break-up, around 35 percent of overall investors were from 45 years and above age group, while data showed that the percentage share of investors between 18 and 24 years zoomed in the last 10 financial years.

Strong women participation

Data showed that the maximum number of women investors, at 28.45 lakh, belonged to the age group of 45 years and above. Further, 2.82 lakh women investors belonged to the age group of 18 to 24 years of age.

Women investors in the 18-24 age group jumped more than four times since December 2019, highlighting the appeal of MFs among young investors. Compared to that, the number of women investors in the 45+ age bracket grew to 28.46 lakh in December 2022 from 22.13 lakh in December 2019, a growth of a mere 29 percent during this period.

In terms of assets break-up, women investors had Rs 6.13 trillion invested under regular plans of MFs, while Rs 1.42 trillion was under direct plans. As per AMFI, during the Covid-19 years there was a sharp rise in women investors in both, T30 and B30 cities.

T-30 refers to the top 30 geographical locations in India and B-30 refers to the locations beyond the top 30. Women investors in T30 cities have grown from 27.95 lakh in December 2019 to 41.67 lakh in December 2022. This is an increase of 13.73 lakh in the last three years.

Under the B30 cities, while 19.05 lakh women started investing in MFs in 2019, this number grew to 32.83 lakh in December 2022.

SIP breakdown

As per the AMFI presentation, there are 6.36 crore systematic investment plan (SIP) accounts active in the MF industry at the end of March 2023. Of this, 2.39 crore or 38 percent of all SIP accounts, have been active for a period of less than one year, and 1.53 crore accounts for one to two years. Notably, 73.13 lakh accounts have been active for a period of more than five years.

Further, the highest assets under management (AUM) has been under SIP accounts that have been active for more than five years, at Rs 1.65 lakh crore. This is followed by SIP accounts less than a year old at Rs 1.54 lakh crore. The overall AUM under SIP accounts stood at Rs 6.83 lakh crore as of March 2023 end. Additionally, 2.05 crore SIP accounts are under direct plans, while 4.31 crore are under regular plans.

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NEWS IN BRIEF

Debt MFs see inflow of ₹31k cr in single week

Investors have pumped a whopping ₹31,179 crore into debt mutual funds (MFs) in the week ended 31 March, as they tried to take advantage of long-term capital gains tax and indexation benefits for the last time, with the government deciding to withdraw the benefits on this asset category from 1 April.

Aditya Birla Sun Life Mutual Fund debuts new campaign to recognize the importance of mutual fund partners in financial ecosystem

Aditya Birla Sun Life AMC Limited, a subsidiary of Aditya Birla Capital Limited and an investment manager to the Aditya Birla Sun Life Mutual Fund (ABSLMF), has launched its latest campaign, #AapkeSapnoKeSarthi, to recognise its partners' dedication and commitment to making investing an easy experience for investors.

Bajaj Finserv Mutual Fund files papers to launch seven schemes

Bajaj Finserv Mutual Fund, the latest entrant to the mutual fund industry, has filed papers for launching seven schemes in equity, debt, and hybrid categories. It filed draft documents with Sebi on Monday.

ICICI Prudential Mutual Fund launches ICICI Prudential Innovation Fund

ICICI Prudential Mutual Fund has announced the launch of ICICI Prudential Innovation Fund, an open-ended thematic equity scheme which will predominantly invest in equity, equity-related securities of companies and units of global mutual funds/ETFs that can benefit from innovation strategies and themes. The new fund offer or NFO Opens on April 10 and closes on April 24.

Domestic gold prices jump to a lifetime high

Prices of gold jumped to a lifetime high again in the domestic market on Wednesday, crossing the ₹61,000 mark per 10 grams. Prices on the COMEX rose to a 13-month high, while the June futures contract of gold touched a lifetime high of ₹61,181 on MCX Wednesday.

HDFC Mutual Fund launches three index funds

HDFC Mutual Fund has announced the launch of three index schemes – HDFC S&P BSE 500 Index Fund, HDFC NIFTY Midcap 150 Index Fund, and HDFC NIFTY Smallcap 250 Index Fund. These are open-ended schemes replicating/tracking the S&P BSE 500, NIFTY Midcap 150 Index, and NIFTY Smallcap 250 Index respectively.

L&T Mutual Fund ceases to exist as mutual fund: Sebi

L&T Mutual Fund ceases to exist as a mutual fund, capital markets regulator Sebi said on Monday. This comes after L&T Mutual Fund Trustee Ltd had informed Sebi that it wanted to surrender the registration granted to L&T Mutual Fund (L&T MF) by the markets regulator pursuant to the approval of change in control of L&T Investment Management Ltd and merger of schemes of L&T MF with HSBC Mutual Fund.

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

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