



AMFI Monthly Note

June 2024



Monthly Mutual Funds industry update

Industry snapshot

- Industry assets at an all-time high of Rs 61.16 lakh crore mainly because of mark-to-market (MTM) gains and net inflows in equity
- Folio count crosses a new threshold of 19 crore
- Equity, hybrid and passive funds witnessed net inflows during the month

Equity funds

- Equity mutual funds (MFs) saw the highest ever monthly inflows of ~Rs 40,608 crore
- Sectoral/thematic funds led with all-time high inflows of Rs 22,351 crore, primarily led by NFOs
- Equity MFs closed at an all-time high of Rs 27.68 lakh crore (45% of industry AUM) primarily on account of MTM gains followed by net inflows

Debt funds

- Debt MF assets logged outflows in June as part of the regular quarter-end requirements from corporates and banks to meet advance tax obligations
- At Rs 80,354 crore, liquid funds outflows were almost 50% less than that seen by the category at the quarter-end of March 2024
- Long duration funds continue to witness net inflows

Hybrid funds

- Category assets hit a new high of Rs 8.09 lakh crore
- Inflows into the category stood at Rs 8,855 crore
- Arbitrage and multi-asset allocation funds accounted for 82% inflows in the category

Passive funds

- Passive funds were at a record high of Rs 10.48 lakh crore (17% of industry AUM)
- Passive funds saw a 7% increase in assets, gaining Rs 64,500 crore
- ETF assets touched a record high of Rs 7.44 lakh crore (71% of the segment's AUM)

SIP trend

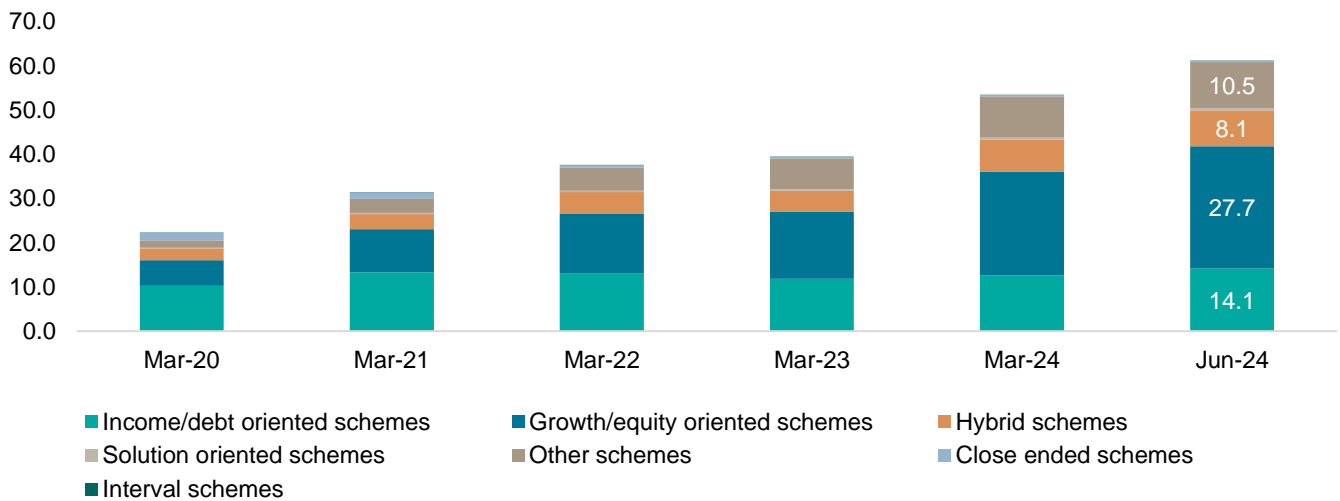
- Systematic investment plan (SIP) flows were at an all-time high of Rs 21,262 crore
- SIP AUM share stood at ~20% of industry assets
- SIP accounts totalled 8.99 crore

Industry snapshot

MF assets scale new peak

Assets under management (AUM) of domestic MFs rose 3.8% (Rs 2.24 lakh crore in absolute terms) to Rs 61.16 lakh crore in June from Rs 58.91 lakh crore in the previous month, propelled by MTM gains from the underlying equity market. The broad equity market, as represented by the Nifty 50 and BSE Sensex, gained nearly 7% each during the period of analysis.

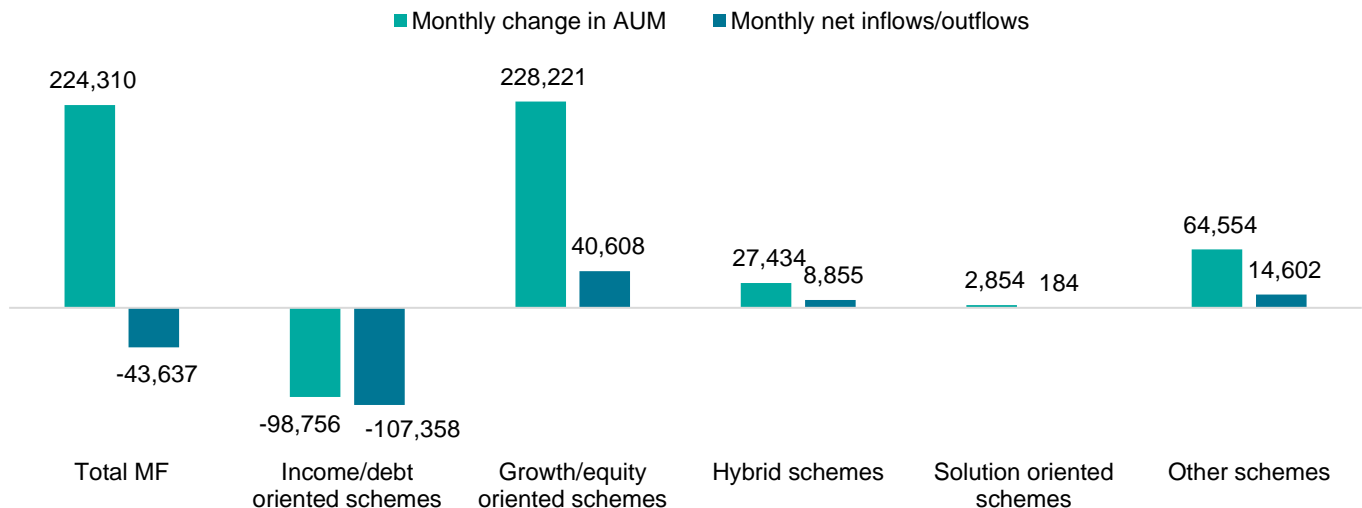
Industry AUM soars to record high (assets in Rs lakh crore)



Source: AMFI, CRISIL MI&A Research

All the categories, except debt, witnessed net inflows during the month. The fall in AUM in case of debt funds was mainly owing to net outflows from the category. The outflows from the debt category surpassed the inflows seen in the other categories, resulting in net industry outflows of Rs 43,637 crore.

Industry assets rise on account of equity MTM gains (in Rs lakh crores)



Source: AMFI, CRISIL MI&A Research

Monthly AUM trend of the MF industry

Category	Jun 2024	May 2024 (1 month)	1 month % change	Dec 2023 (6 months)	6 months % change	Jun 2023 (1 year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Equity	2,767,999	2,539,778	9.0%	2,179,424	27.0%	1,743,373	58.8%	1,110,025	149.4%
Debt	1,413,232	1,511,988	-6.5%	1,290,985	9.5%	1,347,483	4.9%	1,386,185	2.0%
Hybrid	809,770	782,336	3.5%	661,426	22.4%	525,505	54.1%	387,594	108.9%
Others	1,048,310	983,756	6.6%	874,072	19.9%	760,550	37.8%	365,355	186.9%
Solution-oriented schemes	49,962	47,108	6.1%	42,427	17.8%	36,087	38.4%	26,532	88.3%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Trend of monthly flows for mutual funds industry (Rs crore)

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Equity	40,608	34,697	18,917	22,633	26,866	21,781
Debt	-107,358	42,295	189,891	-198,299	63,809	76,469
Hybrid	8,855	17,991	19,863	5,584	18,105	20,637
Others	14,602	15,655	11,505	12,793	9,756	3,983
Solution-oriented schemes	184	465	247	207	183	248

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Folio count at an all-time high of 19 crore

The folio count hit an all-time high across all categories except debt, rising to over 19.04 crore in June from 18.54 crore folios in May. More than 50 lakh folios were added by the industry in June, most of it coming from equity-oriented schemes which added nearly 40 lakh accounts in the period. The second-highest folio additions happened in the others category which primarily comprises passive schemes; the segment added over 8.5 lakh accounts in June.

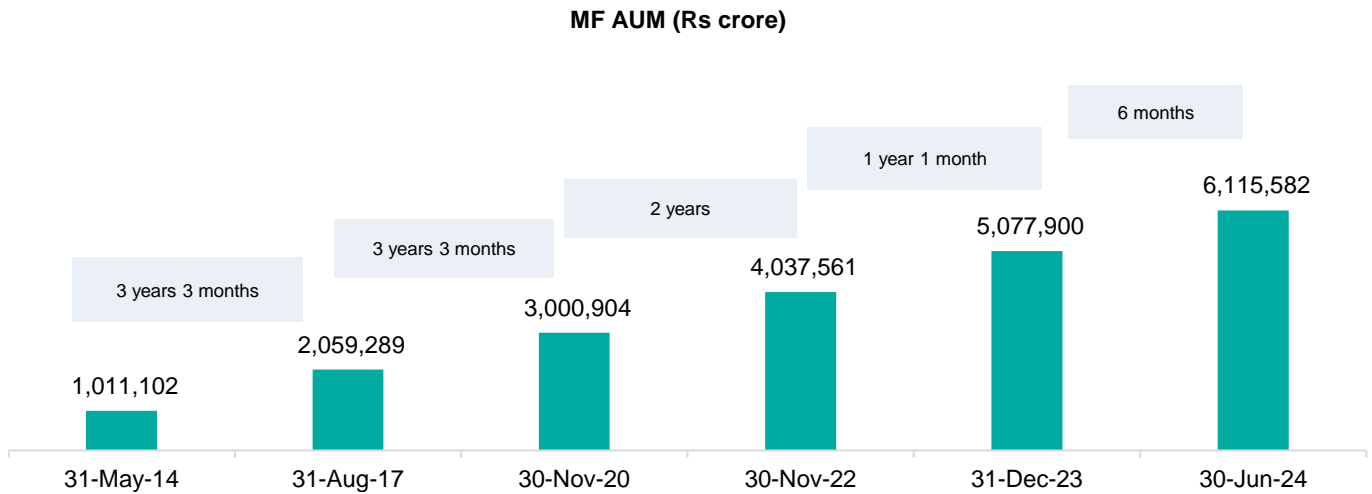
Monthly folio count trend

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Equity	133,032,315	128,947,285	125,552,685	122,821,685	120,077,704	116,465,784
Debt	7,013,214	7,091,977	7,118,065	7,164,917	7,155,865	7,168,684
Hybrid	14,029,910	13,825,676	13,658,203	13,494,406	13,299,464	13,111,406
Others	30,501,433	29,642,726	28,708,957	27,962,550	27,254,249	26,412,264
Solution-oriented schemes	5,920,631	5,906,827	5,870,576	5,848,892	5,834,209	5,819,785

Source: AMFI, CRISIL MI&A Research

Industry milestones

Industry adds Rs 10 lakh crore of assets in six months of 2024, fastest on record



Indian open ended mutual fund assets log highest growth in past 5, 10 and 15 years versus global peers

As per data disclosed by the International Investment Funds Association, as of March 2024, India has seen the highest growth in its assets under management in the last 5 years, 10 years and 15 years.

Worldwide regulated open-end funds: Total net assets excluding funds of funds

Country	5 years	10 years	15 years
Brazil	13%	14%	15%
China	14%	22%	19%
Germany	5%	6%	7%
India	20%	24%	20%
Japan	11%	11%	11%
South Africa	8%	9%	12%
United Kingdom	4%	7%	11%
United States	9%	8%	9%

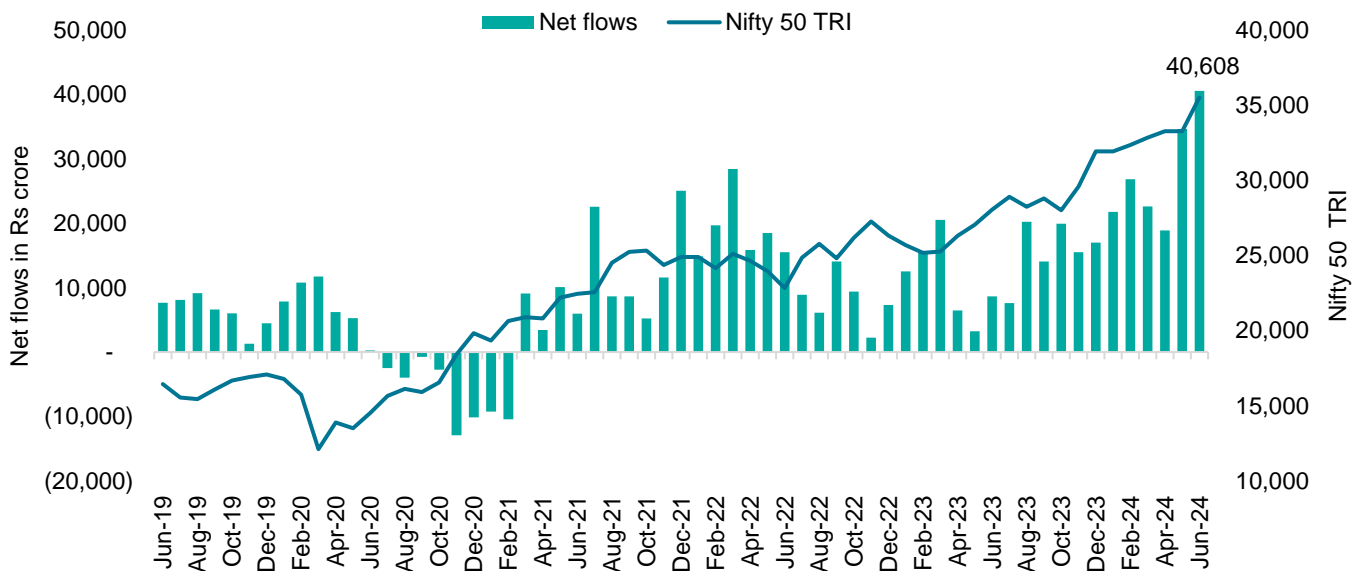
Source: International Investment Funds Association; CRISIL MI&A Research
Data as of March 2024

Equity mutual funds

Equity MFs see record high inflows of ~Rs 40,608 crore

Equity MFs registered the highest monthly net inflows of Rs 40,608 crore in June, 17% higher than the previous high of Rs 34,697 crore in May. Inflows surged alongside a sharp rise in the market in June.

Monthly equity net inflows at an all-time high



Source: AMFI, CRISIL MI&A Research

With the inflows, equity AUMs crossed the Rs 27 lakh crore mark to close at an all-time high of Rs 27.68 lakh crore in June. The share of equity mutual funds in India's mutual funds industry stood at 45% in June, approaching the global average (including ETFs) of 48% as of the first quarter of 2024.

While flexi-cap funds continued to remain the largest category in the segment with assets crossing Rs 4 lakh crore, up 7.7% in the month, sectoral/thematic funds caught up with asset gain of 13.6% and asset tally of Rs 3.83 lakh crore at the end of the month

Monthly AUM trend for equity-oriented mutual funds

Category	Jun 2024	May 2024 (1 Month)	1 month % change	Dec 2023 (6 Months)	6 months % change	Jun 2023 (1 Year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Flexi cap funds	401,386	372,549	7.7%	327,759	22.5%	272,743	47.2%	176,622	127.3%
Sectoral/thematic funds	383,271	337,280	13.6%	258,761	48.1%	196,178	95.4%	114,684	234.2%
Mid-cap funds	359,426	328,183	9.5%	281,353	27.7%	218,146	64.8%	134,925	166.4%
Large cap funds	345,362	323,156	6.9%	296,009	16.7%	259,583	33.0%	194,855	77.2%
Small cap funds	296,408	270,581	9.5%	233,979	26.7%	168,434	76.0%	85,957	244.8%

Category	Jun 2024	May 2024 (1 Month)	1 month % change	Dec 2023 (6 Months)	6 months % change	Jun 2023 (1 Year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Large and mid-cap funds	243,589	223,990	8.8%	187,757	29.7%	148,218	64.3%	87,753	177.6%
ELSS funds	239,022	223,727	6.8%	200,379	19.3%	171,034	39.8%	135,624	76.2%
Value funds/Contra funds	173,898	160,639	8.3%	135,523	28.3%	104,686	66.1%	69,008	152.0%
Multi-cap funds	154,025	139,034	10.8%	111,322	38.4%	78,415	96.4%	24,437	530.3%
Focused funds	143,382	134,589	6.5%	124,652	15.0%	109,698	30.7%	77,764	84.4%
Dividend yield fund	28,229	26,050	8.4%	21,931	28.7%	16,237	73.9%	8,397	236.2%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Sectoral/thematic funds for a straight second month benefited from all-time high inflows of Rs 22,352 crore. The category has received the highest inflows within the equity oriented mutual fund category for the past six months ended June 2024. The category saw 9 NFOs in the month of June garnering more than 50% of the category's inflow at Rs 12,974 crore.

Trend of monthly flows for equity-oriented mutual funds (Rs crore)

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Flexi cap funds	3,059	3,155	2,173	2,738	2,613	2,447
Sectoral/thematic funds	22,352	19,213	5,166	7,918	11,263	4,805
Mid-cap funds	2,528	2,606	1,793	1,018	1,808	2,061
Large cap funds	970	663	358	2,128	921	1,287
Small cap funds	2,263	2,725	2,209	-94	2,922	3,257
Large cap and mid-cap funds	2,912	2,397	2,639	3,216	3,157	2,330
ELSS funds	-445	-250	-144	1,789	339	533
Value funds/contra funds	2,027	1,404	1,987	1,708	1,867	1,842
Multi-cap funds	4,709	2,645	2,724	1,827	2,414	3,039
Focused funds	-287	-307	-328	63	-533	-202
Dividend yield funds	520	445	341	323	94	382

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Debt mutual funds

Debt fund assets decline due to quarter-end advance tax outflows

Assets of open-ended debt funds decreased by 6.5% month-on-month, ending at Rs 14.13 lakh crore in June. This decline could be attributed to investors withdrawing funds to meet advance tax obligations especially from the liquid and overnight funds. This trend is observed periodically in quarter end months of March, June September, and December, coinciding with the due dates for advance tax payments.

Over the last one year, gilt funds and long duration funds have seen a relatively higher increase in their AUM compared to other categories as investors expect interest rates to come down. Money market funds have also seen a huge increase in their AUM over the last one year, primarily on account of higher yields within the shorter end of the yield curve.

Monthly AUM trend for debt-oriented mutual funds

Category	Jun 2024	May 2024 (1 Month)	1 month % change	Dec 2023 (6 Month)	6 months % change	Jun 2023 (1 Year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Liquid funds	420,256	497,847	-15.6%	378,570	11.0%	419,556	0.2%	338,007	24.3%
Money market funds	204,137	193,418	5.5%	143,663	42.1%	140,035	45.8%	101,399	101.3%
Corporate bond funds	150,648	153,043	-1.6%	140,426	7.3%	135,476	11.2%	159,288	-5.4%
Short duration funds	102,082	102,659	-0.6%	101,311	0.8%	99,139	3.0%	141,396	-27.8%
Low duration funds	102,366	99,595	2.8%	96,504	6.1%	99,019	3.4%	153,801	-33.4%
Ultra short duration funds	95,660	97,438	-1.8%	88,399	8.2%	97,161	-1.5%	97,098	-1.5%
Overnight funds	65,517	90,160	-27.3%	75,031	-12.7%	89,223	-26.6%	83,153	-21.2%
Banking and PSU funds	78,756	81,434	-3.3%	80,160	-1.8%	81,815	-3.7%	120,872	-34.8%
Floater funds	52,552	53,210	-1.2%	54,919	-4.3%	58,175	-9.7%	76,221	-31.1%
Gilt funds	31,752	32,706	-2.9%	26,088	21.7%	22,703	39.9%	16,655	90.6%
Dynamic bond funds	32,569	32,689	-0.4%	30,861	5.5%	30,210	7.8%	24,882	30.9%
Medium duration funds	24,983	25,295	-1.2%	26,378	-5.3%	27,349	-8.7%	31,211	-20.0%
Credit risk funds	22,147	22,501	-1.6%	23,602	-6.2%	24,325	-9.0%	26,230	-15.6%
Long duration funds	14,423	13,983	3.1%	10,276	40.4%	9,183	57.1%	2,560	463.4%
Medium to long duration funds	10,895	10,698	1.8%	10,338	5.4%	9,884	10.2%	11,914	-8.6%
Gilt funds with 10-year constant duration	4,488	5,311	-15.5%	4,458	0.7%	4,230	6.1%	1,497	199.8%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Bucking the outflow trend in the month, four categories within the 16 saw inflow; money market funds saw the highest net inflows of Rs 9,590 crore, higher compared with Rs 8,272 crore seen by the category in May. Low duration fund saw net inflows of Rs 2,199 crore, sharply higher compared with net inflow of Rs 461 crore in May.

In terms of outflows, liquid and overnight funds were responsible for more than 98% of the total monthly outflows. Liquid funds saw majority of the outflows at Rs 80,354 crore, the quarter end outflows was almost 50% less than seen by the category in quarter-end of March 2024.

Trend of monthly flows for debt-oriented mutual funds (Rs crore)

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Liquid funds	-80,354	25,873	102,751	-157,970	83,642	49,468
Money market funds	9,590	8,272	34,084	-8,720	137	10,651
Corporate bond funds	-3,469	687	2,992	-292	3,029	1,301
Short duration funds	-1,094	-73	2,533	-6,450	2,346	-223
Low duration funds	2,199	461	7,758	-6,157	-4,100	2,116
Ultra short duration funds	-2,327	1,647	11,105	-9,135	-362	2,937
Overnight funds	-25,143	6,645	21,195	-6,992	-17,376	8,995
Banking and PSU funds	-2,822	40	-405	232	-480	-501
Floater funds	-996	-546	1,619	-2,173	-3,610	1,221
Gilt funds	-1,213	-171	5,210	-538	539	413
Dynamic bond funds	-352	-138	853	-138	132	-63
Medium duration funds	-462	-539	-425	-364	-388	-211
Credit risk funds	-478	-540	-359	-321	-366	-303
Long duration funds	281	482	581	772	631	582
Medium to long duration funds	128	40	47	-110	-7	19
Gilt funds with 10-year constant duration	-846	157	349	58	42	66

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Hybrid mutual funds

Hybrid fund assets continue to march ahead, cross Rs 8 lakh crore in assets

AUM of hybrid funds rose by nearly Rs 28,000 crore, or 3.5% on-month, surpassing the Rs 8 lakh crore mark. At Rs 8.09 lakh crore, the assets for the category were at an all-time high. The surge in AUM can be attributed to investor confidence in the diversification and balanced risk-return profile that hybrid funds offer.

The dynamic asset allocation/balanced advantage fund category is the largest individual category within the segment with assets totalling Rs 2.69 lakh crore, contributing ~33% of the segment's AUM, indicating investors' preference for active asset allocation.

Meanwhile, the highest month-on-month growth during June 2024, was observed in the multi-asset allocation category, which surged by 8.1% from May 2024, reaching Rs 83,720 crore. The category has also seen the sharpest growth in assets in the past three years, growing 420% during the period, equity savings fund came in a distant second at 200% growth.

Monthly AUM trend for hybrid mutual funds

Category	Jun 2024	May 2024 (1 Month)	1 month % change	Dec 2023 (6 Months)	6 months % change	Jun 2023 (1 Year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Dynamic asset allocation/balanced advantage funds	269,772	260,653	3.5%	234,000	15.3%	204,997	31.6%	119,262	126.2%
Balanced hybrid funds/aggressive hybrid funds	214,272	203,887	5.1%	188,522	13.7%	166,687	28.5%	131,475	63.0%
Arbitrage funds	180,071	180,603	-0.3%	134,221	34.2%	80,625	123.3%	94,841	89.9%
Multi-asset allocation funds	83,720	77,436	8.1%	52,869	58.4%	31,149	168.8%	16,073	420.9%
Equity savings funds	34,154	32,404	5.4%	25,643	33.2%	17,889	90.9%	11,380	200.1%
Conservative hybrid funds	27,781	27,352	1.6%	26,171	6.2%	24,158	15.0%	14,564	90.8%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Continuing the trend of positive flows into hybrid funds since April 2023, inflows reached Rs 8,855 crore in June 2024, albeit lower than the Rs 17,991 crore recorded in May 2024.

Arbitrage funds continued to garner the highest inflows in the category for the third consecutive month; the net inflows of Rs 3,837 crore was however lower compared with Rs 12,758 crore in May. Investor interest in arbitrage funds continue amidst opportunities in the underlying volatile equity market. Additionally, the stability of returns and better tax benefits compared to debt funds continue to benefit this category.

Trend of monthly flows for hybrid mutual funds (Rs crore)

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Dynamic asset allocation/balanced advantage funds	644	1,279	1,345	1,733	1,287	1,340
Balanced hybrid funds/aggressive hybrid funds	49	43	17	536	29	448
Arbitrage funds	3,837	12,758	13,901	-298	11,508	10,608
Multi-asset allocation funds	3,453	3,161	3,313	2,681	4,043	7,080
Equity savings funds	1,003	849	1,295	928	1,344	1,114
Conservative hybrid funds	-131	-99	-8	4	-106	47

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Passive mutual funds

Passive fund assets record highest monthly growth, touch Rs 10 lakh crore

Passive funds recorded the highest month-on-month increase with asset gains of Rs 64,554 crore, during the month, hitting an all-time high at Rs 10.48 lakh crore. Within the category, the highest month-on-month growth was observed in Gold ETFs, which surged 8.4% from May 2024, reaching Rs 34,356 crore as yellow metal prices advanced. Gold ETFs have seen the highest growth over the past year, up 54%, while index funds were the second highest at 39%.

Among passive funds, other ETF assets reached a record high of Rs 7.44 lakh crore, contributing 71% of the segment's AUM. The share of ETFs (including gold ETFs) in India's mutual funds industry stood at 13% in June, approaching the global average of 18% as of the first quarter of 2024.

While ETFs continue to benefit from the participation of institutional investors such as the Employees Provident Fund Organisation (EPFO), we are also seeing strong participation in the individual investor-led passive funds category of index funds. The index funds category assets are at a record high of Rs 2.43 lakh crore as of June 2024, and has seen a surge of nearly 900% in assets in the past three years.

Monthly AUM trend for passive mutual funds

Category	Jun 2024	May 2024 (1 Month)	1 month % change	Dec 2023 (6 Months)	6 months % change	Jun 2023 (1 Year)	1 year % change	Jun 2021 (3 Years)	3 years % change
Index funds	243,482	229,712	6.0%	199,659	21.9%	175,468	38.8%	24,947	876.0%
Gold ETFs	34,356	31,689	8.4%	27,326	25.7%	22,339	53.8%	16,225	111.7%
Other ETFs	744,585	697,325	6.8%	623,022	19.5%	538,873	38.2%	306,319	143.1%
Fund of funds investing overseas	25,887	25,030	3.4%	24,064	7.6%	23,869	8.5%	17,864	44.9%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Passive funds saw net inflows of Rs 14,602 crore compared to Rs 15,655 crore in May 2024. June 2024 marked the 44th consecutive month of positive flows coming into this segment since October 2020. Within the segment, ETF inflows were Rs 9,134 crore, while index funds garnered Rs 5,072 crore, 13% more than Rs 4,490 in the previous month.

Trend of monthly flows for passive mutual funds (Rs crore)

Category	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Index funds	5,072	4,490	6,524	1,822	2,536	2,988
Gold ETFs	726	827	-396	373	997	657
Other ETFs	9,134	10,690	5,747	10,560	6,462	571
Fund of funds investing overseas	-330	-352	-370	37	-239	-234

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

SIP trend

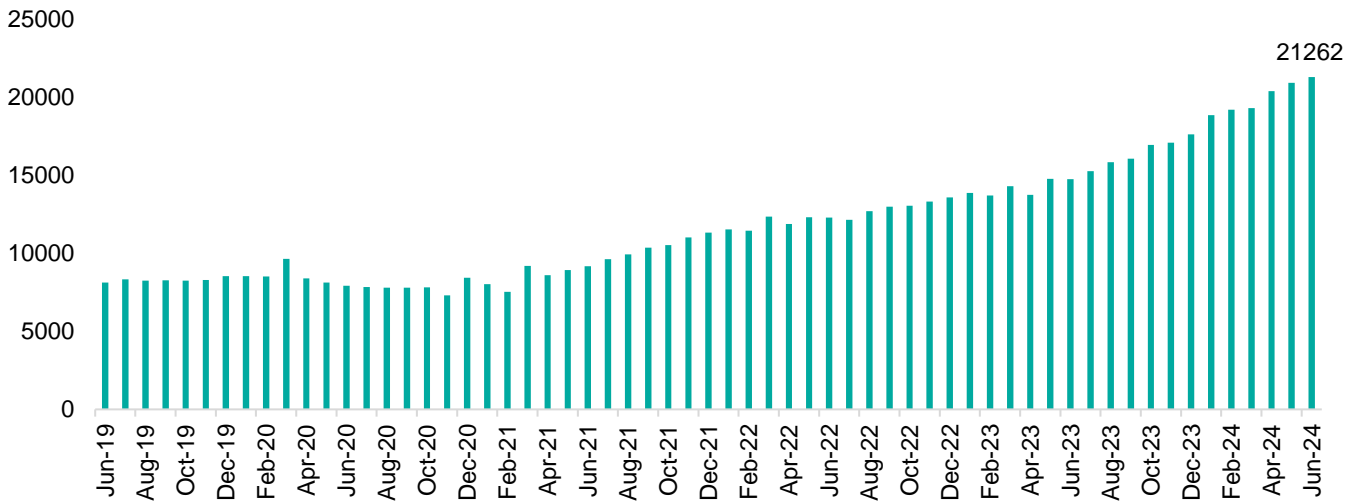
SIP inflows cross Rs 21,000 crore mark

At Rs 21,262 crore, monthly systematic investment plan (SIP) contributions crossed the Rs 21,000 crore mark in June. During the month, SIP assets increased nearly 8% to Rs 12.43 lakh crore, led by MTM gains and inflows.

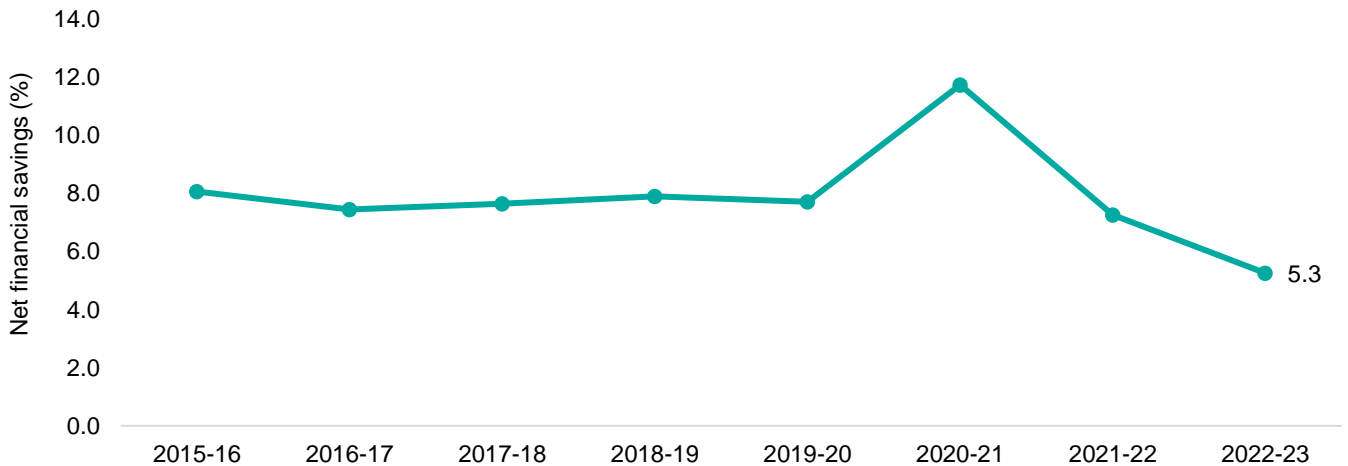
The sharp uptick in SIP inflows and assets in recent years was in sharp contrast to net financial savings data of households, which dipped to 5.4% in fiscal 2023 and below the long-term average of 7.6%, owing to higher borrowings. In fact, the share of MFs in household savings increased from 3.4% on average over fiscals 2011 to 2020 to 4.8% over fiscals 2021 to 2023, indicating the preference for MFs as an investment avenue.

A sustained revival of financial savings could bolster investments in MFs, especially through SIPs.

SIPs get bigger...



... despite a dip in financial savings



Source: AMFI, National Statistical Office (NSO), CEIC, CRISIL MI&A Research

SIP trends

SIP stats	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
SIP assets	12.44	11.53	11.26	10.72	10.53	10.27
SIP assets as % of industry assets	20	20	20	20	19	19
SIP accounts	8.99	8.76	8.70	8.40	8.20	7.92
SIP accounts as % of total folios	47	47	48	47	47	47

Source: AMFI, CRISIL MI&A Research



The mutual fund industry continues with its upward trajectory. The net AUM stood at Rs 61.16 lakh crore in June 2024. The industry continued to benefit from sustained flows into equity-oriented mutual funds, hybrid funds and passive funds, along with mark to market gains even though quarter-end outflows from debt funds shaved off some gains. Equity fund inflows stood at a record high of Rs 40,608 crore, while SIP inflows touched a new high of Rs 21,262 crore.

Another trend being seen among investors is the increasing interest in active and multi-asset allocation funds while on the passive front, we are seeing higher participation from individual investors through the index funds route.

The full budget for 2024-25 will be presented by the government this month and will be closely watched by industry participants and the markets for policy actions towards sustained growth momentum. Favourable tax regime harnessing household savings towards productive capital market instruments will foster long-term investments, enhancing financialisation of savings, and providing a stable source of support to the capital markets.



Venkat N Chalasani
Chief Executive – AMFI

Disclaimer:

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

MUTUAL FUNDS

Sahi Hai

