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# Mutual Fund Flows

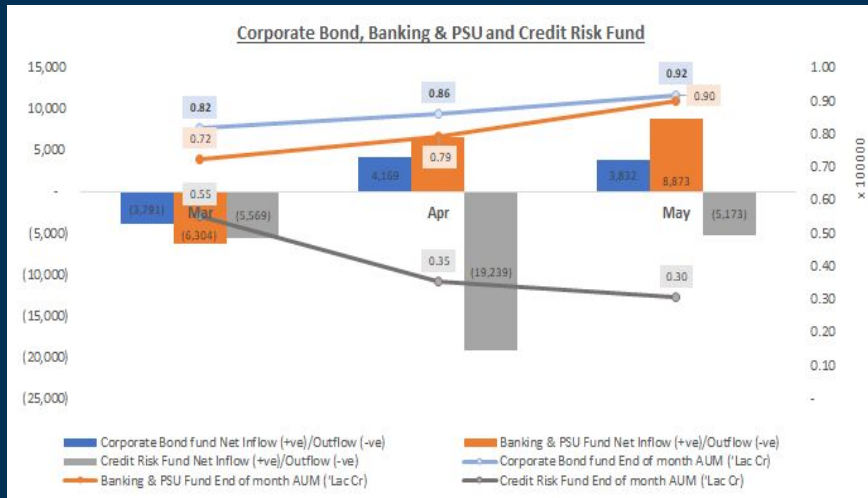
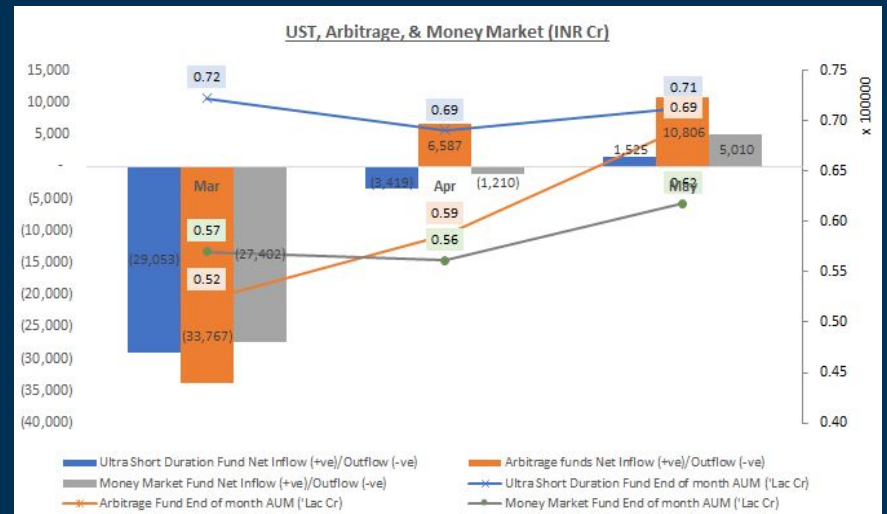
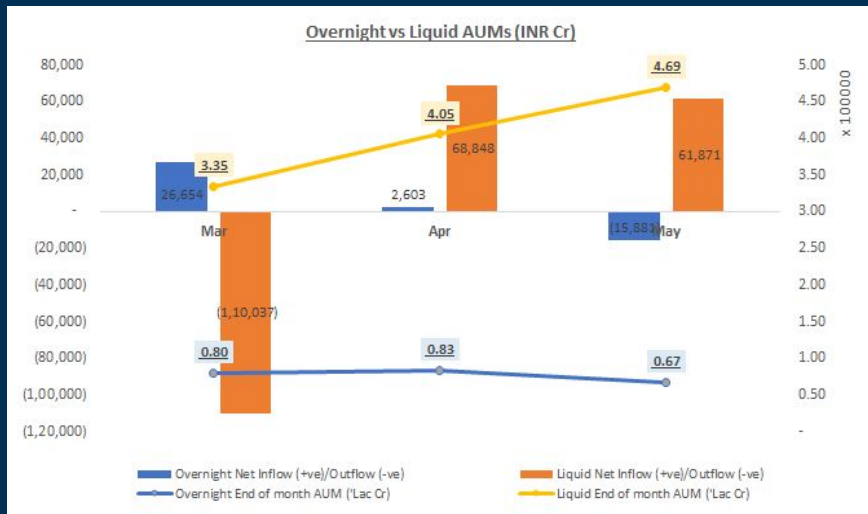
The Highs & Lows: May 2020



# Debt Funds

- Average AUM of Debt Fund increased by 7.03% (INR 63,666 Cr) to INR 11.5 Lakh Crore, primary fuelled by additions to Liquid Fund category.
- March saw huge redemptions from Liquid, Money Market, Ultra Short Term and Low Duration due to the start of the Covid-19 pandemic and flight to safety to Overnight Funds.
- April and May saw inflows coming back into Liquid category. May also saw money returning into Money Market category and some into UST. April saw huge outflows from Credit Risk category due to the credit crisis and Franklin India winding up of 6 schemes.
- Banking PSU, Corporate Bond Funds and Gilt Funds were other beneficiaries of inflows in April and May owing to the high credit quality of these funds.

Sr	Category Name	Inflow(+ve)/ Outflow(-ve) : Mar	Inflow(+ve)/ Outflow(-ve) : Apr	Inflow(+ve)/ Outflow(-ve) : May
I	Income/Debt Oriented Schemes			
1	Overnight Fund	26,654	2,603	-15,881
2	Liquid Fund	(1,10,037)	68,848	61,871
3	Ultra Short Duration Fund	-29,053	-3,419	1,525
4	Low Duration Fund	-19,921	-6,841	301
5	Money Market Fund	-27,402	-1,210	5,010
6	Short Duration Fund	-11,039	-2,309	2,040
7	Medium Duration Fund	-2,164	-6,364	-1,520
8	Medium to Long Duration Fund	-592	-191	157
9	Long Duration Fund	57	302	283
10	Dynamic Bond Fun	-833	-1,155	-75
11	Corporate Bond Fund	-3,791	4,169	3,832
12	Credit Risk Fund	-5,569	-19,239	-5,173
13	Banking and PSU Fund	-6,304	6,561	8,873
14	Gilt Fund	747	2,516	1,947
15	Gilt Fund with 10 Y	84	93	143
16	Floater Fund	-5,750	-932	332
	<b>Total</b>	<b>(1,94,915)</b>	<b>43,432</b>	<b>63,666</b>



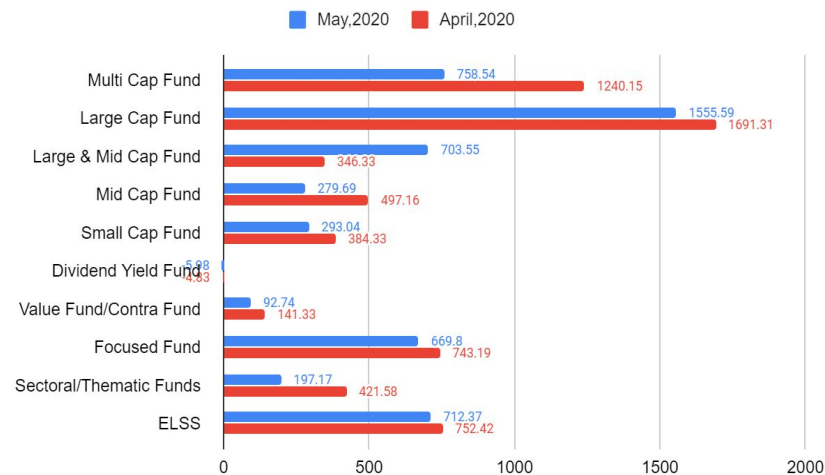
- Arbitrage Funds have been included just for comparison due to its similar risk characteristics.
- End of May: Liquid AUMs are at 4.69 Lakh Cr compared to INR 0.67 Lakh Cr in Overnight. Money Market and UST AUMs were INR 0.61 Lakh Cr and INR 0.71 Lakh Cr respectively. Banking PSU and Corporate Bond Funds had similar AUMs of close to 0.9 Lakh Crs while the AUMs of Credit Risk Funds dropped to 0.3 Lakh Crs.

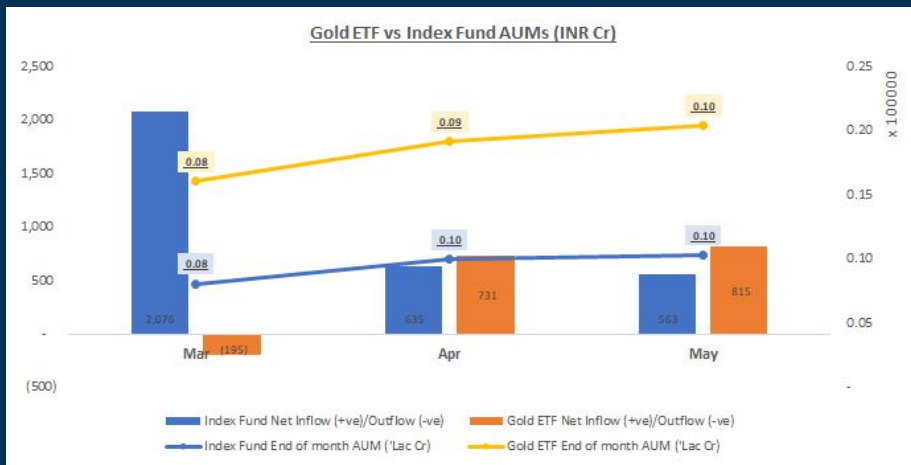
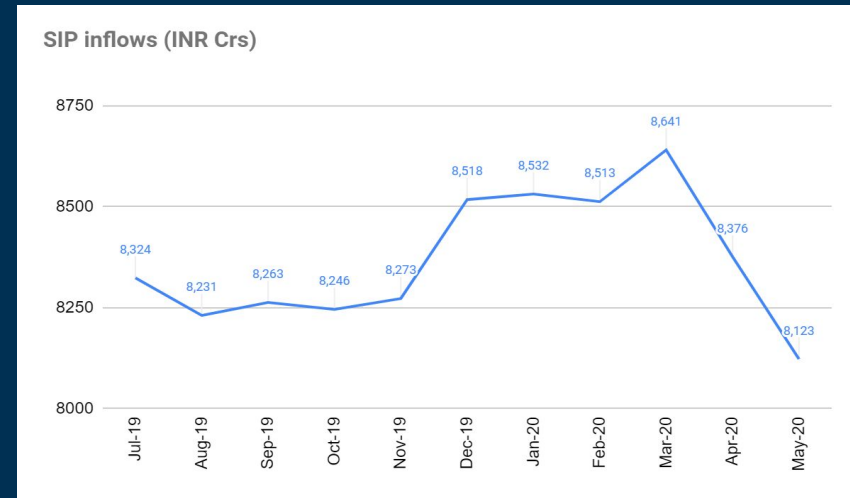
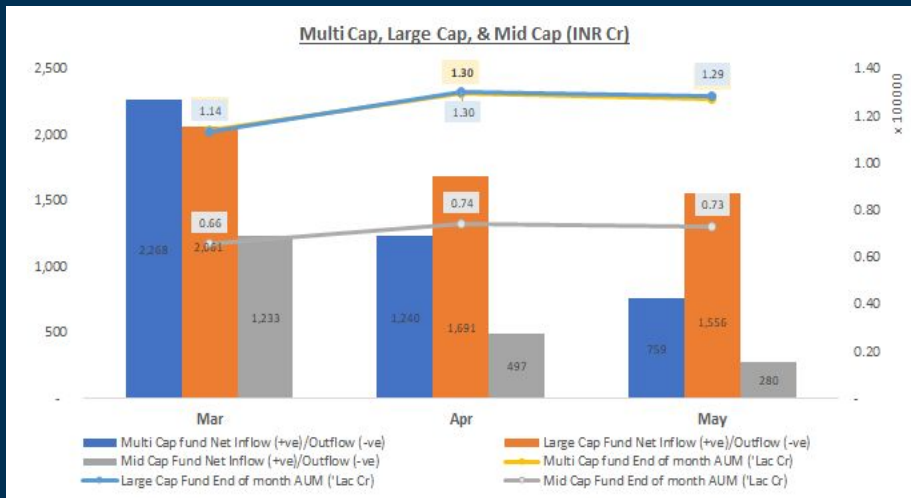
# Equity Funds

Sr	Category Name	Inflow(+ve)/ Outflow(-ve) : Mar	Inflow(+ve)/ Outflow(-ve) : Apr	Inflow(+ve)/ Outflow(-ve) : May
I	<b>Growth/ Equity Oriented Schemes</b>			
1	Multi Cap Fund	2,268	1,240	759
2	Large Cap Fund	2,061	1,691	1,556
3	Large & Mid Cap Fund	859	346	704
4	Mid Cap Fund	1,233	497	280
5	Small Cap Fund	163	384	293
6	Dividend Yield Fund	(29)	(5)	(6)
7	Value Fund/Contra Fund	829	141	93
8	Focused Fund	1,994	743	670
9	Sectoral/Thematic Funds	794	422	197
10	ELSS	1,551	752	712
	<b>Total</b>	<b>11,723</b>	<b>6,213</b>	<b>5,257</b>

April's positive momentum in equity market failed to continue in May as major indices dropped more than 3%. In May, equity mutual funds saw inflows worth INR 5,257 crore as against INR 6,213 crore in April. Total Equity AUM dropped 1.35% to INR 3.94 Lakh Cr due to overall fall in markets.

Segment-wise flows (INR Crs)





- Despite decline in inflows, inflows in Large Cap Funds remained robust whereas inflows in Mid Cap Funds dropped sharply as risk appetite of investors decreased.
- Investment in Index Funds, which got good inflows in March, reduced while investors took shelter to Gold as an asset class.
- The contribution of systematic investment plans (SIPs) also declined for the second successive month to INR 8,120 crore after record high of INR 8,640 crore in March.



# Performance of Large Cap Schemes

- Despite strong momentum rally in last week of May, market closed on negative side.
- Returns of Large cap Schemes are in line with benchmark with average returns of -2.72% .
- There are fresh purchases including SIPs in Axis Bluechip Fund (Rs. 778 Cr.), Mirae Asset Large Cap Fund (Rs. 320 Cr.), ICICI Prudential Bluechip Fund (Rs. 131 Cr.), SBI Bluechip Fund (Rs. 208 Cr.) and HDFC Top 100 Fund (Rs.113 Cr.). Aditya Birla Frontline Equity Fund faces redemption (Rs.150 Cr).
- Bharti Airtel, Cipla, ITC, Ultratech Cement, Maruti , L&T, Eicher Motors and Aurobindo Pharma are major common positive return contributors to large cap schemes.
- SBI, ICICI Bank , HDFC Bank, HDFC and Axis Bank are common negative return contributors to large cap schemes.
- Overall sector weightage of Pharma and Telecommunication are increased among Large Cap Schemes due to fresh buying and sector performance itself.
- Banking Sector is worst performing sector among Large Cap Schemes.



# Performance of Mid Cap Schemes

- Average Return of Mid Cap Schemes is -1.79% compared to average return of benchmark indices is -1.60%.
- Axis Midcap Fund, DSP Midcap, Kotak Emerging Equity Fund and HDFC Midcap opportunities Fund got slight inflow of funds. Other schemes face redemption.
- ICICI Prudential Midcap Fund had changed almost 15% of stocks in their portfolio. Out of 82 stocks, 13 stocks exited and 12 new stocks added.
- Overall sector weightage of Diversified Financial Services, Banks and consumer goods are decreased among Mid Cap Schemes.
- Sector weightage of Pharmaceutical, Auto , Building Materials and IT/Software are increased among Mid Cap Schemes.
- Balkrishna Industries, Alembic Pharma, Cadila Healthcare, The Ramco Cements, Tata Consumer, Coromandel International, Bayer Cropsiences , Mphasis , Jindal Steel and Tata Power are among common major positive return contributors to Midcap Schemes.
- IPCA Lab, ICICI Bank, Trent Ltd, Cholamandalam Investment, Ashok Leyland, LIC Hsg, M&M Financial, AU Small Finance Bank are common worst performing stocks in Midcap Schemes.



# Performance of Small Cap Schemes

- Performance of Small Cap Schemes was poor compared to benchmark indices. (Average Small Cap schemes returns -3.0% against benchmark average return of -1.87%).
- As usual, SBI Small Cap Fund got major part fresh inflows of funds. Nippon India Small Cap Fund and Axis Small Cap Fund received some inflow
- MCX, Welspun India, JK Lakshmi Cement, NIIT Technology, Persistent Systems, Dixon Technology, Dhanuka Agritech, JK cement and CCL Product are major positive return contributors in Small Cap Equity Schemes.
- DCB Bank, Brigade Enterprises, Chalet Hotels, Techno Electric, PNC Infratech and Hawkins Cooker are common worst performing stocks in Small Cap schemes.
- Overall sector weightage of Pharmaceutical, Chemicals, Building Materials and IT/Software are increased.
- Sector weightage of Real Estates, Diversified financial services and Engineering/Construction are decreased.





# Thank you.

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