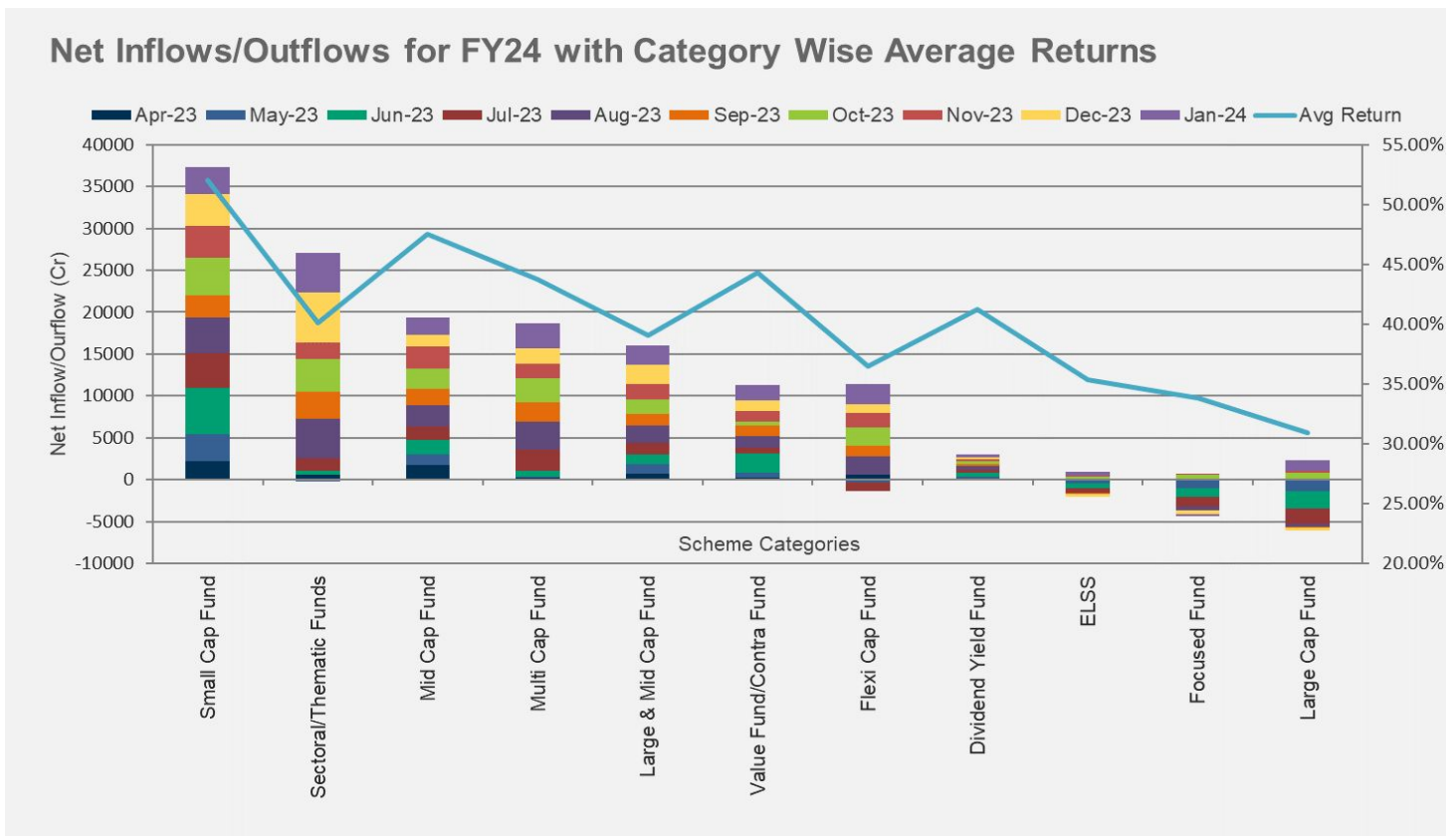


January's Equity Explorer: Navigating the Equity Mutual Fund Universe

Emerging Investment Patterns in Equity Mutual Fund Scheme Categories

- The Net Assets Under Management (AUM) of Equity Mutual Fund Schemes scaled new heights, reaching an unprecedented ₹22.50 Lakh Crore, driven by a significant uptick in the broader market.
- Inflows into open-ended equity funds surged by 28% to ₹21,781 Crore in January, marking the 35th consecutive month of positive inflows into equity funds since March 2021.
- Small Cap Funds, Sectoral/Thematic Funds, and Mid Cap Funds remained popular investment choices at the start of 2024.
- From April to January 2024, Small Cap Funds attracted ₹37,361 Crore, with the average return of schemes in this category reaching 52%. Sector/Thematic Funds and Mid Cap Funds gathered ₹26,958 Crore and ₹19,401 Crore respectively. The average return for Sector/Thematic Funds was 40%, and for Mid Cap Funds, it was 47%.
- In January, Sectoral/Thematic Funds led the way with the highest inflows, followed by Small Cap and Multi Cap Funds. Investors shifted their focus towards Large Cap oriented mutual funds, driven by the sharp rally observed in mid and small-cap companies, resulting in an inflow of ₹1,287 Crore in January, marking the highest since July 2022.
- In terms of AMC-wise distribution of inflows among equity oriented schemes, SBI Mutual Fund, Quant Mutual Fund, HDFC Mutual Fund, Nippon India Mutual Fund, ICICI Pru Mutual Fund and PPFAS Mutual Fund collectively accounted for over 70% of the total equity inflows in the month of January.
- The introduction of three new equity schemes in January contributed to the month's inflows, collectively attracting ₹967 Crore, with DSP Multicap Fund alone receiving ₹683 Crore.

Category wise Equity Inflows



* Average Returns of the schemes calculated in respective category irrespective of AUM size.

Breaking Down Equity Inflows of January

- In 2024, among the active fund categories, Parag Parikh Flexi Cap Fund continued its leadership as the top equity inflow scheme, alongside Quant Small Cap Fund and Nippon India Large Cap Fund.
- Contra funds are gaining traction in the Indian market, with the leading fund in this category, SBI Contra Fund, attracting significant equity inflows in January.
- In contrast, Axis Bluechip Fund, Axis Focussed 25 Fund, Mirae Asset Focussed Fund and Axis ELSS Tax Saver Fund experienced redemption pressures.
- In the passive fund sector, major beneficiaries of equity inflows during January were Nippon India ETF Nifty 50 BeES, ICICI Pru Nifty 50 ETF, SBI Nifty50 Equal Weight Index Fund and ICICI Pru S&P BSE Sensex ETF. Conversely, SBI Nifty 50 ETF and SBI S&P BSE Sensex ETF experienced an equity outflow, potentially attributable to the redemption of pension funds.
- About 27 equity mutual fund schemes each successfully attracted inflows of over ₹300 Cr.

Top Equity Inflows: A Category-Wise Showcase

Leading Beneficiaries of Equity Inflows in January	
Active Equity Schemes	Passive Equity Schemes
Parag Parikh Flexi Cap Fund	Nippon India ETF Nifty 50 BeES
SBI Contra Fund	ICICI Pru Nifty 50 ETF
Quant Small Cap Fund	SBI Nifty50 Equal Weight Index Fund
Nippon India Large Cap Fund	ICICI Pru S&P BSE Sensex ETF
DSP Multicap Fund	Nippon India ETF S&P BSE Sensex

Category	Category Captains: Masters of Equity Inflows in January		
Sectoral/ Thematic	Aditya Birla SL PSU Equity Fund	ICICI Pru India Opp Fund	Quant Momentum Fund
	ICICI Pru Manufacturing Fund	Franklin India Opportunities Fund	
Small Cap	Quant Small Cap Fund	Nippon India Small Cap Fund	SBI Small Cap Fund
	HDFC Small Cap Fund		
Multi Cap	DSP Multicap Fund	Nippon India Multi Cap Fund	HDFC Multi Cap Fund
	Kotak Multicap Fund	Quant Active Fund	
Flexi Cap	Parag Parikh Flexi Cap Fund	HDFC Flexi Cap Fund	Quant Flexi Cap Fund
Large & Midcap	SBI Large & Midcap Fund	HDFC Large and Mid Cap Fund	Kotak Equity Opp Fund
Mid	Nippon India Growth Fund	HDFC Mid-Cap Opportunities Fund	SBI Magnum Midcap Fund
	Motilal Oswal Midcap Fund	Quant Mid Cap Fund	Kotak Emerging Equity Fund
Contra/ Value	SBI Contra Fund	ICICI Pru Value Discovery Fund	
Large	Nippon India Large Cap Fund	ICICI Pru Bluechip Fund	HDFC Top 100 Fund
ELSS	Quant ELSS Tax Saver Fund	SBI Long Term Equity Fund	
Focussed	HDFC Focused 30 Fund		
ETF	Nippon India ETF Nifty 50 BeES	ICICI Pru Nifty 50 ETF	ICICI Pru S&P BSE Sensex ETF
	Nippon India ETF S&P BSE Sensex		
Index Funds	SBI Nifty50 Equal Weight Index Fund	UTI Nifty 50 Index Fund	HDFC Index Fund-NIFTY 50 Plan

Above schemes are highlighted as per our data estimates. Additionally for further reference, Index Funds and Index ETFs are also mentioned.

Uncovering Trends in Equity Scheme Portfolios for January, 2024

- Many equity mutual fund schemes favored new investments in ONGC, BHEL, Biocon, Voltas, Sobha, Gujarat Gas, Lupin, IndusInd Bank, Cipla and Bank of India. Additionally, IPOs such as Medi Assist Healthcare Services and Jyoti CNC Automation were also popular choices for investment.
- Some equity schemes completely exited from Polycab India, Zee Entertainment Enterprises, The Federal Bank, Navin Fluorine International, Bandhan Bank, Bajel Projects, Mahindra & Mahindra Financial Services and LTIMindtree.
- Overall considering all equity mutual fund schemes, there was buying in Reliance Industries, Maruti Suzuki, Kotak Mahindra Bank, Axis Bank, L&T and SBI Life Insurance Company.
- Among most traded stocks, there was selloff in ICICI Bank, NTPC, Infosys, Bharti Airtel, Bajaj Finance, Avenue Supermarts, SBI, NHPC, M&M and Zomato.
- The preferred investment sectors for Equity Mutual Fund Schemes have included Business Services, IT, Insurance, Metals, Crude Oil and Gas Transmission.
- Certain mutual fund schemes have divested their investments from sectors such as Media, Electricals, Textile, Chemicals, Telecom and Infrastructure.
- Beyond the previously mentioned stocks, there was significant trading activity in mid-cap and small-cap segments. Among top traded midcap stocks, several equity schemes preferred to sell Coforge and Hero MotoCorp, while many schemes invested into stocks like HPCL, Info Edge, Samvardhana Motherson International and Voltas.
- Equity mutual fund schemes have made fresh investments in over 200 small cap stocks.
- Among the most actively traded small-cap stocks, various equity schemes directed their investments towards Gillette India, Tips Industries and Aarti Industries. Meanwhile, some schemes chose to divest their holdings in Birlasoft, National Aluminium Company, Cyient, Century Textiles, Engineers India and Brigade Enterprises.

Fresh Picks & Full Exits: The Equity Mutual Funds Shift

Fresh Stocks added by Equity Mutual Fund Schemes in Jan,2024			Stocks exited by Equity Mutual Fund Schemes in Jan,2024		
Stock Name	No of Schemes Added Stock	Total Holding of Company Bought	Stock Name	No. of Schemes that exited stock	Total Holding of Company Sold
Medi Assist Healthcare Services Ltd.	28	13.62%	Polycab India Ltd.	27	1.09%
Oil & Natural Gas Corporation Ltd.	28	0.21%	Zee Entertainment Enterprises Ltd.	26	4.97%
Jyoti CNC Automation Ltd.	27	3.46%	Maruti Suzuki India Ltd.	22	0.13%
Bharat Heavy Electricals Ltd.	21	0.50%	LTIMindtree Ltd.	17	0.32%
NHPC Ltd.	20	1.11%	The Federal Bank Ltd.	15	1.04%
Biocon Ltd.	18	1.08%	Navin Fluorine International Ltd.	12	1.19%
Wipro Ltd.	16	0.06%	Tata Communications Ltd.	12	1.56%
Hindalco Industries Ltd.	15	0.33%	Indian Bank	11	0.28%
IndusInd Bank Ltd.	15	0.22%	Bandhan Bank Ltd.	10	1.52%
Voltas Ltd.	15	1.36%	JIO Financial Services Ltd.	10	0.06%
Cipla Ltd.	14	0.34%	Vedant Fashions Ltd.	10	0.34%
Sobha Ltd.	14	1.00%	Bajel Projects Ltd.	9	2.91%
Gujarat Gas Ltd.	13	1.19%	HDFC Life Insurance Company Ltd.	9	0.36%
Lupin Ltd.	13	0.40%	ICICI Prudential Life Insurance Company Ltd.	9	0.19%
Bank Of India	12	0.34%	Mahindra & Mahindra Financial Services Ltd.	9	0.78%

Top Traded Stocks: Equity Fund Highlights

Top 20 traded stocks by Equity Mutual Fund Schemes in January,2024

Stock Name	No. of Schemes that bought Stock	Total Holding of Company Bought	No. of Schemes that sold Stock	Total Holding of Company Sold	Net Addition/ Reduction in Holding
HDFC Bank Ltd.	161	0.61%	125	0.62%	-0.01%
ICICI Bank Ltd.	152	0.34%	97	0.71%	-0.37%
Reliance Industries Ltd.	160	0.19%	54	0.15%	0.04%
Maruti Suzuki India Ltd.	111	0.93%	60	0.33%	0.60%
NTPC Ltd.	119	0.32%	73	1.00%	-0.68%
Infosys Ltd.	126	0.17%	84	0.67%	-0.50%
Bharti Airtel Ltd.	104	0.15%	70	0.41%	-0.26%
Kotak Mahindra Bank Ltd.	115	0.68%	46	0.39%	0.29%
Larsen & Toubro Ltd.	128	0.39%	53	0.37%	0.02%
Axis Bank Ltd.	113	0.56%	63	0.49%	0.07%
Oil & Natural Gas Corporation Ltd.	95	0.32%	31	0.39%	-0.07%
Avenue Supermarts Ltd.	69	0.44%	29	0.57%	-0.13%
Bajaj Finance Ltd.	91	0.18%	43	0.31%	-0.13%
ITC Ltd.	114	0.22%	57	0.28%	-0.06%
State Bank Of India	105	0.14%	80	0.40%	-0.26%
NHPC Ltd.	48	1.15%	25	1.41%	-0.26%
Mahindra & Mahindra Ltd.	87	0.23%	49	0.76%	-0.53%
Samvardhana Motherson International Ltd.	61	1.49%	25	0.88%	0.61%
SBI Life Insurance Company Ltd.	86	0.76%	33	0.47%	0.29%
Zomato Ltd.	65	0.45%	34	1.23%	-0.78%

Top 10 traded stocks by Equity Mutual Fund Schemes as per Market Cap

Mid Cap Stocks	Small Cap Stocks
NHPC Ltd.	National Aluminium Company Ltd.
Samvardhana Motherson International Ltd.	Birlasoft Ltd.
Hero MotoCorp Ltd.	Gillette India Ltd.
Hindustan Petroleum Corporation Ltd.	Cyient Ltd.
One97 Communications Ltd.	Century Textiles & Industries Ltd.
Info Edge (India) Ltd.	Engineers India Ltd.
Voltas Ltd.	Navin Fluorine International Ltd.
Bharat Heavy Electricals Ltd.	Aarti Industries Ltd.
Zee Entertainment Enterprises Ltd.	Tips Industries Ltd.
Coforge Ltd.	Brigade Enterprises Ltd.

New Horizons & Farewells: Sector Investment Shifts

Sector Wise Preference by Equity MF Schemes

Fresh Investment / Addition	Exited / Partial Withdrawal
Business Services	Media & Entertainment
IT	Electricals
Insurance	Textile
Metals	Chemicals
Crude Oil	Telecom
Gas Transmission	Infrastructure

Top AMC's What's In/ What's Out in January, 2024

AMC Name	Fresh Stocks added by AMC	Stocks Completely exited by AMC
SBI Mutual Fund	Tips Industries Ltd.	Strides Pharma Science Ltd.
	Ashoka Buildcon Ltd.	
ICICI Prudential Mutual Fund	Pricol Ltd.	Cyient DLM Ltd.
	Axiscades Technologies Ltd.	Bajel Projects Ltd.
	Jyoti CNC Automation Ltd.	Jupiter Life Line Hospitals Ltd.
HDFC Mutual Fund	EPACK Durable Ltd.	Tata Coffee Ltd.
	Medi Assist Healthcare Services Ltd.	
	Ramkrishna Forgings Ltd.	
Nippon India Mutual Fund	Jyoti CNC Automation Ltd.	Tata Coffee Ltd.
		IFB Industries Ltd.
		Ashoka Buildcon Ltd.
Kotak Mahindra Mutual Fund	Glaxosmithkline Pharmaceuticals Ltd.	Zaggle Prepaid Ocean Services Ltd.
	Jyoti CNC Automation Ltd.	KSB Ltd.
	Mahindra Logistics Ltd.	SBFC Finance Ltd.
Aditya Birla Sun Life Mutual Fund	Medi Assist Healthcare Services Ltd.	JK Lakshmi Cement Ltd.
	Anant Raj Ltd.	GE T&D India Ltd.
	SJVN Ltd.	Ideaforge Technology Ltd.
Axis Mutual Fund	NHPC Ltd.	Zensar Technologies Ltd.
	Jyoti CNC Automation Ltd.	Aarti Pharmalabs Ltd.
	Glaxosmithkline Pharmaceuticals Ltd.	360 One Wam Ltd.
Mirae Mutual Fund	Arvind Fashions Ltd.	Metropolis Healthcare Ltd.
	Data Patterns (India) Ltd.	Stove Kraft Ltd.
	Brigade Enterprises Ltd.	
DSP Mutual Fund	IFB Industries Ltd.	VST Industries Ltd.
	Godrej Industries Ltd.	Godrej Properties Ltd.
	KFin Technologies Ltd.	Syngene International Ltd.
Canara Robeco Mutual Fund	Medi Assist Healthcare Services Ltd.	DCB Bank Ltd.
	Coal India Ltd.	KFin Technologies Ltd.
	Birlasoft Ltd.	Devyani International Ltd.
Quant Mutual Fund	Tata Power Company Ltd.	Tata Communications Ltd.
	Biocon Ltd.	BSE Ltd.
	Samvardhana Motherson International	DLF Ltd.
PPFAS Mutual Fund	E.I.D. - Parry (India) Ltd.	GAIL (India) Ltd.
	Asian Paints Ltd.	Exide Industries Ltd.
	Divi's Laboratories Ltd.	Indian Oil Corporation Ltd.
Motilal Oswal Mutual Fund	Cyient DLM Ltd.	Ideaforge Technology Ltd.
	Axiscades Technologies Ltd.	Tinplate Company Of India Ltd.
	TVS Holdings Ltd.	

Performance Highlights of Mutual Fund Schemes in January, 2024

Large Cap Funds

- In January, Indian equity benchmark indices gained marginally. Most of the large cap schemes outperformed compared with benchmark indices. Average return of schemes was 1.40% while average return of benchmark indices was 0.61%.
- Quant Large Cap Fund and JM Large Cap Fund performed well among Large Cap schemes category.
- Large cap Mutual Fund Schemes witnessed an inflow of ₹1,287 Cr despite redemption pressure of Axis Bluechip Fund.
- Nippon India Large Cap Fund, ICICI Pru Bluechip Fund, HDFC Top 100 Fund and SBI Bluechip Fund received inflows in January.
- Reliance, Infosys, Sun Pharma, Bharti Airtel, ICICI Bank, Tata Motors, Bajaj Auto and Shriram Finance were major common positive return contributors to Large Cap schemes.
- HDFC Bank, ITC, Bajaj Finance, Axis Bank, Kotak Mahindra Bank, Hindustan Unilever, Cholamandalam Investment & Finance Company and Nestle India were common negative return contributors to Large Cap schemes.
- Overall sector weightage of Crude Oil, Healthcare, IT, Telecom, Metals, Gas Transmission, Retailing and Power increased among Large Cap Schemes.
- Sector weightage of Bank, FMCG, Iron & Steel, Construction Materials, Chemicals, Agri, Automobile & Ancillaries and Aviation decreased among Large Cap schemes.

Mid Cap Funds

- Most of Mid Cap Schemes underperformed compared with benchmark indices as midcap indices jumped around 5% in January.
- Average return of Mid Cap Schemes was 3.24% compared to average return of benchmark indices 5.03%.
- Quant Mid Cap Fund, ITI Mid Cap Fund and JM Midcap Fund performed better among Mid Cap Schemes category.
- Midcap schemes received inflows of ₹ 2,061 Cr that include inflows from schemes Nippon India Growth Fund, HDFC Midcap Opportunities Fund, SBI Magnum Midcap Fund, Kotak Emerging Equity Fund, Motilal Oswal Midcap Fund and Quant Midcap Fund.
- Overall sector weightage of Healthcare, IT, Power, Finance, Automobile & Ancillaries, Realty, Hospitality and Crude Oil increased among Mid Cap Schemes.
- Sector weightage of Chemicals, Bank, FMCG, Retailing, Electricals, Textiles, Telecom and Media decreased among Mid Cap Schemes.
- REC, Cummins India, Persistent Systems, Max Healthcare Institute, NHPC, JK Cement, Indian Bank and PFC were common major positive return contributors.
- The Federal Bank, Coromandel International, Oberoi Realty, Cholamandalam Investment & Finance Co, Navin Fluorine, AU Small Finance Bank, Dixon Technologies and Max Financial Services were common worst performing stocks in Mid cap Schemes category.

Small Cap Funds

- Small Cap benchmark indices gained more than 6% in January.
- Most of Small Cap Schemes underperformed compared with the benchmark indices. Average return of Small Cap Schemes was 4.25% compared to average return of benchmark indices of 6.55%.
- Quant Small Cap Fund and Bandhan Small Cap Fund outperformed among Small Cap Schemes category.
- Small Cap Schemes got net inflows of ₹ 3,257 Cr. Quant Small Cap Fund, Nippon India Small Cap Fund, HDFC Small Cap Fund, SBI Small Cap Fund and Mahindra Manulife Small Cap Fund received good amount of inflows.
- PNC Infratech, Sobha, Blue Star, Brigade Enterprises, Karur Vysya Bank, Birlasoft, Arvind and Amber Enterprises India were major positive return contributors in Small Cap Equity Schemes.
- Cyient, RHI Magnesita, PVR Inox, Craftsman Automation, TeamLease Services, 360 One Wam, Go Fashion and Emami were common worst performing stocks in Small Cap schemes.
- Overall sector weightage of Capital Goods, Healthcare, Finance, Realty, Bank, Consumer Durables, Insurance and Infrastructure increased among Small Cap schemes.
- Sector weightage of Media, Textile, Chemicals, Abrasives, FMCG, Iron & Steel, Plastic Products and Electricals decreased among Small Cap schemes.