

Cash Holding Trends in Equity MFs as of April 2025

Cash Reserves Across AMCs: Who's Holding How Much?

- Equity Mutual Funds Play Safe with ₹2.3 Lakh Cr Cash Buffer:** India's equity mutual funds continue to adopt a cautious stance, with cash reserves hovering above **₹2.3 Lakh Cr** as of April 2025 — sustaining one of the highest liquidity cushions in recent years. Despite intermittent market rallies, **AMCs are holding back on aggressive equity allocations**, signalling a preference for dry powder amid global and domestic headwinds.
- Average Cash Holding Edges Higher Again:** The average of cash holding ratio among the top 20 AMCs ticked up further to **6.53% in April**, compared to **6.03% in March**, extending the cautious momentum.
- Cash Cushion Rises: MFs Dial Back Equity Bets Amid April's Market Jitters:** Equity mutual funds invested ₹20,246 Cr in equities during the first half of April, but booked profits worth ₹2,182 Cr in the second half, bringing net equity investments down to ₹18,063 Cr. Combined inflows into equity mutual fund schemes crossed ₹50,000 Cr in March and April, but actual deployment remained far lower, reflecting a conservative approach by fund managers amid volatile market conditions. Fund managers are maintaining elevated cash levels as a buffer against stretched valuations and rising global uncertainties, especially after the U.S. imposed and subsequently paused new trade tariffs.

Top 20 AMCs Holding the Largest Cash Piles Based on Equity-Oriented Mutual Fund Schemes			
Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
SBI MF	657,431	38,043	5.47
ICICI Pru MF	402,280	30,592	7.07
HDFC MF	359,157	25,698	6.68
Nippon India MF	335,600	8,547	2.48
UTI MF	242,312	3,257	1.33
Kotak MF	209,420	6,805	3.15
Axis MF	173,571	15,826	8.36
Mirae MF	148,270	1,592	1.06
Aditya Birla SL MF	142,375	4,091	2.79
DSP MF	99,286	7,426	6.96
Franklin Templeton MF	87,306	5,876	6.31
Canara Robeco MF	83,921	2,996	3.45
PPFAS MF	79,199	24,427	23.57
Tata MF	75,446	4,282	5.37
Motilal Oswal MF	74,776	12,684	14.50
Quant MF	72,379	10,863	13.05
HSBC MF	65,046	1,553	2.33
Bandhan MF	56,203	4,232	7.00
Invesco MF	55,406	1,995	3.48
Sundaram MF	40,701	3,347	7.60

Cash-Heavy MFs: PPFAS Flexes with 23.57%, SBI Stacks ₹38,000 Cr

- PPFAS MF** leads with the highest cash holding ratio of **23.57%**, driven by its cautious flexi-cap strategy.
- Motilal Oswal MF** and **Quant MF** follow with 14.50% and 13.05%, also maintain sizable liquidity buffers.
- Large players like **SBI MF**, **HDFC MF** and **ICICI Pru MF** lead in absolute cash holdings — SBI MF alone holds over **₹38,000 Cr** in cash.

* Data Source:- ACE MF

* Average of Cash Holding Ratio= Average of cash holdings ratio of the AMCs

Cash Reserves Across Equity MF Categories: A Deep Dive

Contra Funds lead with the highest cash holding at **17% of AUM**, signaling a highly cautious stance, followed by **Flexi Cap (10.89%)** and **Focused Funds (9.39%)**, reflecting flexible allocation strategies. **Small Cap Funds** also maintain a notable **8.80% cash buffer** to guard against volatility-driven corrections.

Equity MF Categories & Their Cash Pile: A Comparative View			
Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Contra Fund	54,946	11,240	16.98%
Flexi Cap Fund	406,052	49,639	10.89%
Focused Fund	136,200	14,118	9.39%
Small cap Fund	280,949	27,105	8.80%
Value Fund	115,002	9,714	7.79%
Dividend Yield	29,095	2,247	7.17%
Mid Cap Fund	356,972	26,363	6.88%
Sector/Thematic Fund	446,557	29,013	6.10%
Large Cap Fund	352,923	22,115	5.90%
Equity Linked Savings Scheme	226,316	12,430	5.21%
Multi Cap Fund	173,846	9,368	5.11%
Large & Mid Cap	263,898	9,657	3.53%

Breaking Down Cash Reserves Across Equity MF Schemes

Motilal Oswal Flexi Cap Fund leads with the highest cash holding ratio at **33.34%**, followed closely by **Motilal Oswal Midcap Fund** and **Parag Parikh Flexi Cap Fund** have cash holding ratios at **24.54%** and **23.79%** respectively, among the highest in active equity schemes. **SBI Contra Fund** and **SBI Small Cap Fund** maintain over **20%** in cash.

Top 10 Equity MF Schemes with High Cash Stash				
Scheme Name	Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Parag Parikh Flexi Cap Fund-Reg(G)	Flexi Cap Fund	75,093	23,448	23.79
SBI Contra Fund-Reg(IDCW)	Contra	33,858	10,211	23.17
HDFC Flexi Cap Fund(G)	Flexi Cap Fund	64,225	9,880	13.33
Motilal Oswal Midcap Fund-Reg(G)	Mid Cap Fund	20,962	6,818	24.54
ICICI Pru Value Discovery Fund(G)	Value Fund	44,599	6,513	12.74
SBI Small Cap Fund-Reg(G)	Small cap Fund	25,346	6,445	20.27
ICICI Pru Bluechip Fund(G)	Large Cap Fund	61,682	6,351	9.34
SBI Focused Equity Fund-Reg(G)	Focused Fund	30,459	5,582	15.49
HDFC Mid-Cap Opportunities Fund(G)	Mid Cap Fund	69,343	5,567	7.43
Motilal Oswal Flexi Cap Fund-Reg(G)	Flexi Cap Fund	8,279	4,140	33.34

* Data Source:- ACE MF, Data updated till 30th April 2025