

Cash Holding Trends in Equity MFs as of June 2025

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

- Mutual Funds Stay Selective Despite Market Optimism:** India's equity mutual funds embraced a more confident tone in June 2025, stepping up their market purchases amid a surge in investor appetite. Backed by robust equity inflows and **record-breaking SIP contributions**, the industry's cash holdings stood at **₹2.04 Lakh Cr**—only marginally lower than May's **₹2.17 Lakh Cr**. This modest dip signals that while fund managers are gradually deploying capital, they continue to tread with **caution**, maintaining **healthy liquidity buffers** for strategic opportunities ahead.
- Cash Holding Ratio Slips Below 5% as Equity Allocation Rises:** The average cash holding ratio among the **top 20 AMCs** declined to **4.88%** in June 2025, slipping well below the **5% mark** and down from **5.75%** in May. This steady drop reflects a **measured increase** in **equity allocations**, signaling growing conviction among fund managers while still maintaining prudent liquidity levels.
- MF Equity Buys Surge as Inflows Rebound:** Mutual Funds bought **₹45,519 Cr** worth of equities in June 2025, showing strong buying interest. Equity inflows rebounded from low, rising **24% MoM** to **₹23,587 Cr**, reflecting renewed investor confidence.

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	706,279	34,655	4.68
ICICI Pru MF	440,298	28,196	6.02
HDFC MF	393,286	27,013	6.43
Nippon India MF	372,821	7,960	2.09
UTI MF	258,527	3,964	1.51
Kotak MF	233,506	5,852	2.45
Axis MF	193,635	9,740	4.79
Mirae MF	158,823	2,601	1.61
Aditya Birla SL MF	152,352	4,197	2.68
DSP MF	110,143	7,073	6.03
Motilal Oswal MF	95,106	8,994	8.64
Franklin Templeton MF	95,088	5,092	5.08
PPFAS MF	93,171	22,779	19.65
Canara Robeco MF	90,958	3,864	4.08
Quant MF	83,614	6,532	7.25
Tata MF	83,306	4,143	4.74
HSBC MF	72,244	1,636	2.21
Bandhan MF	62,626	4,902	7.26
Invesco MF	62,530	2,268	3.50
Sundaram MF	44,921	2,412	5.10

Cash-Heavy Mutual Funds: PPFAS Tops with 19.65%, SBI Holds ₹34,655 Cr

- PPFAS MF** leads the pack with the highest cash holding ratio at **19.65%**, reflecting its conservative and flexible investment approach..
- Motilal Oswal MF** and **Quant MF** follow with **8.64%** and **7.25%** of AUM in cash, respectively, highlighting strong liquidity positioning.
- SBI MF** holds the largest pile at **₹34,655 Cr**, followed by **ICICI Pru MF ₹28,196 Cr** and **HDFC MF ₹27,013 Cr**, showing significant dry powder among large AMCs.

* 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 top the chart with **14.44% of AUM** in cash, indicating a highly cautious or opportunistic approach amid market uncertainty, **Flexi Cap Funds** follow with a substantial **9.24%**, indicating a deliberate strategy focused on liquidity and tactical allocation flexibility. **Focused Funds**, with **7.91%** in cash, appear to support their concentrated stock-picking approach with a healthy liquidity buffer. **Small Cap Funds** and **Dividend Yield** also show prudence, holding **7.27%** and **6.03%** respectively, likely to weather short-term volatility or await better entry points.

Equity MF Categories & Their Cash Pile: A Comparative View

Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Contra	60,873	10,276	14.44%
Flexi Cap Fund	448,805	45,682	9.24%
Focused Fund	149,385	12,827	7.91%
Small cap Fund	328,681	25,777	7.27%
Dividend Yield	31,168	2,001	6.03%
Value Fund	125,003	7,591	5.73%
Mid Cap Fund	407,857	24,092	5.58%
Sector/Thematic Fund	488,871	26,201	5.09%
Large Cap Fund	378,953	18,994	4.77%
Equity Linked Savings Scheme	243,581	9,903	3.91%
Large & Mid Cap	291,444	11,036	3.65%
Multi Cap Fund	197,707	6,958	3.40%

Breaking Down Cash Reserves Across Equity MF Schemes

Parag Parikh Flexi Cap Fund holds the highest cash ratio among equity schemes at **19.89%**, reflecting a strong liquidity stance amid prevailing market uncertainties. Close behind, **SBI Contra Fund** and **SBI Small Cap Fund** maintain elevated cash levels of **19.29%** and **17.44%**, respectively, positioning themselves among the most liquidity-heavy active equity strategies. **Motilal Oswal Midcap Fund** also stands out with a notable **16.63%** in cash, while **HDFC Focused Fund** holds **16.07%**, both indicating a cautious and flexible approach in response to potential market volatility.

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	Flexi Cap Fund	88,431	21,962	19.89
HDFC Flexi Cap Fund	Flexi Cap Fund	69,119	10,465	13.15
SBI Contra Fund	Contra	38,246	9,144	19.29
ICICI Pru Large Cap Fund	Large Cap Fund	65,813	6,523	9.02
SBI Small Cap Fund	Small cap Fund	29,470	6,226	17.44
HDFC Mid Cap Fund	Mid Cap Fund	78,055	6,007	7.15
Motilal Oswal Midcap Fund	Mid Cap Fund	27,558	5,495	16.63
ICICI Pru Value Fund	Value Fund	49,421	4,676	8.64
SBI Focused Fund	Focused Fund	33,966	4,644	12.03
HDFC Focused Fund	Focused Fund	17,514	3,354	16.07

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