

Cash Holding Trends in Equity MFs as of September 2025

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

- Strong Buying - Equity MFs Deploy Cash:** Equity mutual funds ramped up deployment in **September 2025**, investing **₹46,442 crore** in equities. Overall **cash holdings** stood at **₹1.99 lakh crore**, marginally higher than **₹1.98 lakh crore** in August, reflecting an **active and opportunity-driven allocation strategy**.
- AMC Cash Ratio Falls Further in September:** The **average cash holding ratio** among the **top 20 AMCs** slipped to **4.57% in September** from **4.82% in August**, keeping overall levels **below the 5% mark**. The decline reflects **strong equity buying** and **reduced inflows** on a month-on-month basis.
- Inflows Continue to Cool Off, SIPs Hit Record High:** Equity **mutual fund inflows** eased for the **second straight month** in **September** to **₹30,421 Cr**, down **9%** from **August's ₹33,430 Cr** and well below **July's record ₹42,703 Cr**. However, **SIP inflows** touched a **record ₹29,361 crore**, highlighting investors' steady faith in **systematic investing** despite softer overall flows.

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	699,346	31,272	4.28
ICICI Pru MF	454,141	25,572	5.33
HDFC MF	404,078	26,851	6.23
Nippon India MF	378,627	7,709	2.00
UTI MF	255,726	3,052	1.18
Kotak MF	234,870	6,510	2.70
Axis MF	188,209	10,620	5.34
Mirae MF	158,834	1,352	0.84
Aditya Birla SL MF	147,421	4,446	2.93
DSP MF	109,965	5,797	5.01
Motilal Oswal MF	103,125	5,926	5.43
PPFAS MF	97,210	28,152	22.46
Franklin Templeton MF	93,022	4,522	4.64
Canara Robeco MF	90,717	3,011	3.21
Tata MF	81,543	4,136	4.83
Quant MF	76,120	9,315	10.90
HSBC MF	70,402	1,552	2.16
Bandhan MF	67,296	4,102	5.75
Invesco MF	65,474	2,149	3.18
Sundaram MF	44,860	2,294	4.86

Cash-Heavy Mutual Funds: PPFAS Leads with 22.46%, SBI Holds ₹31,272 Cr

- PPFAS Mutual Fund** continues to hold the highest cash-to-AUM ratio at **22.46% (₹28,152 Cr)**, reflecting a distinctly conservative stance and readiness for tactical deployment. **Quant MF** follows with a notable **10.90% (₹9,315 Cr)**, while **HDFC MF** maintains **6.23% (₹26,851 Cr)**, well above the industry average.
- SBI Mutual Fund** leads with the largest cash pile of **₹31,272 Cr (4.28%)**, followed by **ICICI Prudential MF** at **₹25,572 Cr (5.33%)** and **Axis MF** at **₹10,620 Cr (5.34%)**, underscoring their cautious liquidity management.
- Bandhan MF (5.75%)**, **Motilal Oswal MF (5.43%)** and **DSP MF (5.01%)**, also maintain cash buffers to navigate evolving market dynamics.

* 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 & Flexi Cap Funds Lead the Liquidity Charts:** Contra Funds top the list with the highest cash-to-AUM ratio of **15.00%** (₹10,661 Cr), underscoring a highly defensive and opportunistic approach amid market uncertainty. Flexi Cap Funds follow with **9.74%** (₹49,502 Cr), indicating fund managers' continued focus on liquidity and tactical flexibility to navigate volatile conditions.
- ❖ **Small Cap & Focused Funds Maintain Elevated Cash Levels:** Small Cap Funds hold **7.88%** of AUM in cash (₹28,111 Cr), reflecting a cautious stance in response to sharp movements in smaller companies. Focused Funds, with **6.87%** (₹11,209 Cr), maintain strong buffers to support their concentrated portfolio strategies.

Equity MF Categories & Their Cash Pile: A Comparative View

Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Contra Fund	60,430	10,661	15.00%
Flexi Cap Fund	458,938	49,502	9.74%
Small Cap Fund	328,691	28,111	7.88%
Dividend Yield Fund	29,932	2,310	7.17%
Focused Fund	151,884	11,209	6.87%
Value Fund	125,887	7,229	5.43%
Mid Cap Fund	412,192	21,625	4.98%
Sector/Thematic Fund	495,100	25,221	4.85%
Large Cap Fund	378,967	16,539	4.18%
Multi Cap Fund	201,706	8,606	4.09%
ELSS Fund	236,342	8,237	3.37%
Large & Mid Cap Fund	297,601	9,684	3.15%

Breaking Down Cash Reserves Across Equity MF Schemes

- ❖ **Parag Parikh & SBI Contra Lead in Cash Proportion:** Parag Parikh Flexi Cap Fund tops the chart with the highest cash-to-AUM ratio of **22.84%** (₹27,341 Cr), reflecting a strong liquidity stance and tactical flexibility, followed closely by SBI Contra Fund maintains **20.08%** (₹9,479 Cr) in cash, signalling a cautious yet opportunistic approach amid market uncertainty. HDFC Flexi Cap Fund follows with **12.06%** (₹10,317 Cr), indicating readiness to deploy when valuations turn favourable.
- ❖ **Small & Mid Cap Funds Maintain Elevated Cash Buffers:** SBI Small Cap Fund holds **17.14%** (₹6,098 Cr) in cash, while HDFC Mid Cap Fund retains **6.37%** (₹5,401 Cr) –both reflecting prudence in managing volatility. HDFC Small Cap Fund held **10.19%** (₹3,754 Cr) in cash, while focused peers like HDFC Focused Fund and SBI Focused Fund maintained **14.42%** (₹3,395 Cr) and **9.26%** (₹3,604 Cr) respectively.

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	92,382	27,341	22.84%
HDFC Flexi Cap Fund	Flexi Cap Fund	75,243	10,317	12.06%
SBI Contra Fund	Contra	37,727	9,479	20.08%
ICICI Pru Large Cap Fund	Large Cap Fund	65,918	7,117	9.74%
SBI Small Cap Fund	Small cap Fund	29,487	6,098	17.14%
HDFC Mid Cap Fund	Mid Cap Fund	79,453	5,401	6.37%
ICICI Pru Value Fund	Value Fund	51,219	4,226	7.62%
HDFC Small Cap Fund	Small cap Fund	33,073	3,754	10.19%
SBI Focused Fund	Focused Fund	35,313	3,604	9.26%
HDFC Focused Fund	Focused Fund	20,138	3,395	14.42%

* Data Source:- ACE MF, Data updated as on 30th September 2025