Cash Holding Trends in Equity MFs as of October 2025

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

- **Modest Buying, Rising Cash Buffers - Equity MFs Turn Selective in October**: Mutual Funds continued to be **net buyers in equities** during October, though the **pace of deployment slowed sharply** to **₹23,063 Cr** — marking a **six-month low** in fresh equity investments. The cautious approach pushed **overall cash holdings higher** to **₹2.09 Lakh Cr**, up from ₹1.99 Lakh Cr in September.

- **AMC Cash Ratio Dips as Equity AUM Expands**: The **average cash holding ratio** across the top 20 Asset Management Companies edged lower to **4.54% in October**, from **4.57% in September**, primarily driven by a **rise in equity AUM** and **a marginal dip from previous months**. The ratio **remained below the 5% mark**, reflecting **robust equity AUM growth** and sustained investor confidence amid healthy market sentiment.

- **Inflows Cool, but SIPs Scale New Peak:** Equity mutual fund **inflows moderated for the third consecutive month** in October, easing **19% month-on-month to ₹24,690 Cr** from ₹30,421 Cr in September. Despite the slowdown in fresh inflows, **Systematic Investment Plans (SIPs) hit an all-time high of ₹29,529 Cr.**

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	729,865	31,913	4.19
ICICI Pru MF	470,201	32,824	6.53
HDFC MF	424,438	28,739	6.34
Nippon India MF	397,755	7,025	1.74
UTI MF	267,993	3,255	1.20
Kotak MF	245,737	5,358	2.13
Axis MF	196,476	8,486	4.14
Mirae MF	165,811	1,859	1.11
Aditya Birla SL MF	153,892	4,003	2.54
DSP MF	114,868	4,986	4.16
Motilal Oswal MF	109,161	8,461	7.19
PPFAS MF	102,423	29,168	22.17
Franklin Templeton MF	97,315	4,215	4.15
Canara Robeco MF	94,292	2,922	3.01
Tata MF	84,184	4,883	5.48
Quant MF	77,683	10,366	11.77
HSBC MF	72,770	1,863	2.50
Bandhan MF	71,498	4,313	5.69
Invesco MF	69,553	2,840	3.92
Sundaram MF	46,706	2,407	4.90

* Data Source:- ACE MF
* Average of Cash Holding Ratio= Average of cash holdings ratio of the AMCs

Cash-Heavy Mutual Funds: PPFAS Leads with 22.17%, SBI Holds ₹31,913 Cr

- **PPFAS Mutual Fund** continues to hold the highest cash-to-AUM ratio among equity-oriented schemes at **22.17% (₹29,168 Cr)**, signaling a distinctly conservative investment posture and flexibility for future market opportunities. **Quant MF** follows with a substantial **11.77% (₹10,366 Cr)**, while **ICICI & HDFC MF** remains comfortably above the industry average above 6%, reflecting cautious optimism.
- **SBI Mutual Fund** leads with the largest cash pile of **₹31,913 Cr (4.19%)**, followed by **ICICI Prudential MF** at **₹32,824 Cr (6.53%)**, and **PPFAS MF** close behind in total reserves, highlighting a strong liquidity buffer.
- **Motilal Oswal MF (7.19%) and Bandhan MF (5.69%)** also maintain healthy cash balances to navigate evolving market volatility.

Cash Reserves Across Equity MF Categories: A Deep Dive

- **Contra & Flexi Cap Funds Lead the Liquidity Charts: Contra Funds** top the liquidity chart with the highest cash-to-AUM ratio of **15.19% (₹11,289 Cr),** reflecting a highly defensive and opportunistic positioning amid ongoing market volatility. **Flexi Cap Funds** follow with **9.81% (₹52,413 Cr)** held in cash, highlighting their tactical flexibility to deploy funds across market caps as opportunities arise.
- **Small Cap & Focused Funds Maintain Elevated Cash Levels: Small Cap Funds** continue to hold a substantial **7.28% (₹27,113 Cr)** in cash — a prudent stance to counter sharp price swings in smaller, high-beta stocks. **Focused Funds**, with **6.69% (₹11,395 Cr)**, also maintain robust liquidity to support 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	63,024	11,289	15.19%
Flexi Cap Fund	481,709	52,413	9.81%
Small cap Fund	345,295	27,113	7.28%
Focused Fund	158,824	11,395	6.69%
Dividend Yield Fund	31,116	2,103	6.33%
Value Fund	131,285	7,481	5.39%
Sector/Thematic Fund	506,007	27,945	5.23%
Mid Cap Fund	432,464	22,332	4.91%
Large Cap Fund	392,727	17,934	4.37%
Multi Cap Fund	212,800	7,483	3.40%
Large & Mid Cap Fund	312,118	10,266	3.18%
ELSS Fund	245,165	7,914	3.13%

Breaking Down Cash Reserves Across Equity MF Schemes

- **Parag Parikh & SBI Contra Lead in Cash Proportion: Parag Parikh Flexi Cap Fund** holds the highest cash-to-AUM ratio of **22.56% (₹28,386 Cr)**, reflecting a distinctly conservative and flexible strategy aimed at capitalizing on future market opportunities. Close behind, **SBI Contra Fund** maintains **20.20% (₹9,940 Cr)** in cash, signalling a cautious yet opportunistic stance amid current market uncertainties. **HDFC Flexi Cap Fund,** with **12.84% (₹11,692 Cr)**, also demonstrates a prudent approach, keeping ample liquidity for tactical deployment as valuations evolve.
- **Small & Mid Cap Funds Maintain Elevated Cash Buffers: SBI Small Cap Fund** holds **16.07% (₹5,938 Cr)** in cash, reflecting a defensive positioning to manage volatility in smaller companies. Similarly, **HDFC Small Cap Fund (9.63%; ₹3,699 Cr)** and **HDFC Mid Cap Fund (6.01%; ₹5,373 Cr)** continue to maintain liquidity cushions, balancing growth exposure with risk control. **Motilal Oswal Midcap Fund**, too, retains a notable **12.78% (₹4,791 Cr)** in cash — suggesting readiness to seize selective opportunities in the mid-cap segment.

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	97,414	28,386	22.56%
HDFC Flexi Cap Fund	Flexi Cap Fund	79,349	11,692	12.84%
SBI Contra Fund	Contra	39,279	9,940	20.20%
ICICI Pru Large Cap Fund	Large Cap Fund	68,425	7,438	9.80%
SBI Small Cap Fund	Small cap Fund	31,007	5,938	16.07%
HDFC Mid Cap Fund	Mid Cap Fund	84,010	5,373	6.01%
Motilal Oswal Midcap Fund	Mid Cap Fund	32,710	4,791	12.78%
ICICI Pru Value Fund	Value Fund	53,805	4,129	7.13%
HDFC Small Cap Fund	Small cap Fund	34,713	3,699	9.63%
HDFC Focused Fund	Focused Fund	21,452	3,688	14.67%

* Data Source:- ACE MF, Data updated as on 31st October 2025