Cash Holding Trends in Equity MFs as of June 2026

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

- **Equity Buying Moderates in June; Cash Holdings Fall to Calendar-Year Low:** Mutual funds remained strong domestic buyers, investing **₹50,643 crore** in equities during June 2026, though purchases moderated from **₹60,597 crore** in May. Overall equity-oriented mutual fund cash holdings declined to **₹1.84 lakh crore in June** from **₹1.89 lakh crore in May**, marking the lowest level of the calendar year and indicating continued cash deployment as net equity purchases remained higher than net inflows into equity-oriented schemes.

- **AMC Cash Levels Fall to Calendar-Year Low:** The average cash holding ratio across the top 20 AMCs declined to **4.53% in June** from **4.79% in May**, marking the **lowest level of the calendar year**. The continued reduction indicates greater cash deployment and a stronger preference to remain invested, reflecting improving market confidence while maintaining adequate liquidity to manage volatility and capture emerging opportunities.

- **Equity MF Inflows Rebound; SIP Flows Near Record High:** Equity-oriented mutual fund inflows rose **26.5% MoM to ₹28,973 crore in June 2026** from ₹22,908 crore in May, signalling a revival in investor appetite. SIP inflows increased **2.7% MoM to a three-month high of ₹31,781 crore**, remaining close to March's record ₹32,087 crore and reflecting resilient retail participation despite market volatility.

Cash Holdings of Top 20 AMCs by Equity-Oriented AUM

Based on Equity-Oriented Mutual Fund Schemes

AMC	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
SBI MF	752,318	22,084	2.85
ICICI Pru MF	537,145	20,041	3.60
Nippon India MF	469,131	7,196	1.51
HDFC MF	464,023	23,987	4.92
UTI MF	272,036	3,639	1.32
Kotak MF	266,255	5,957	2.19
Axis MF	190,326	12,960	6.38
Mirae MF	171,101	1,824	1.05
Aditya Birla SL MF	154,156	3,285	2.09
Motilal Oswal MF	125,991	2,531	1.97
PPFAS MF	125,668	24,107	16.10
DSP MF	121,788	8,376	6.44
Franklin Templeton MF	95,234	4,830	4.83
Canara Robeco MF	94,177	3,310	3.40
Bandhan MF	89,827	4,957	5.23
Invesco MF	84,788	1,439	1.67
Tata MF	83,298	3,632	4.18
HSBC MF	78,993	1,544	1.92
Quant MF	75,374	14,007	15.67
Sundaram MF	47,625	1,675	3.40

*Source: ACE MF, AMFI, SEBI/NSDL, data as of 30 June 2026.
*Average of Cash Holding Ratio= simple average of the cash-to-AUM ratios of the AMCs.

Cash-Heavy AMCs: PPFAS Leads with 16.10%

- PPFAS Mutual Fund holds the highest cash-to-AUM ratio at **16.10%**, with **₹24,107 Cr** in cash, reflecting a distinctly defensive stance and strong deployment flexibility. Quant MF follows closely with **15.67%** cash holdings (**₹14,007 Cr**), while DSP MF (**6.44%**) and Axis MF (**6.38%**) also maintain elevated liquidity buffers.
- In absolute terms, **PPFAS MF** holds the largest cash reserve at **₹24,107 Cr**, followed by **HDFC MF** with **₹23,987 Cr (4.92%)**, **SBI MF** with **₹22,084 Cr (2.85%)**, and **ICICI Prudential MF** with **₹20,041 Cr (3.60%)**, highlighting sizeable liquidity cushions across major fund houses.
- **Bandhan MF** maintains relatively higher cash levels at **5.23%**, retaining sufficient flexibility to manage volatility and deploy capital as attractive opportunities emerge.

Cash Reserves Across Equity MF Categories: A Deep Dive

- **Contra & Flexi Cap Funds Lead Cash Holdings:** Contra Funds remain the most cash-heavy category with **9.59% of AUM** or **₹7,002 Cr** in cash, reflecting a cautious yet opportunity-driven stance. Flexi Cap Funds hold the largest absolute cash pile at **₹41,552 Cr**, equivalent to **7.14% of AUM**, providing significant flexibility for tactical deployment.
- **Dividend Yield, Focused & Small Cap Funds Maintain Healthy Buffers:** Dividend Yield Funds hold **6.29%** cash (**₹1,994 Cr**), followed by Focused Funds at **6.17%** (**₹11,082 Cr**) and Small Cap Funds at **6.01%** (**₹25,774 Cr**). These elevated liquidity cushions indicate a prudent approach amid market volatility and valuation concerns.

Equity MF Categories & Their Cash Pile: A Comparative View

Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Contra Fund	66,003	7,002	9.59%
Flexi Cap Fund	540,388	41,552	7.14%
Dividend Yield	29,721	1,994	6.29%
Focused Fund	168,512	11,082	6.17%
Small Cap Fund	402,882	25,774	6.01%
Mid Cap Fund	484,479	24,484	4.81%
Sector/Thematic Fund	522,021	25,025	4.57%
Value Fund	135,493	5,576	3.95%
Large Cap Fund	396,629	13,074	3.19%
Multi Cap Fund	234,060	7,532	3.12%
Large & Mid Cap Fund	342,556	10,756	3.04%
ELSS Fund	235,257	6,530	2.70%

Breaking Down Cash Reserves Across Equity MF Schemes

- **Parag Parikh Flexi Cap Fund Leads in Absolute Cash Holdings :** Parag Parikh Flexi Cap Fund holds the largest cash reserve at **₹23,630 crore (16.48% of AUM)**, followed by **HDFC Mid Cap Fund at ₹7,990 crore (7.92%)** and **HDFC Flexi Cap Fund at ₹6,370 crore (5.98%)**.
- **Contra, Mid Cap & Small Cap Funds Maintain Strong Buffers:** SBI Contra Fund holds **₹6,325 Cr** in cash, accounting for **13.36% of AUM**, while Axis Midcap Fund maintains **13.18%**. Quant Small Cap Fund (**12.13%**) and HDFC Small Cap Fund (**10.12%**) also retain sizeable liquidity cushions, indicating a prudent stance and sufficient flexibility to capitalise on emerging market opportunities.

Top 10 Equity MF Schemes by Absolute Cash Holding

Scheme Name	Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Parag Parikh Flexi Cap Fund	Flexi Cap Fund	119,759	23,630	16.48%
HDFC Mid Cap Fund	Mid Cap Fund	92,868	7,990	7.92%
HDFC Flexi Cap Fund	Flexi Cap Fund	100,126	6,370	5.98%
SBI Contra Fund	Contra Fund	41,036	6,325	13.36%
Axis Midcap Fund	Mid Cap Fund	29,349	4,454	13.18%
ICICI Pru Large Cap Fund	Large Cap Fund	74,991	4,430	5.58%
HDFC Small Cap Fund	Small Cap Fund	36,328	4,089	10.12%
Quant Small Cap Fund	Small Cap Fund	28,767	3,972	12.13%
SBI Focused Fund	Focused Fund	43,778	3,497	7.40%
SBI Small Cap Fund	Small cap Fund	37,249	2,908	7.24%

* Source: ACE MF; data as of 30 June 2026.

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