Cash Holding Trends in Equity MFs as of July 2026

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

- **Equity Buying Slows to Five-Month Low; Cash Holdings Rise:** Mutual funds invested **₹16,256 crore** in equities during July 2026, marking the **lowest monthly buying since February 2026**, when purchases stood at **₹11,422 crore**. Overall equity-oriented mutual fund cash holdings increased to **₹1.92 lakh crore in July** from the **calendar-year low of ₹1.84 lakh crore in June**, indicating relatively cautious deployment as net equity purchases remained below net inflows into equity-oriented schemes.

- **AMC Cash Levels Rise Marginally in July:** The average cash holding ratio across the top 20 AMCs **increased to 4.66% in July from 4.53% in June,** marking a **13 bps rise**. The increase suggests a modest build-up in liquidity, indicating a slightly more cautious stance among fund houses while retaining sufficient cash to manage market volatility and capitalize on emerging investment opportunities.

- **Equity MF Inflows Moderate; SIP Flows Remain Near Record High:** Equity-oriented mutual fund inflows declined **14.8% MoM to ₹24,697 crore in July 2026** from **₹28,973 crore in June**, indicating some moderation in investor flows despite continued positive allocations. SIP contributions increased marginally to **₹31,961 crore** from **₹31,781 crore in June**, remaining close to the **record ₹32,087 crore recorded in March 2026**.

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	769,140	24,415	3.08
ICICI Pru MF	552,557	21,160	3.69
HDFC MF	481,108	23,174	4.60
Nippon India MF	479,018	6,541	1.35
UTI MF	280,706	3,822	1.34
Kotak MF	273,670	5,243	1.88
Axis MF	195,549	12,089	5.82
Mirae MF	174,000	3,072	1.73
Aditya Birla SL MF	158,263	3,743	2.31
Motilal Oswal MF	129,974	3,401	2.55
PPFAS MF	129,672	25,291	16.32
DSP MF	125,258	7,228	5.46
Canara Robeco MF	96,777	3,212	3.21
Franklin Templeton MF	96,555	5,098	5.01
Bandhan MF	93,384	5,930	5.97
Invesco MF	86,997	2,919	3.25
Tata MF	85,870	3,556	3.98
HSBC MF	79,561	1,821	2.24
Quant MF	76,451	14,740	16.16
Sundaram MF	48,812	1,654	3.28

*Source: ACE MF, AMFI, SEBI/NSDL, data as of 31 July 2026.
*Average of Cash Holding Ratio= simple average of the cash-to-AUM ratios of the AMCs.

Cash-Heavy AMCs: PPFAS Leads with 16.32%

- **PPFAS Mutual Fund** holds the highest cash-to-AUM ratio at **16.32%, with ₹25,291 Cr** in cash, closely followed by **Quant MF at 16.16%** with **₹14,740 Cr.** The elevated liquidity levels indicate a relatively cautious stance and provide greater flexibility to deploy capital as opportunities emerge.
- In absolute terms, **PPFAS MF** holds the largest cash reserve at **₹25,291 Cr**, followed by **SBI MF with ₹24,415 Cr (3.08%)**, **HDFC MF with ₹23,174 Cr (4.60%)**, and **ICICI Prudential MF with ₹21,160 Cr (3.69%)**, highlighting sizeable liquidity buffers across the larger fund houses.
- **Bandhan MF** maintains a relatively high cash-to-AUM ratio of **5.97%**, followed by **Axis MF (5.82%)** and **DSP MF (5.46%)**, reflecting comparatively higher liquidity positions and scope to deploy funds amid market opportunities.

Cash Reserves Across Equity MF Categories: A Deep Dive

- **Contra & Flexi Cap Funds Lead Cash Holdings: Contra Funds** remain the most cash-heavy category at **9.18% of AUM (₹6,809 Cr)**, reflecting a cautious yet opportunity-driven approach, while **Flexi Cap Funds** hold the largest absolute cash pile of **₹44,934 Cr (7.47% of AUM)**, providing fund managers with significant flexibility for tactical deployment across market segments.
- **Small Cap, Dividend Yield & Focused Funds Maintain Healthy Buffers: Small Cap Funds** hold **6.50% cash (₹28,687 Cr)**, while **Dividend Yield Funds** maintain **6.50% (₹2,095 Cr)** and **Focused Funds** hold **6.17% (₹11,450 Cr)**. These relatively elevated cash levels indicate a prudent stance and provide sufficient liquidity to navigate market volatility.

Equity MF Categories & Their Cash Pile: A Comparative View

Category	Equity Allocation (₹ Cr)	Cash Holding (₹ Cr)	Cash as % of AUM
Contra Fund	67,381	6,809	9.18%
Flexi Cap Fund	556,669	44,934	7.47%
Small Cap Fund	412,442	28,687	6.50%
Dividend Yield Fund	30,143	2,095	6.50%
Focused Fund	174,129	11,450	6.17%
Value Fund	136,469	7,035	4.90%
Sector / Thematic Fund	535,943	25,614	4.56%
Mid Cap Fund	503,751	23,739	4.50%
Large Cap Fund	404,371	14,914	3.56%
Multi Cap Fund	241,271	7,250	2.92%
ELSS Fund	238,504	6,879	2.80%
Large & Mid Cap	354,576	9,711	2.67%

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 **₹24,794 Cr (16.70% of AUM)**, followed by **HDFC Mid Cap Fund** at **₹7,290 Cr (6.93%)** and **HDFC Flexi Cap Fund** at **₹6,433 Cr (5.81%)**.
- **Contra, Mid Cap & Small Cap Funds Maintain Strong Buffers: SBI Contra Fund** holds **₹6,218 Cr in cash**, accounting for **12.88% of AUM**, while **Axis Midcap Fund** maintains **10.72%. Quant Small Cap Fund (11.54%)** and **SBI Small Cap Fund (10.08%)** 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	123,635	24,794	16.70%
HDFC Mid Cap Fund	Mid Cap Fund	97,853	7,290	6.93%
HDFC Flexi Cap Fund	Flexi Cap Fund	104,304	6,433	5.81%
SBI Contra Fund	Contra Fund	42,048	6,218	12.88%
ICICI Pru Large Cap Fund	Large Cap Fund	76,352	4,608	5.69%
HDFC Small Cap Fund	Small Cap Fund	37,526	4,153	9.96%
ICICI Pru Value Fund	Value Fund	57,012	4,090	6.69%
SBI Small Cap Fund	Small Cap Fund	35,928	4,027	10.08%
Quant Small Cap Fund	Small Cap Fund	30,138	3,930	11.54%
Axis Midcap Fund	Mid Cap Fund	30,716	3,688	10.72%

* Source: ACE MF; data as of 31 July 2026.