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AMFI Monthly Note

July 2024



Monthly Mutual Funds industry update

Industry snapshot

- Industry assets at an all-time high of Rs 64.97 lakh crore led by net inflows in debt oriented mutual funds, equity oriented mutual funds and mark-to-market (MTM) gains from equity markets
- All open-ended categories witnessed net inflows during the month
- Folio count crosses a new threshold of 19.84 crore

Equity funds

- Equity MFs closed at an all-time high of Rs 29.34 lakh crore (45% of industry AUM) primarily on account of continuous strong inflows and MTM gains
- Sectoral/thematic category becomes the largest in the segment with assets of Rs 4.21 crores

Debt funds

- Debt MF assets reached an all-time high of Rs 15.44 lakh crore
- Inflows were at Rs 1.20 lakh crore, compared an outflow Rs. 1.07 lakh crore in June
- Liquid funds saw a dramatic shift from a net outflow of Rs 80,354 crore in June to a net inflow of Rs 70,061 crore in July, reflecting post-tax payment reallocations

Hybrid funds

- Category assets close at fresh high of Rs 8.45 lakh crore
- Inflows into the category was Rs 17,436 crore
- Arbitrage and multi-asset allocation funds accounted for 82% inflows in the category

Passive funds

- Passive funds were at a record high of Rs 10.95 lakh crore (17% of industry AUM)
- Index funds lead inflows, led by investor interest in NFOs
- Gold ETFs witnessed highest ever inflows of Rs 1,337 crores.

SIP trend

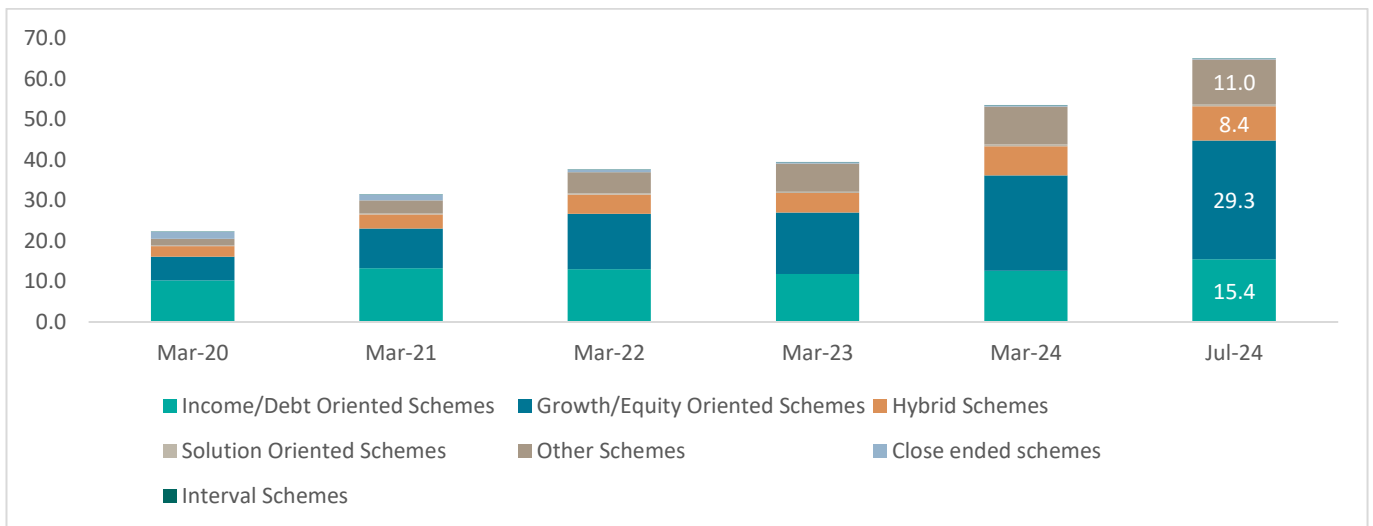
- Systematic investment plan (SIP) monthly flows touch new high of Rs 23,332 crore
- SIP accounts totalled 9.34 crore, highest monthly net addition in accounts of 35.29 lakh

Industry snapshot

MF assets scale new peak

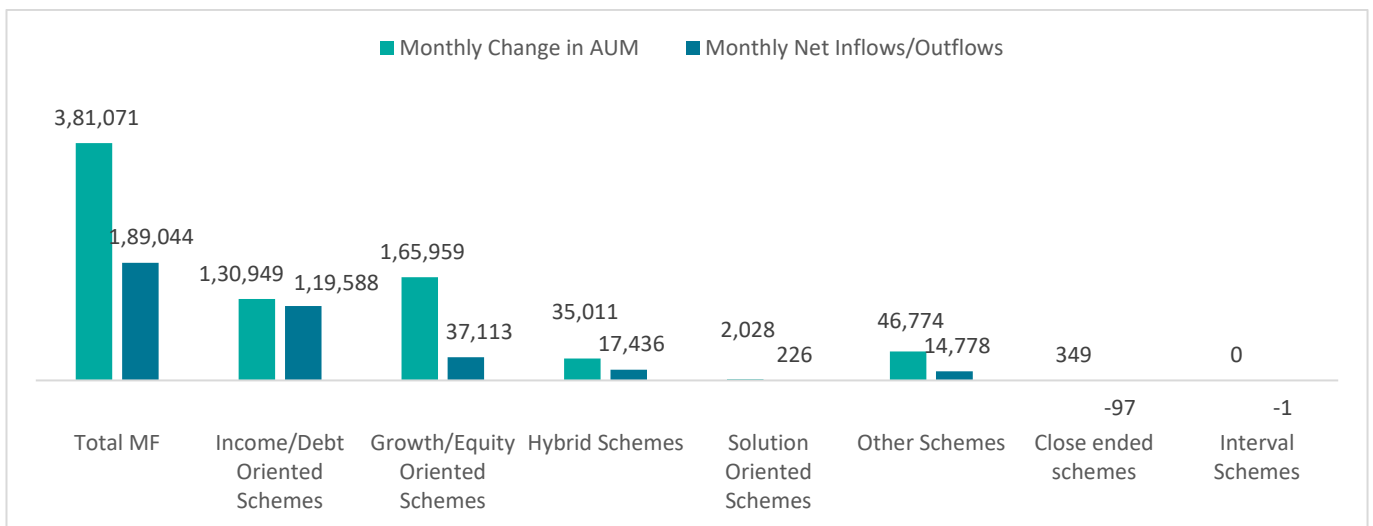
Assets under management (AUM) of domestic MFs rose 6.2% (Rs 3.81 lakh crore in absolute terms) to Rs 64.97 lakh crore in July from Rs 61.16 lakh crore in the previous month. Gains were led by robust inflows across open-ended categories with debt oriented mutual funds leading the pack, while mark to market (MTM) gains in the equity market added to the surge in industry assets.

Industry AUM continues record run (assets in Rs lakh crore)



Source: AMFI, CRISIL MI&A Research

Industry assets rise on account of net inflows in debt (in Rs lakh crores)



Source: AMFI, CRISIL MI&A Research

Monthly AUM trend of MF industry

Category	Jul 2024	Jun 2024 (1 month)	1 month % change	Jan 2024 (6 months)	6 months % change	Jul 2023 (1 year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Equity	2,933,958	2,767,999	6.0%	2,250,336	30.4%	1,824,594	60.8%	1,170,800	150.6%
Debt	1,544,181	1,413,232	9.3%	1,376,504	12.2%	1,417,238	9.0%	1,466,223	5.3%
Hybrid	844,781	809,770	4.3%	690,569	22.3%	550,997	53.3%	411,902	105.1%
Others	1,095,084	1,048,310	4.5%	883,591	23.9%	781,144	40.2%	377,474	190.1%
Solution-oriented schemes	51,990	49,962	4.1%	43,226	20.3%	37,464	38.8%	27,235	90.9%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Monthly flow trend of mutual funds industry (Rs crore)

Category	Jul-24	Jun-24	May-24	Apr-24	Mar-24	Feb-24
Equity	37,113	40,608	34,697	18,917	22,633	26,866
Debt	119,588	-107,358	42,295	189,891	-198,299	63,809
Hybrid	17,436	8,855	17,991	19,863	5,584	18,105
Others	14,778	14,602	15,655	11,505	12,793	9,756
Solution oriented schemes	226	184	465	247	207	183
Close-ended & interval schemes	-98	-528	-586	-1,189	-2,305	-368
Total	189,044	-43,637	110,517	239,233	-159,387	118,351

Source: AMFI, CRISIL MI&A Research, Cell colours signify the highest to lowest inflows in that period (green to red)

Folio count inching closer to 20 crores

The total folio count hit an all-time high and increased by 3.9% to 19.84 crore in July from 19.10 crore folios in June. In July, the industry added 73 lakh folios, with more than 97% coming from equity-oriented schemes and others category which includes passive funds. Equity-oriented schemes alone accounted for nearly 54 lakh new accounts, while the others category contributed approximately 16 lakh accounts.

Monthly folio count trend (open-ended)

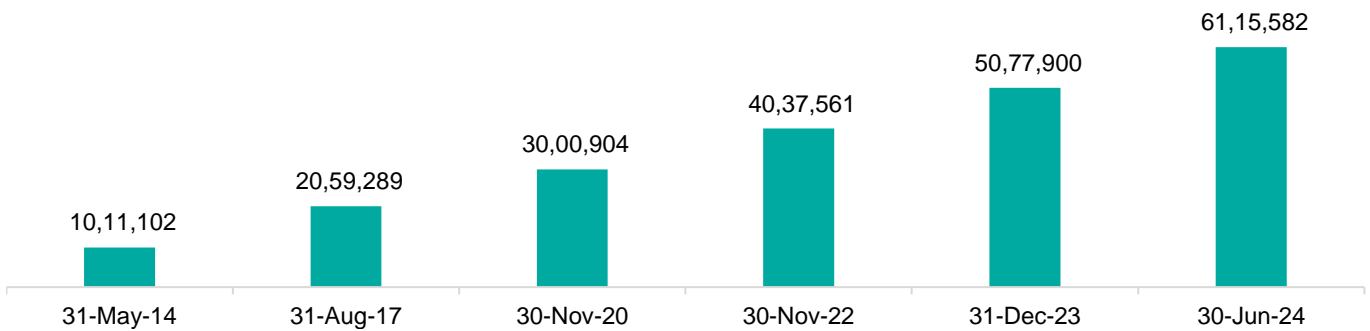
Category	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
Equity	138,498,872	133,032,315	128,947,285	125,552,685	122,821,685	120,077,704
Debt	7,016,744	7,013,214	7,091,977	7,118,065	7,164,917	7,155,865
Hybrid	14,224,947	14,029,910	13,825,676	13,658,203	13,494,406	13,299,464
Others	32,180,807	30,501,433	29,642,726	28,708,957	27,962,550	27,254,249
Solution-oriented schemes	5,939,070	5,920,631	5,906,827	5,870,576	5,848,892	5,834,209

Source: AMFI, CRISIL MI&A Research

Industry milestones

Industry adds Rs 10 lakh crore of assets in first six months of 2024

MF AUM (Rs crore)

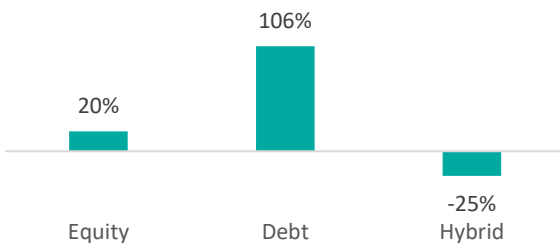


In six months ended June 2024, Indian equity funds have seen higher inflows while US has seen huge inflows in its debt category

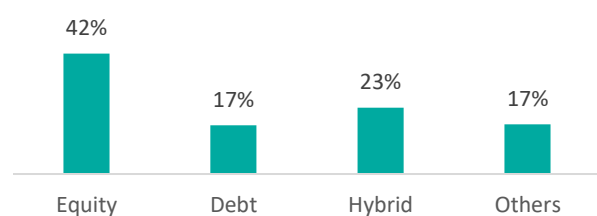
US has witnessed high inflows towards its debt mutual funds (bonds & money market funds) in YTD June 2024. This is primarily since bond yields are trending at elevated levels, on expectation of interest rate cut by US Fed in the second half of the year owing to recessionary concerns. During the same period, the Indian market has seen higher inflows towards equity-oriented funds backed by strong retail participation through the SIP route.

US and India net flows for six months ended June 2024

US MF Flows* - YTD Jun 24



India MF Flows - YTD Jun 24



*Does not include ETFs

Source: ICI; CRISIL MI&A Research

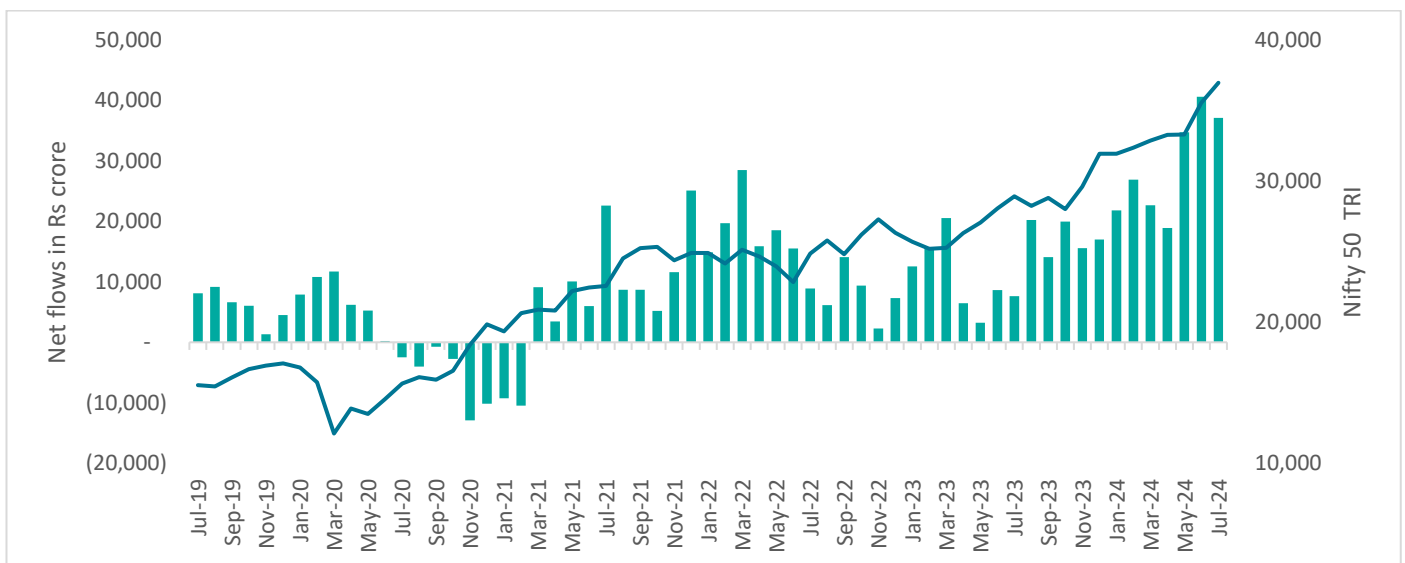
Data as of June 2024

Equity mutual funds

Equity MF AUM close in on 30 lakh crore mark

Equity mutual funds inched in closer to the Rs 30 lakh crore mark in July 2024, closing in at Rs 29.34 lakh crore, up over Rs 1.65 lakh crore during the month led by MTM gains and continuing strong inflows. The equity markets represented by Nifty 50 and Sensex 30 gained around 3.9% and 3.4% respectively while the category witness inflows to the tune of Rs. 37,113 crores; the second highest monthly inflows for the segment on record. The gain in assets of equity mutual funds took share of the segment India's mutual funds industry to 45% in July, almost in line with the global average (including ETFs) of 48% as of the first quarter of 2024.

Monthly equity net inflows remain robust



Source: AMFI, CRISIL MI&A Research

Sectoral/thematic funds continued to be the flavour of choice among investors, the category has witnessed the highest inflows within the equity oriented mutual fund category for the past six months ended July 2024. Flows in the category have primarily been led by new fund offers (NFOs); in July, the category saw 2 NFOs garnering more than inflow at Rs 9,790 crore and accounting for over 50% of the net inflows for the category in the month. In terms of asset growth, sectoral/thematic funds gained 9.9% growth in July to emerge as the largest category equity mutual fund category with assets of over Rs 4.21 lakh crore, nudging past the erstwhile topper flexi cap funds by around Rs 1,000 crores. Meanwhile, focused & ELSS funds continued to remain out of favour among investors with both categories witnessing outflows for the fourth consecutive month ended July 2024.

Monthly AUM trend for equity-oriented mutual funds

Category	Jul 2024	Jun 2024 (1 month)	1 month % change	Jan 2024 (6 months)	6 months % change	Jul 2023 (1 year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Flexi cap funds	420,166	401,386	4.7%	334,406	25.6%	280,965	49.5%	193,422	117.2%
Sectoral/thematic funds	421,112	383,271	9.9%	271,142	55.3%	206,710	103.7%	123,936	239.8%

Category	Jul 2024	Jun 2024 (1 month)	1 month % change	Jan 2024 (6 months)	6 months % change	Jul 2023 (1 year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Mid-cap funds	378,544	359,426	5.3%	290,294	30.4%	229,879	64.7%	142,792	165.1%
Large cap funds	361,031	345,362	4.5%	299,734	20.5%	266,035	35.7%	198,796	81.6%
Small cap funds	313,488	296,408	5.8%	247,603	26.6%	182,493	71.8%	94,015	233.4%
Large and mid-cap funds	257,266	243,589	5.6%	194,015	32.6%	155,885	65.0%	92,209	179.0%
ELSS funds	249,507	239,022	4.4%	204,370	22.1%	176,490	41.4%	138,663	79.9%
Value funds/Contra funds	185,632	173,898	6.7%	142,076	30.7%	111,052	67.2%	71,531	159.5%
Multi-cap funds	168,366	154,025	9.3%	118,111	42.5%	85,031	98.0%	25,803	552.5%
Focused funds	148,162	143,382	3.3%	125,637	17.9%	112,685	31.5%	80,871	83.2%
Dividend yield fund	30,684	28,229	8.7%	22,949	33.7%	17,368	76.7%	8,764	250.1%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Monthly flow trend of equity-oriented mutual funds (Rs crore)

Category	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
Flexi cap funds	3,053	3,059	3,155	2,173	2,738	2,613
Sectoral/thematic funds	18,386	22,352	19,213	5,166	7,918	11,263
Mid-cap funds	1,644	2,528	2,606	1,793	1,018	1,808
Large cap funds	670	970	663	358	2,128	921
Small cap funds	2,109	2,263	2,725	2,209	-94	2,922
Large cap and mid-cap funds	2,622	2,912	2,397	2,639	3,216	3,157
ELSS funds	-638	-445	-250	-144	1,789	339
Value funds/contra funds	2,171	2,027	1,404	1,987	1,708	1,867
Multi-cap funds	7,085	4,709	2,645	2,724	1,827	2,414
Focused funds	-620	-287	-307	-328	63	-533
Dividend yield funds	631	520	445	341	323	94
Total	37,113	40,608	34,697	18,917	22,633	26,866

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Debt mutual funds

Debt fund assets touch all time-high of Rs 15.44 lakh crore

The assets of open-ended debt funds increased 9.3% on-month to reach an all-time high of Rs 15.44 lakh crore in July. This growth was observed across 14 of 16 debt fund categories, a significant improvement from the previous month, when only 2 of 16 categories recorded growth. Notably, liquid funds exhibited the highest on-month increase, up 17.4% to close at Rs 4.93 lakh crore. This trend aligns with the pattern of net asset increases typically seen in the month following an advance tax due date when investors look to park surplus funds temporarily.

In the past year, long duration funds (+64.5%), money market funds (+56.7%) and gilt funds (+43.2%) have performed exceptionally well. Long duration and gilt funds benefitted from investor expectations of declining interest rates, which boosted the prices of long-duration bonds. Money market funds attracted investors seeking safety and liquidity during market volatility and primarily because of higher yields within the shorter end of the yield curve.

The gain in assets of debt mutual funds took share of the segment India's mutual funds industry to 24% in July, lower than the global average of 34% as of the first quarter of 2024.

Monthly AUM trend for debt-oriented mutual funds

Category	Jul 2024	Jun 2024 (1 Month)	1 month % change	Jan 2024 (6 Month)	6 months % change	Jul 2023 (1 Year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Liquid funds	493,493	420,256	17.4%	430,866	14.5%	474,198	4.1%	370,812	33.1%
Money market funds	234,401	204,137	14.8%	155,309	50.9%	149,582	56.7%	122,718	91.0%
Corporate bond funds	154,280	150,648	2.4%	142,619	8.2%	136,964	12.6%	157,185	-1.8%
Short duration funds	105,624	102,082	3.5%	101,738	3.8%	99,382	6.3%	140,690	-24.9%
Low duration funds	105,026	102,366	2.6%	99,202	5.9%	106,720	-1.6%	162,704	-35.4%
Ultra short duration funds	104,538	95,660	9.3%	91,879	13.8%	100,630	3.9%	104,173	0.4%
Overnight funds	70,482	65,517	7.6%	84,593	-16.7%	79,008	-10.8%	89,294	-21.1%
Banking and PSU funds	79,123	78,756	0.5%	80,146	-1.3%	80,959	-2.3%	120,496	-34.3%
Floater funds	53,349	52,552	1.5%	56,465	-5.5%	60,641	-12.0%	84,152	-36.6%
Gilt funds	33,302	31,752	4.9%	26,741	24.5%	23,255	43.2%	16,256	104.9%
Dynamic bond funds	33,070	32,569	1.5%	31,053	6.5%	30,410	8.7%	24,570	34.6%
Medium duration funds	24,831	24,983	-0.6%	26,344	-5.7%	27,404	-9.4%	32,213	-22.9%
Credit risk funds	21,790	22,147	-1.6%	23,500	-7.3%	24,294	-10.3%	26,754	-18.6%
Long duration funds	15,325	14,423	6.3%	11,057	38.6%	9,315	64.5%	2,533	505.1%
Medium to long duration funds	11,052	10,895	1.4%	10,434	5.9%	10,256	7.8%	10,219	8.1%
Gilt funds with 10-year constant duration	4,496	4,488	0.2%	4,559	-1.4%	4,219	6.6%	1,453	209.4%

Assets represented by month-end AUM and in Rs crore, All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

In July 2024, inflows into debt funds totalled Rs 1.20 lakh crore, recording a significant recovery over June (outflow of Rs 1.07 lakh crore).

Liquid funds saw a dramatic shift from a net outflow of Rs 80,354 crore in June to a net inflow of Rs 70,061 crore in July, reflecting post-tax payment reallocations. Money market funds also experienced a notable increase in inflows, from Rs 9,586 crore to Rs 28,738 crore, indicating strong investor preference for safe, short-term investments.

Ultra short duration funds turned around from an outflow of Rs 2,327 crore to an inflow of Rs 8,207 crore, while gilt funds moved from a net outflow of Rs 1,213 crore to a net inflow of Rs 1,262 crore, showing renewed confidence in government securities. Similarly, short duration funds returned to positive flows with an inflow of Rs 2,603 crore after two months of consistent outflows.

Additionally, corporate bond funds reversed their outflows from Rs 3,469 crore to an inflow of Rs 2,261 crore, suggesting growing interest in higher-yielding bonds.

Monthly flow trend of debt-oriented mutual funds (Rs crore)

Category	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
Liquid funds	70,061	-80,354	25,873	102,751	-157,970	83,642
Money market funds	28,738	9,590	8,272	34,084	-8,720	137
Corporate bond funds	2,261	-3,469	687	2,992	-292	3,029
Short duration funds	2,603	-1,094	-73	2,533	-6,450	2,346
Low duration funds	1,902	2,199	461	7,758	-6,157	-4,100
Ultra short duration funds	8,207	-2,327	1,647	11,105	-9,135	-362
Overnight funds	4,452	-25,143	6,645	21,195	-6,992	-17,376
Banking and PSU funds	-308	-2,822	40	-405	232	-480
Floater funds	314	-996	-546	1,619	-2,173	-3,610
Gilt funds	1,262	-1,213	-171	5,210	-538	539
Dynamic bond funds	207	-352	-138	853	-138	132
Medium duration funds	-370	-462	-539	-425	-364	-388
Credit risk funds	-543	-478	-540	-359	-321	-366
Long duration funds	787	281	482	581	772	631
Medium to long duration funds	57	128	40	47	-110	-7
Gilt funds with 10-year constant duration	-42	-846	157	349	58	42
Total	119,588	-107,358	42,295	189,891	-198,299	63,809

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Hybrid mutual funds

Hybrid fund assets record their fresh high, close at near Rs 8.5 lakh crore asset mark

AUM of hybrid funds rose by Rs 35,011 crore, or 4.3% on-month, to Rs 8.45 lakh crore, continuing to race towards the Rs 9 lakh crore mark. Investors have been drawn to hybrid funds as this category enjoys the benefits of all the asset classes and ensures a balanced risk-return profile, thereby increasing AUM.

The dynamic asset allocation/balanced advantage fund category continued to be the largest individual category in the segment with assets totalling Rs 2.79 lakh crore, maintaining its contribution of ~33% of the segment's AUM, indicating investors' preference for active asset allocation.

The multi-asset allocation category continued to record the highest on-month growth in July 2024, at 7% from June 2024, which was a little lower than May's 8.1%, to reach Rs 89,593 crore. The category continues to see the highest growth in assets in the past three years, up 445.2% during the period, whereas the equity savings fund category again finished second with 195.7% growth.

The gain in assets of hybrid mutual funds took share of the segment India's mutual funds industry to 13% in July, higher than the global average of 11% as of the first quarter of 2024.

Monthly AUM trend for hybrid mutual funds

Category	Jul 2024	Jun 2024 (1 Month)	1 month % change	Jan 2024 (6 Month)	6 months % change	Jul 2023 (1 Year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Dynamic asset allocation/balanced advantage funds	279,986	269,772	3.8%	241,084	16.1%	211,100	32.6%	122,592	128.4%
Balanced hybrid funds/aggressive hybrid funds	221,973	214,272	3.6%	191,438	16.0%	171,714	29.3%	135,589	63.7%
Arbitrage funds	189,349	180,071	5.2%	144,093	31.4%	90,746	108.7%	108,178	75.0%
Multi-asset allocation funds	89,593	83,720	7.0%	60,325	48.5%	33,780	165.2%	16,432	445.2%
Equity savings funds	35,572	34,154	4.1%	27,083	31.3%	18,962	87.6%	12,031	195.7%
Conservative hybrid funds	28,307	27,781	1.9%	26,547	6.6%	24,695	14.6%	17,080	65.7%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Inflows in hybrid funds reached Rs 17,436 crore in July 2024, getting back on track with the inflow recorded in May 2024 of Rs 17,991 crore.

The gain in inflows in the month was led by Arbitrage funds, which saw inflows of Rs 11,015 crore amidst volatility in the underlying market. Additionally, the stability of returns and better tax benefits compared to debt funds continue to benefit this category. Multi-asset allocation funds continued to be the category with second highest inflows of Rs 3,126 crore, slightly lower than inflows of Rs 3,453 crore seen in June. Coming in third were Dynamic Asset allocation/Balanced Advantage Funds, which saw inflows of Rs 1,798 crore, almost three times of the inflows of Rs 644 crore seen in June.

Monthly flow trend of hybrid mutual funds (Rs crore)

Category	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
Dynamic asset allocation/balanced advantage funds	1,798	644	1,279	1,345	1,733	1,287
Balanced hybrid funds/aggressive hybrid funds	195	49	43	17	536	29
Arbitrage funds	11,015	3,837	12,758	13,901	-298	11,508
Multi-asset allocation funds	3,126	3,453	3,161	3,313	2,681	4,043
Equity savings funds	1,277	1,003	849	1,295	928	1,344
Conservative hybrid funds	26	-131	-99	-8	4	-106
Total	17,436	8,855	17,991	19,863	5,584	18,105

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

Passive mutual funds

Passive assets rise on the back of high inflows in index funds

Passive funds gained nearly 4% or around Rs 47,000 crore, led by strong interest in index funds, continuing flows in other exchange traded fund (ETF) categories and MTM gains from underlying market.

The category benefitted by strong inflows in index funds, of Rs 8,020 crore, the highest for the segment and outpacing net inflows of Rs 5,787 crore seen in other ETFs. Index funds benefitted from strong traction among investors for NFOs in the category during the month; there were six NFOs during the month in the category that garnered Rs 2,651 crore. The inflows coupled with MTM gains saw index fund assets surge 6% from June, registering its highest month-on-month growth in the past one year.

Meanwhile, gold ETFs saw net inflows of Rs 1,337 crore in July 2024, the highest monthly net flows for the category on record as investors flocked to this asset class post a big fall in the gold prices after the government reduced the customs duty on gold from 15% to 6% in the full Union Budget of 2024-25.

On an overall basis, passive funds saw net inflows of Rs 14,778 crore compared to Rs 14,602 crore in June 2024. July 2024 marked the 45th consecutive month of positive flows coming into this segment since October 2020.

Monthly AUM trend for passive mutual funds

Category	Jul 2024	Jun 2024 (1 Month)	1 month % change	Jan 2024 (6 Month)	6 months % change	Jul 2023 (1 Year)	1 year % change	Jul 2021 (3 Years)	3 years % change
Index funds	258,148	243,482	6.0%	204,525	26.2%	179,302	44.0%	26,333	880.3%
Gold ETFs	34,455	34,356	0.3%	27,778	24.0%	23,329	47.7%	16,750	105.7%
Other ETFs	777,301	744,585	4.4%	627,245	23.9%	554,108	40.3%	314,060	147.5%
Fund of funds investing overseas	25,180	25,887	-2.7%	24,044	4.7%	24,404	3.2%	20,331	23.8%

Assets represented by month-end AUM and in Rs crore

All percentage changes are absolute

Source: AMFI, CRISIL MI&A Research

Monthly flow trend of passive mutual funds (Rs crore)

Category	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
Index funds	8,020	5,072	4,490	6,524	1,822	2,536
Gold ETFs	1,337	726	827	-396	373	997
Other ETFs	5,787	9,134	10,690	5,747	10,560	6,462
Fund of funds investing overseas	-366	-330	-352	-370	37	-239
Total	14,778	14,602	15,655	11,505	12,793	9,756

Cell colours signify the highest to lowest inflows in that period (green to red)

Source: AMFI, CRISIL MI&A Research

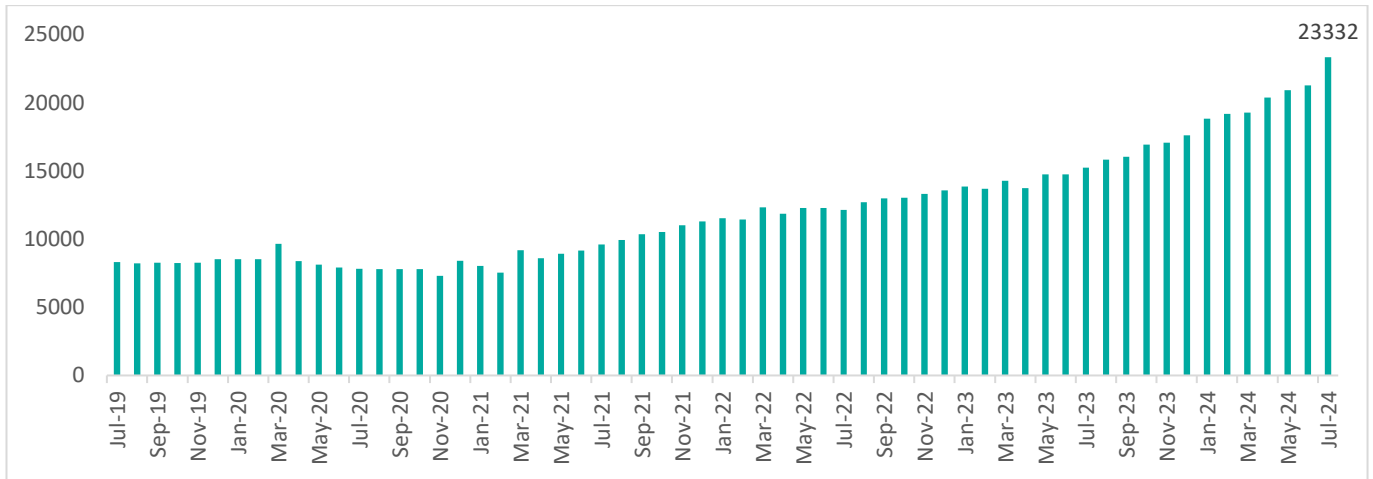
SIP trend

SIP inflows cross Rs 23,000 crore mark

At Rs 23,332 crore, monthly systematic investment plan (SIP) contributions reached an all-time high, crossing the Rs 23,000 crore mark in July. During the month, SIP assets increased 5.3% to Rs 13.09 lakh crore, led by MTM gains and strong inflows. The month of July saw the highest addition in net accounts across all periods, totalling 35.29 lakh.

India's SIP ecosystem remains robust, reflecting strong investor confidence in the long-term prospects of the economy, even amid recent market upheavals. The resilience of SIP investments highlights a continued commitment to disciplined investing. Furthermore, the share of mutual funds in household savings is trending upwards, indicating a growing preference for mutual funds as a favoured investment avenue. This trend underscores the belief in the mutual fund industry's ability to deliver stable returns over the long term, despite short-term market fluctuations.

SIPs get bigger...



SIP trends

SIP stats	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024
SIP assets	13.09	12.44	11.53	11.26	10.72	10.53
SIP assets as % of industry assets	20.2	20.3	19.6	19.7	20.1	19.3
SIP accounts	9.33	8.99	8.76	8.70	8.40	8.20
SIP accounts as % of total folios	47.1	47.0	47.1	47.9	47.2	47.1

Source: AMFI, CRISIL MI&A Research



The mutual fund industry has demonstrated growth with retail investors consistently embracing mutual funds as a reliable investment avenue.

It's evident that mutual funds have become an integral part of retail investors' financial strategies. SIP contributions reaching an all-time high of ₹23,331.75 crores in July 2024 reflects the growing financial discipline among retail investors, helping them build wealth systematically over time.

As we continue to navigate an ever-evolving market landscape, the industry's focus remains on empowering investors and fostering long-term financial well-being.



Venkat N Chalasani
Chief Executive – AMFI



Disclaimer:

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

MUTUAL FUNDS

Sahi Hai

