

Mutual Fund at a Glance

Quarter-1 2023-2024

MF Industry in Q1FY24

- ❖ With 24.6% annual growth and 12.6% Q-o-Q growth, Assets Under Management (AUM) is close to crossing the Rs. 45 lakh crore mark. The AUM as on Jun 2023 rose to Rs 44.39 lakh crore and Average AUM rose to Rs 44.82 lakh crore.
- ❖ In Q1FY24, QAAUM (Quarterly Average Assets Under Management) increased by 6.4% sequentially and 14.2% annually to reach Rs. 43.10 lakh crore. It was the twelfth consecutive growth on a yearly basis and fourth consecutive growth on a quarterly basis.
- ❖ MF Industry continued to witness net inflows for the fourth consecutive quarter in Q1FY24 and much higher than net inflows witnessed in Q4FY23. Rise in net inflows for Debt Oriented Schemes led to the rise in net inflows in Q1FY24.
- ❖ Equity oriented schemes recorded net inflows of Rs. 8,245 crore in Jun 2023. This is the highest equity inflows in Q1FY24 amid strong investments in Small Cap Fund.
- ❖ Small Cap Fund entered Top 5 folio composition at 5th position by replacing Other ETF.
- ❖ Systematic Investment Plan (SIP) inflows inched lower to Rs 14,734 crore in June 2023 as against inflows of Rs 14,749 crore in May 2023. This is the second consecutive month of SIP flows coming in above Rs. 14,000 crore mark.
- ❖ The Governor of Reserve Bank of India launched 'Antardrishti', a financial inclusion dashboard. The dashboard will provide the required insight to assess and monitor the progress of financial inclusion by capturing relevant parameters

Source: AMFI and MFI 360

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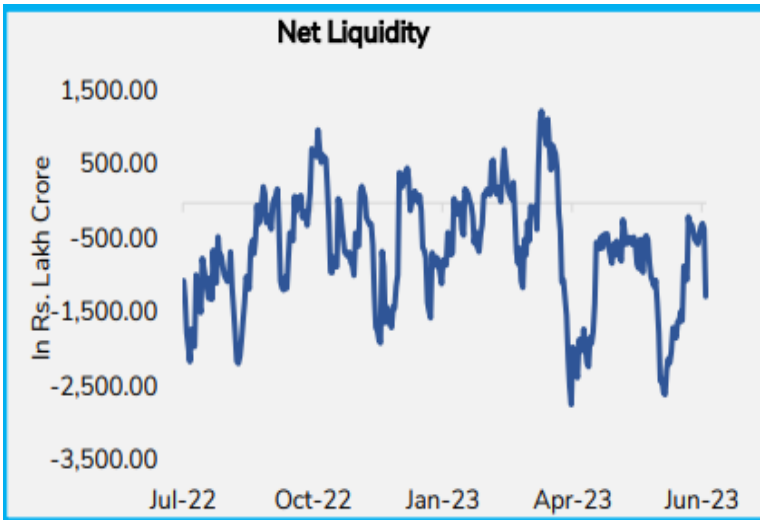
Section – 1: Market Update

10-year Benchmark yield fell for the fourth consecutive quarter; Liquidity remained in surplus in Q1FY24



Yield on 10-year benchmark paper fell for the fourth consecutive quarter. During the quarter under review, yield fell by 21 bps due to –

- Decline in inflation
- Hopes that the U.S. Federal Reserve is nearing the end of its rate hiking cycle
- Fall in global crude oil prices

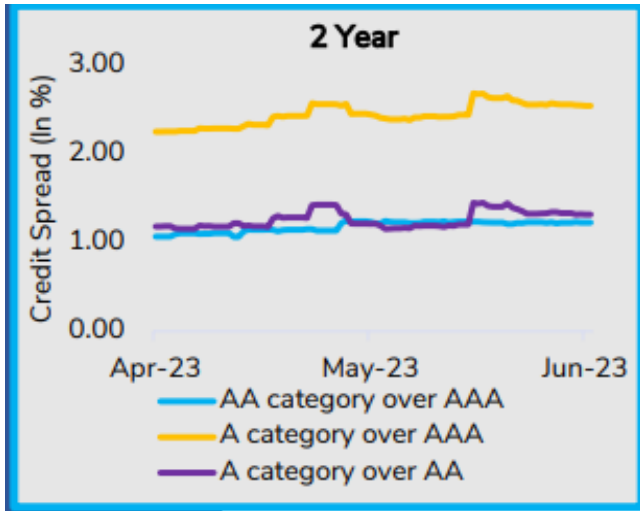


Yield on 10-year benchmark rose by 61 bps in the same quarter of the previous year:

- Liquidity remained in surplus mode
- The seasonal expansion in currency in circulation and build-up of government cash balances moderated surplus liquidity to some extent in Apr-May of 2023

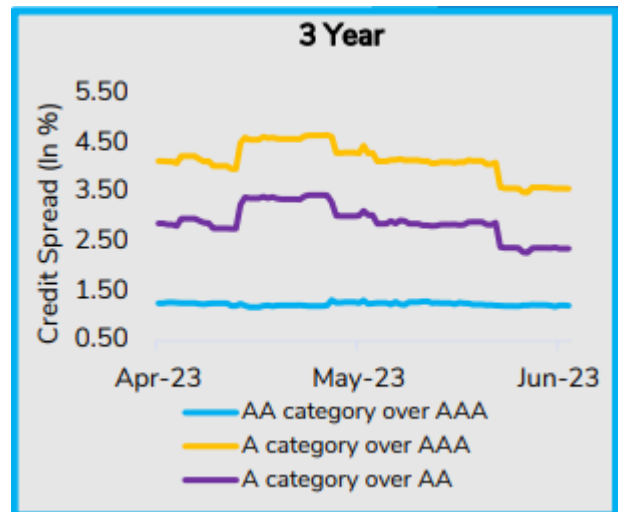
Source: Refinitiv, ICRA Analytics Limited

Spread Analysis

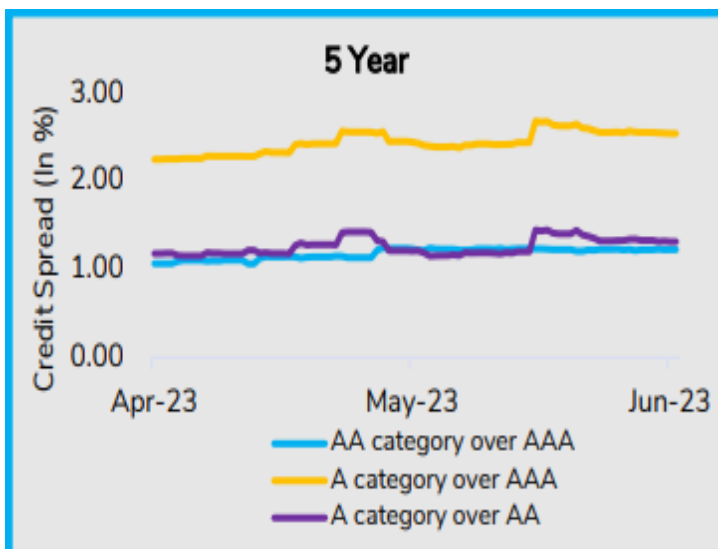


Credit Spread of AA category over AAA remained flat in 2-year and 3-year segment, though experienced spread contraction in 5YR segment

Credit Spread of A category over AAA experienced spread contraction in 3-year and 5-year segment towards the end of the quarter and experienced little spread expansion in 3-year segment across the quarter

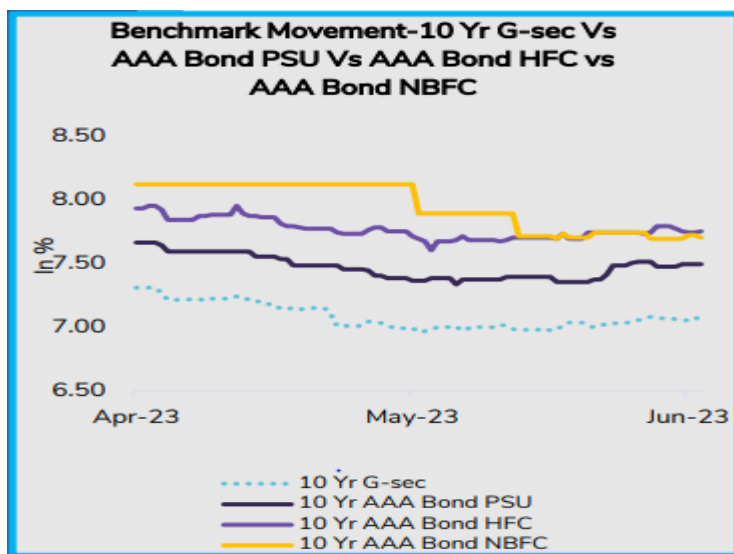


Credit Spread of A category over AA remained flat in 2-year, experienced slight spread contraction in 3-year segment towards the end of quarter and experienced spread expansion in 5-year segment across the quarter



Source: : ICRA Analytics Limited; Calculated as average of all securities maturing in 2025, 2026, 2028, respectively in MF portfolio in their respective rating category

Spread Analysis



- ❖ Yield Movement in 10-year Gsec, 10-year AAA Bond PSU, 10-year AAA Bond HFC and 10-year AAA Bond NBFC witnessed contraction across the quarter
- ❖ Credit spread of 1-year AAA over Gsec experienced spread contract on Q-o-Q basis and slight spread expansion on Y-o-Y basis; Credit spread of 3-year AAA, 5Yr AAA, 10-year AAA over Gsec experienced spread expansion on Q-o-Q and Y-o-Y basis
- ❖ Credit spread of 1-year AA bond, 3-year AA bond, 5-year AA bond & 10-year AA bond over G-sec witnessed spread contraction on QoQ basis; Credit spread of 1 Yr AA bond, 3Yr AA bond experienced spread expansion on Y-o-Y basis and Credit spread of 5-year AA bond, 10-year AA bond witnessed credit spread contraction on Y-o-Y basis

Spread of Corporate Bond vis-a-vis G-sec of same tenor (In bps)					
	30-Jun-23	31-Mar-23	30-Jun-22	QoQ change	YoY Change
1 Y-AAA	62	60	31	2	31
3 Y-AAA	88	76	21	12	67
5 Y-AAA	52	67	56	-15	-4
10 Y-AAA	9	56	71	-47	-62
1 Y-AA	128	92	40	36	88
3 Y-AA	86	90	27	-4	59
5 Y-AA	77	72	70	5	7
10 Y-AA	83	80	148	3	-65

Source: ICRA Analytics Limited; Refinitiv *With respect to G-Sec of similar maturity. Semi annualized yields of G-Sec Papers are annualized for calculating spreads

Nifty 50 TRI rose by 11% in Q1FY24, surged by 23% YoY



❖ **Nifty 50 TRI grew 11.06% during the quarter under review. Over the quarter the index surged by 2,794 points. The market sentiment remained upbeat due to:**

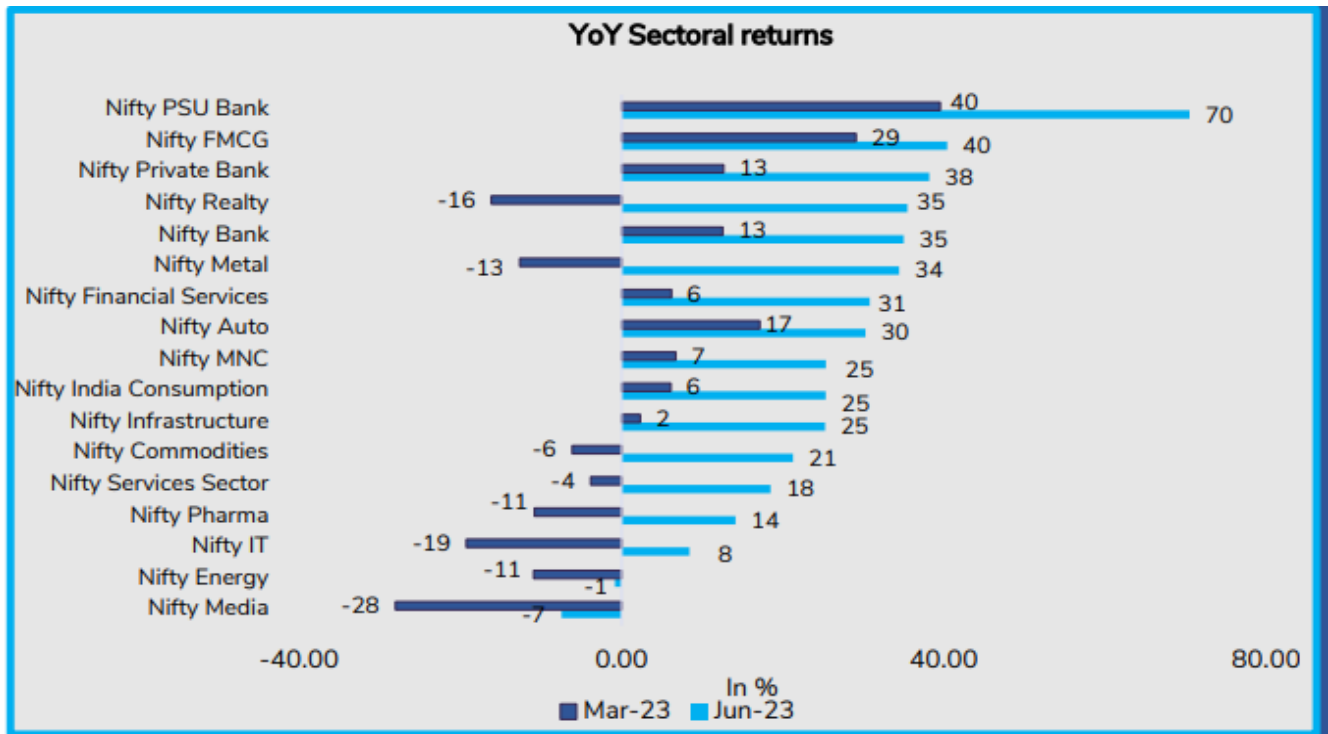
- Upbeat domestic macroeconomic data
- Upbeat corporate earning numbers by India Inc. for the quarter ended Mar 2023
- Robust buying of domestic equities by foreign institutional investors
- Anticipation of the interest rate cycle peaking out amid receding concerns over inflation after Reserve Bank of India led Monetary Policy Committee kept interest rates on hold in Apr and Jun
- Bill to raise the U.S. debt ceiling was passed in the House of Representatives in U.S

However, concerns over slowdown in China and worries over higher interest rates capped the gains.

Index grew by 23% YoY for the same period.

Source: MFI Explorer; **TRI variant of the index has been used for representation purpose

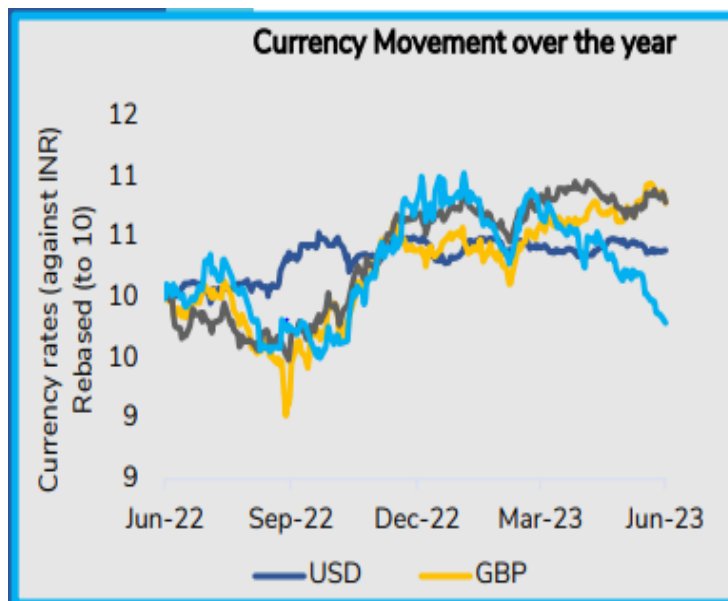
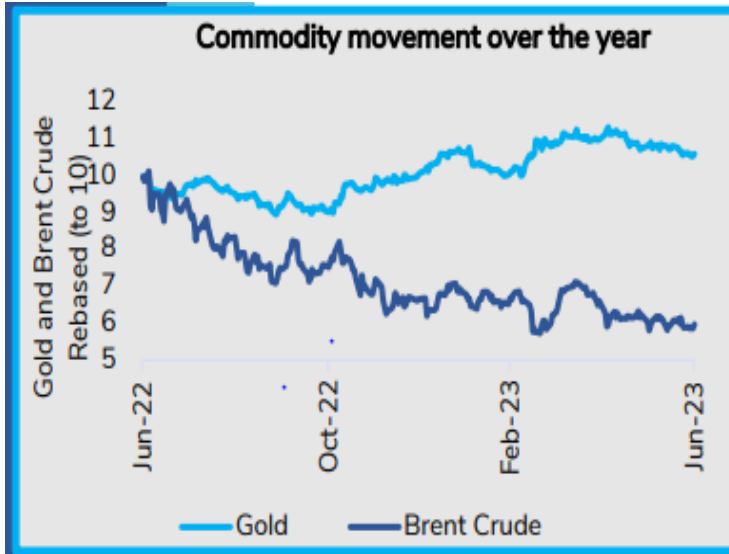
All sectors closed in green YoY barring Media and Energy; PSU Bank in the limelight



- On a yearly basis, out of the 17 major sectors, all the sectors closed in green barring Nifty Media and Nifty Energy.
- Nifty PSU Bank rose the most over the year with state run banks expected to do well due to central government’s focus on infrastructure, road, railways and other projects
- FMCG sector also benefitted as falling inflation is expected to boost sales
- Record provisional sales reported by several real estate developers during the quarter ended Mar 2023 also triggered buying in realty stocks. Expectations that the Reserve Bank of India led Monetary Policy Committee may start cutting interest rates from next year also contributed to the upside

Source: MFI 360; **TRI variant of the index has been used for representation purpose

Gold prices fell and Brent Crude prices surged; Rupee incurred quarterly losses on weak domestic equity market

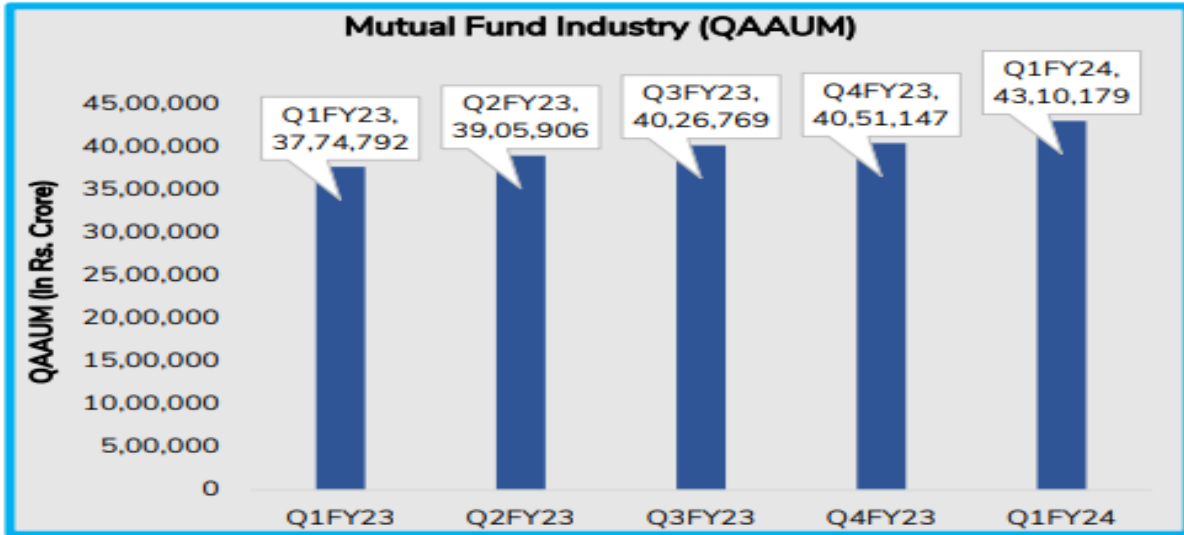


- Gold prices fell on a quarterly basis on rate hike jitters as U.S. inflation continued to remain at elevated levels. However, concerns of a slowdown in global growth restricted further losses
- Brent crude oil prices fell on quarterly basis as:
 - Concerns over slowdown in global growth due to higher interest rates hit the demand outlook of the commodity
 - Worries over China’s economic recovery also weighed on the market sentiment.
- However, further losses were restricted following:
 - Saudi Arabia's decision to reduce output by an additional million barrels per day from Jul
- On a yearly basis Brent Crude oil prices fell by 40%
- Rupee on a quarterly basis rose against the greenback following gains in the domestic equity market. Fall in global crude oil prices also added to the gains

Source: Refinitiv, ICRA Analytics Limited

Section – 2: Mutual Fund Industry Size

QAAUM witnessed 6.4% sequentially growth to Rs 43.10 Lakh Crore in Q1FY24



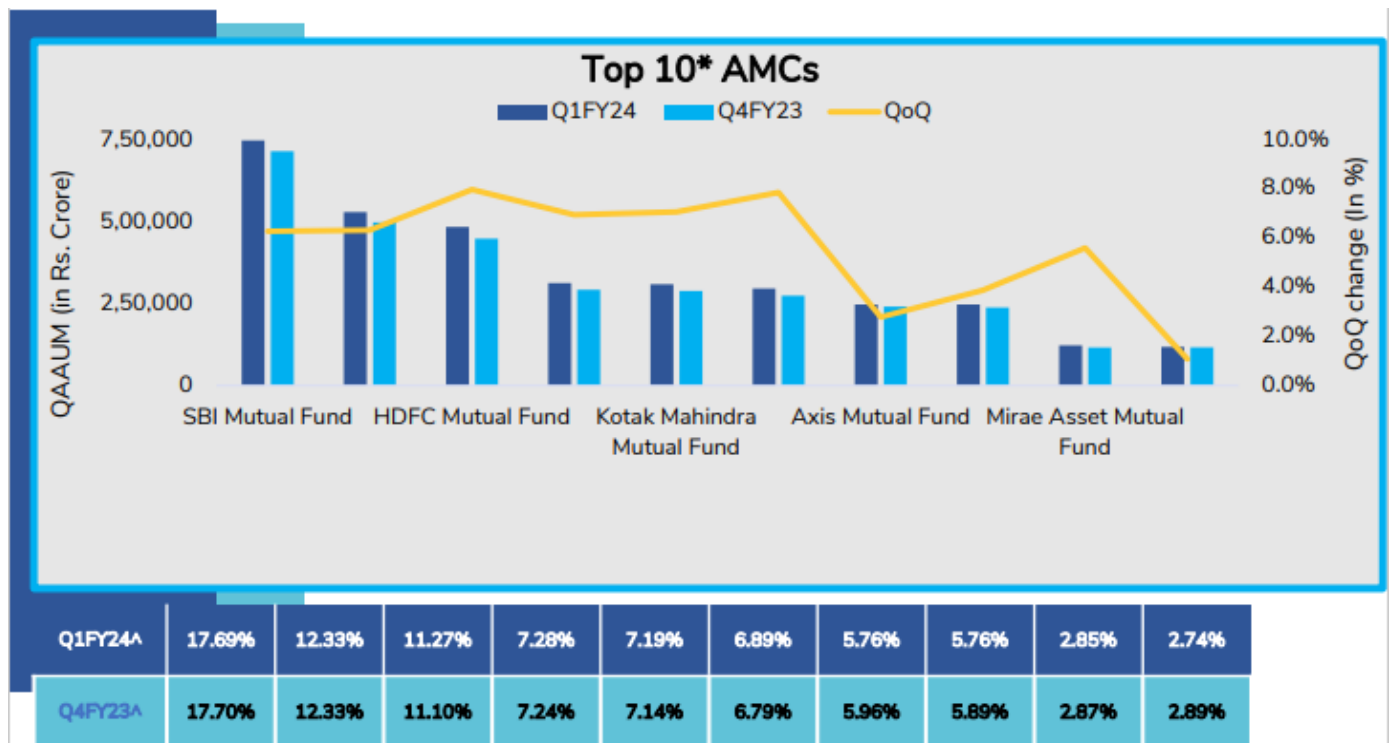
Growth/De-growth Trend of AMCs for the Quarter ended Jun-23	
AMCs	Range
Top 5	6.3% to 8%
Next 10	1.1% to 12.9%
Rest	-26.3% to 38%

- In Q1FY24, QAAUM (Quarterly Average Assets Under Management) increased by 6.4% sequentially and 14.2% annually to reach Rs. 43.10 lakh crore. It was the twelfth consecutive annual growth and the fourth consecutive quarterly growth.
- Mutual fund industry witnessed quarterly growth and only 3 AMCs saw quarterly decline of which Groww Mutual Fund witnessed the steepest decline
- Top five AMCs with sequential growth were:
 1. Navi Mutual Fund (38.0%)
 2. WhiteOak Capital Mutual Fund (27.8%)
 3. Quant Mutual Fund (24.5%)
 4. Bank Of India Mutual Fund (22.1%)
 5. 360 One Mutual Fund (17.5%)

Source: AMFI, MFI 360; On the basis of QAAUM ended June-23.

Note: 1. HSBC Mutual Fund had completed the acquisition of L&T Mutual Fund in November 2022. Accordingly, % change in QAAUM and latest QAAUM data for L&T Mutual Fund has not been displayed. Also, for HSBC AMC %change may have been fueled by the acquisition of L&T AMC. 2. IIFL Mutual Fund is now 360 ONE Mutual Fund. 3. Indiabulls Mutual Fund is now Groww Mutual Fund

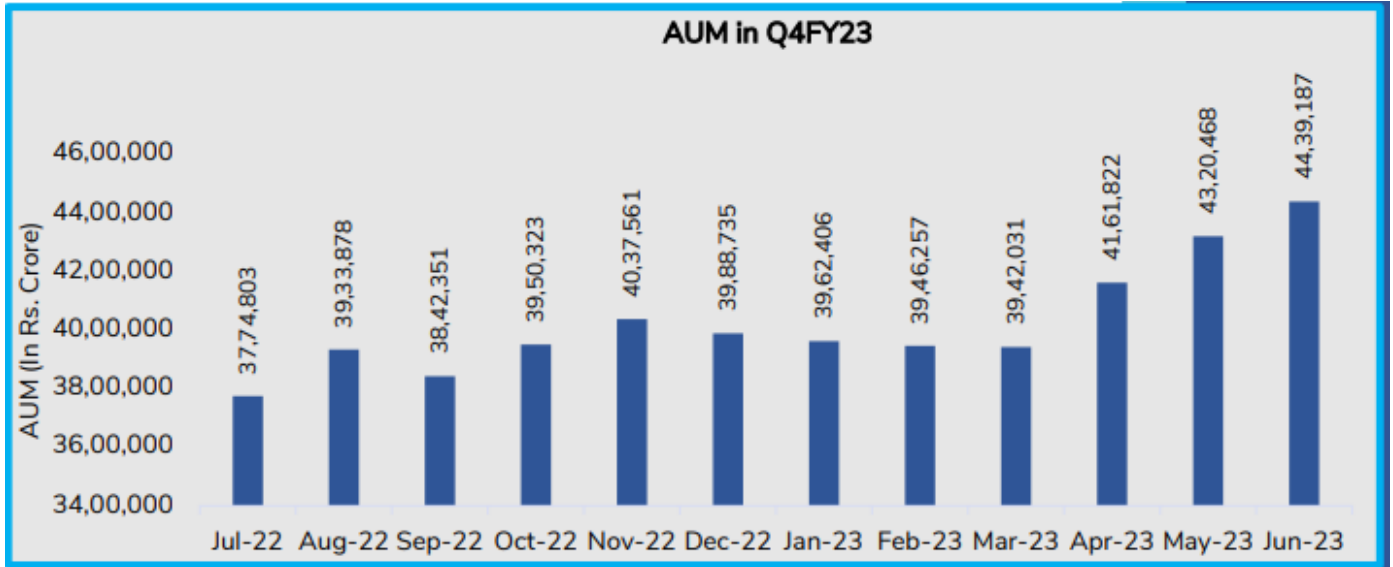
SBI MF, ICICI Prudential MF and HDFC MF retained their top positions



- The top-10 AMCs stood unchanged. While their rankings are similar, Mirae Asset MF and Bandhan MF switched places to take the ninth and tenth spots, respectively.
- Among top 10 AMCs:
 - HDFC Mutual Fund witnessed the maximum sequential growth of 8.0% and maintained its 3rd position
 - Despite witnessing the maximum sequential decline in Q1 of FY24 of 1.1%, Bandhan Mutual Fund maintained its position in top 10 AMCs
 - Mirae Asset Mutual Fund witnessed the maximum annual growth of 21.9% followed by SBI experiencing 17.7% growth

Source: AMFI, MFI 360; *Top 10 AMCs are based on MAR-23 QAAUM; ^Market share in terms of QAAUM

AUM grew 2.7% on Q-o-Q basis

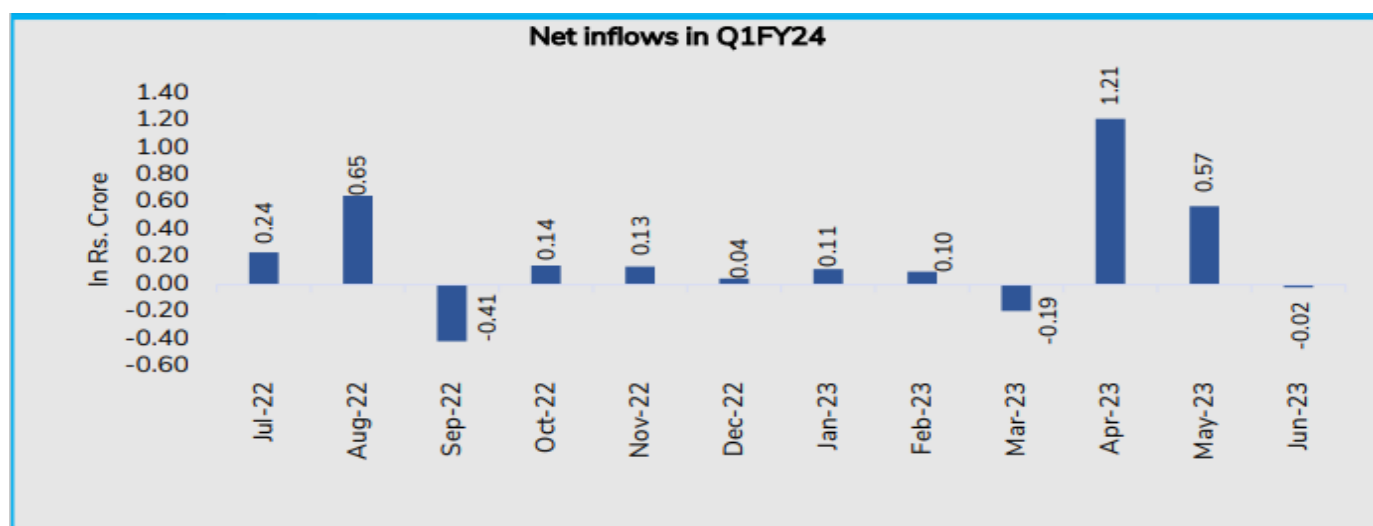


- With 24.6% annual growth and 12.6% Q-o-Q growth, Assets Under Management (AUM) is close to crossing the Rs. 45 lakh crore mark. The AUM as on Jun 2023 rose to Rs 44.39 lakh crore and Average AUM rose to Rs 44.82 lakh crore.
- Under Open ended category:
 - Top five sub-categories with maximum growth (in Rs.) were: Liquid Fund (Rs. 87,057 crore), Other ETFs (Rs. 54,596 crore), Small Cap Fund (Rs. 35,051 crore), Mid Cap Fund (Rs. 34,890 crore) and Money Market Fund (Rs. 31,566 crore)
 - Five sub-categories with highest growth (in %) were: Money Market Fund (29.1%), Small Cap Fund (26.3%), Liquid Fund (26.2%), Ultra Short Duration Fund (22.8%), Arbitrage Fund (19.6%)
 - Only three sub-categories witnessed degrowth (in %): Overnight Fund (6.7%), Credit Risk Fund (1.8%) and Gold ETF (1.7%)

Source: AMFI and MFI 360

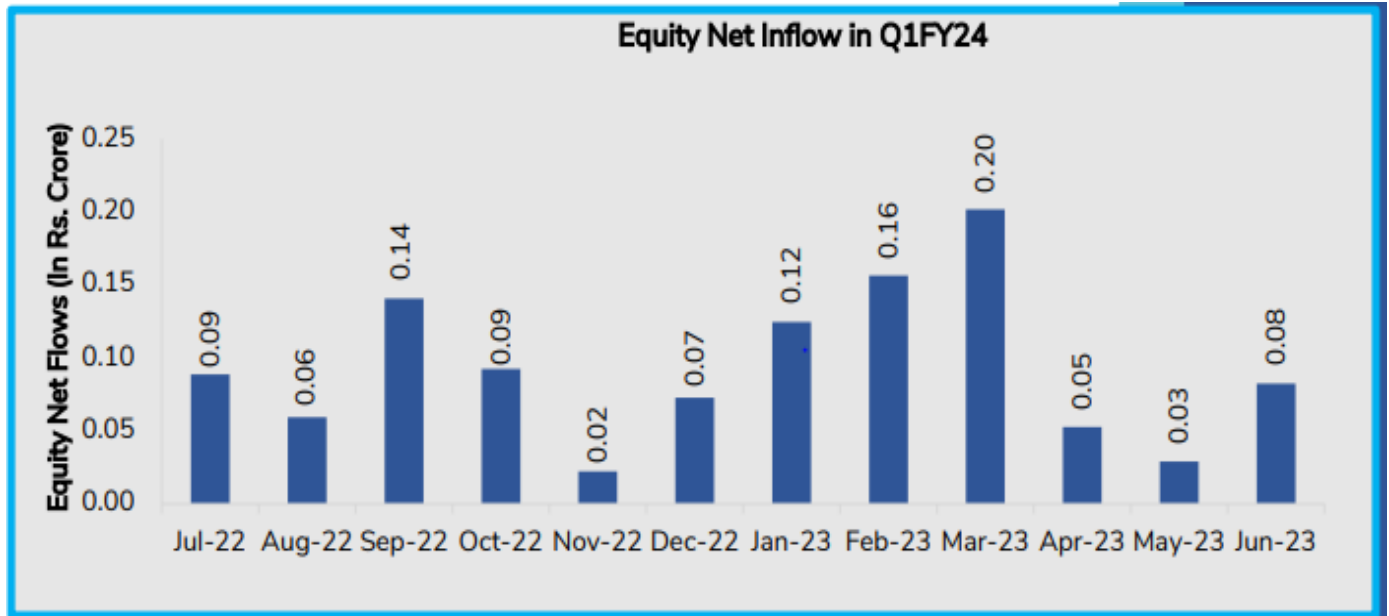
Section – 3: Inflow Outflow Analysis

MF Industry registers net outflows in June 2023 after two consecutive months of net inflows



- MF Industry continued to see net inflows for the fourth consecutive quarter in Q1FY24 and much higher than net inflows witnessed in Q4FY23. Rise in net inflows for Debt Oriented Schemes led to the rise in net inflows in Q1FY24
- Net inflows of 1.21 lakh crore and 0.57 lakh crore were witnessed in Apr 2023 and May 2023, respectively, while net outflows of 0.02 lakh crore were witnessed in Jun 2023
- Under open-ended category:
 - Debt Oriented Schemes witnessed net inflow of Rs 1.38 lakh crore in Q1FY24 as compared to Rs. 0.81 lakh crore net outflows in Q4FY23
 - Under Debt Oriented Schemes, only Overnight Fund, Medium Duration Fund, Credit Risk Fund and Banking and PSU Fund saw net outflows in Q1FY24 as compared to nine sub categories that witnessed net outflows in Q4FY23
 - Within Equity Oriented Schemes (including ELSS), all categories witnessed net inflows in Q1FY24 except for Large Cap Fund, Focused Fund and ELSS Fund
 - Under Hybrid Schemes category, Arbitrage Fund witnessed the maximum inflow in Q1FY24 as against net outflows in Q4FY23. Balanced Hybrid Fund/Aggressive Hybrid Fund witnessed maximum net outflows in Q1FY24 after witnessing net inflows in the previous quarter
 - Under Other Schemes, Other ETFs (other than Gold ETF) witnessed maximum net inflows as against witnessing net outflows in the previous quarter

Equity Net Inflows rose to a 3-month high in Jun 23

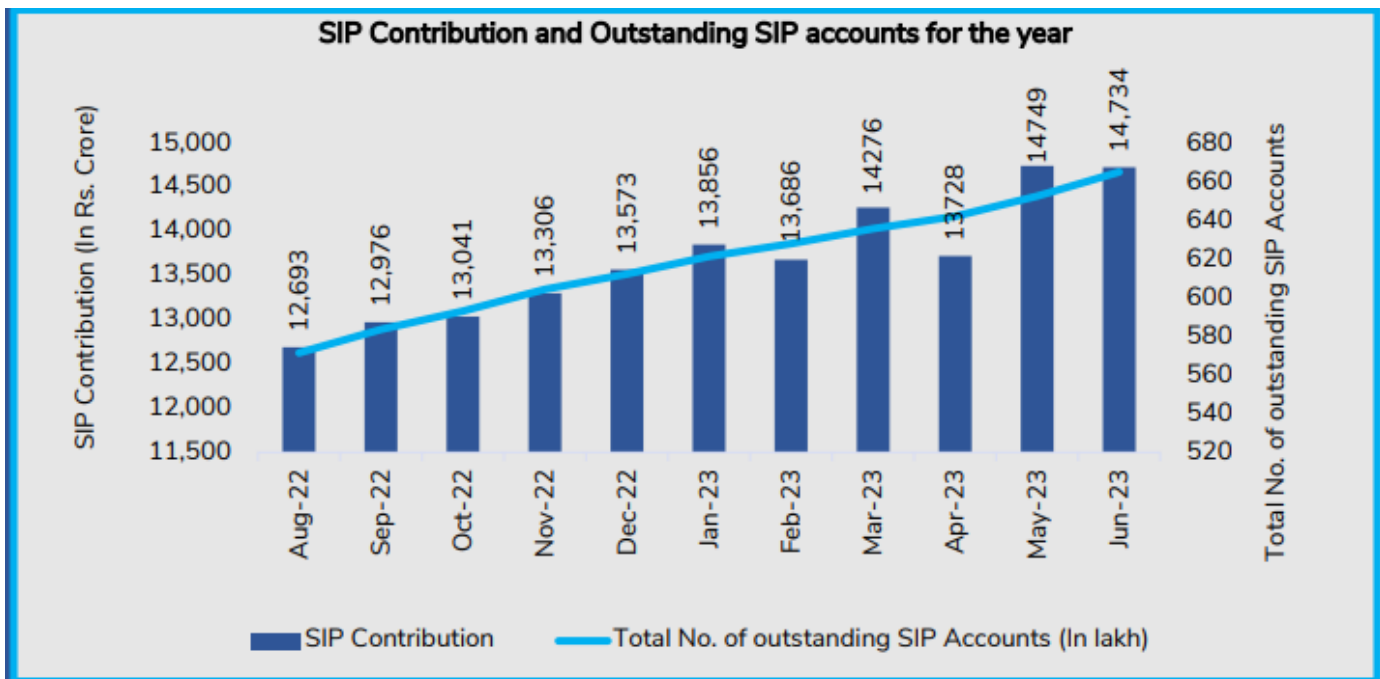


- Equity oriented schemes recorded net inflows of Rs. 8,245 crore in Jun 2023. This is the highest equity inflows in Q1FY24 amid strong investments in Small Cap Fund.
- **Under Open Ended category:**
 - All categories witnessed net inflows in Q1FY24 except for Large Cap Fund, Focused Fund and ELSS Fund.
 - In June 2023, the inflows into Small Cap Fund have been the highest for the third straight month followed by Value Fund/Contra Fund.
 - Dividend Yield Funds received the lowest inflows of Rs. 398 crore, followed by Sectoral/Thematic Funds with inflows of Rs. 459 crore
 - Large Cap Fund witnessed the maximum net outflow in Q1FY24.

Source: AMFI and MFI Explorer; Note: Equity includes ELSS funds

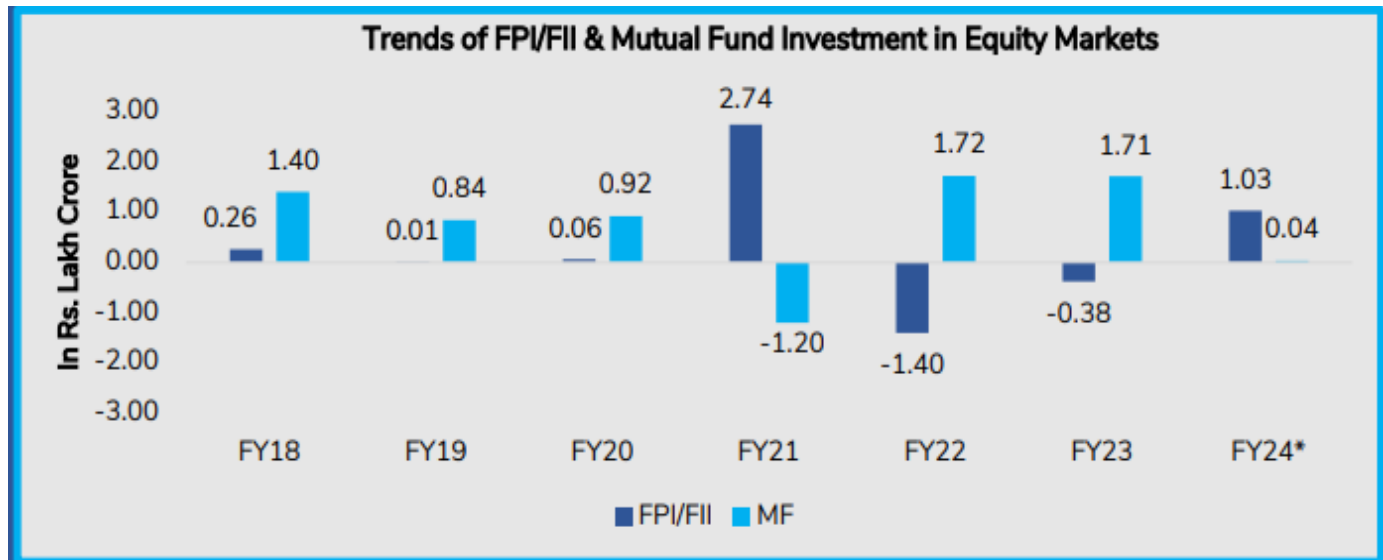
Section – 4: Industry Insights

SIP Contribution inched lower to Rs. 14,734 but remained above Rs. 14,000 crore mark



- Systematic Investment Plan (SIP) inched lower to Rs. 14,734 but remained above Rs. 14,000 crore mark.
- The number of new SIPs registered in June 2023 were over 27 lakh, which is the highest till date.
- The number of SIP accounts stood at 6.65 crore for June 2023 compared to 6.53 in May 2023.
- The SIP asset under management (AUM) stood at Rs 7.94 crore in June 2023 compared to Rs 7.53 crore in May 2023.

FPIs turn bullish after remaining net sellers in the previous two fiscals



- Foreign Portfolio Investors (FPIs) turned bullish regarding the growth prospects of the Indian economy after remaining net sellers in the previous two fiscals. From Apr to Jun of 2023, FPI remained net buyers in domestic equities to the tune of Rs. 1.03 lakh crore
- Continuous buying of domestic equities by FPIs have propelled S&P BSE Sensex and Nifty 50 to record high levels. The bullish sentiment can be attributed to:
 - Upbeat domestic macroeconomic fundamentals
 - Slowdown in inflation
 - Anticipation that the global monetary policy tightening cycle will end earlier than anticipated
 - Perception that India is a bright spot in the global economy
- Mutual Funds also remained net buyers in the domestic equities in the current fiscal

Mutual Fund at a Glance – Q1 2023-2024



QAAUM Q1FY24 at a glance

Market Share	Asset Management Company	QAAUM		QAAUM (In Rs. Crore)				% Change in QAAUM			
		Q1FY24	% Share	Q4FY23	Q3FY23	Q2FY23	Q1FY23	3M	6M	9M	12M
Top 20 = 97% Top 15 = 91% Top 10 = 80% Top 5 = 56%	SBI Mutual Fund	7,62,348	17.69%	7,17,161	7,12,362	6,82,607	6,47,474	6.3%	7.0%	11.7%	17.7%
	ICICI Prudential Mutual Fund	5,31,327	12.33%	4,99,625	4,88,081	4,76,191	4,65,468	6.3%	8.9%	11.6%	14.1%
	HDFC Mutual Fund	4,85,748	11.27%	4,49,766	4,44,796	4,29,271	4,15,307	8.0%	9.2%	13.2%	17.0%
	Nippon India Mutual Fund	3,13,598	7.28%	2,93,159	2,92,803	2,85,054	2,79,431	7.0%	7.1%	10.0%	12.2%
	Kotak Mahindra Mutual Fund	3,09,862	7.19%	2,89,344	2,86,600	2,82,058	2,82,002	7.1%	8.1%	9.9%	9.9%
	Aditya Birla Sun Life Mutual Fund	2,96,895	6.89%	2,75,204	2,81,717	2,82,580	2,81,527	7.9%	5.4%	5.1%	5.5%
	Axis Mutual Fund	2,48,160	5.76%	2,41,415	2,48,220	2,48,343	2,45,510	2.8%	0.0%	-0.1%	1.1%
	UTI Mutual Fund	2,48,088	5.76%	2,38,791	2,40,841	2,33,595	2,24,279	3.9%	3.0%	6.2%	10.6%
	Mirae Asset Mutual Fund	1,22,802	2.85%	1,16,270	1,15,194	1,09,256	1,00,726	5.6%	6.6%	12.40%	21.9%
	Bandhan Mutual Fund	1,18,168	2.74%	1,16,906	1,18,899	1,19,870	1,16,928	1.1%	-0.6%	-1.4%	1.1%
	DSP Mutual Fund	1,17,726	2.73%	1,14,722	1,16,096	1,11,341	1,06,682	2.6%	1.4%	5.7%	10.4%
	Tata Mutual Fund	1,11,151	2.58%	98,426	94,532	91,284	88,367	12.9%	17.6%	21.8%	25.8%
	Edelweiss Mutual Fund	1,05,550	2.45%	1,00,593	93,165	88,590	81,861	4.9%	13.3%	19.1%	28.9%
	HSBC Mutual Fund	87,926	2.04%	83,328	85,840	13,621	13,392	5.5%	2.4%	545.5%	556.6%
	Canara Robeco Mutual Fund	67,532	1.57%	62,485	60,547	55,149	49,253	8.1%	11.5%	22.5%	37.1%
	Franklin Templeton Mutual Fund	65,749	1.53%	63,116	63,992	61,278	58,812	4.2%	2.7%	7.3%	11.8%
	Invesco Mutual Fund	50,054	1.16%	46,444	45,850	42,273	40,159	7.8%	9.2%	18.4%	24.6%
	Sundaram Mutual Fund	45,612	1.06%	44,623	44,657	42,422	39,954	2.2%	2.1%	7.5%	14.2%
	PPFAS Mutual Fund	39,110	0.91%	33,716	31,332	28,411	24,790	16.0%	24.8%	37.7%	57.8%
	Motilal Oswal Mutual Fund	31,593	0.73%	29,579	30,016	29,540	28,522	6.8%	5.3%	6.9%	10.8%
	Baroda BNP Paribas Mutual Fund	27,716	0.64%	24,507	23,744	22,895	21,896	13.1%	16.7%	21.1%	26.6%
	quant Mutual Fund	23,366	0.54%	18,761	15,013	11,155	8,788	24.5%	55.6%	109.5%	165.9%
	PGIM India Mutual Fund	22,518	0.52%	21,437	21,116	19,333	17,206	5.0%	6.6%	16.5%	30.9%
	LIC Mutual Fund	18,553	0.43%	17,639	17,978	17,879	17,344	5.2%	3.2%	3.8%	7.0%
	Union Mutual Fund	10,765	0.25%	10,011	9,808	9,390	8,122	7.5%	9.8%	14.6%	32.5%
	Mahindra Manulife Mutual Fund	10,262	0.24%	9,821	9,277	9,171	9,223	4.5%	10.6%	11.9%	11.3%
	360 ONE Mutual Fund	5,421	0.13%	4,616	4,684	4,691	4,538	17.5%	15.7%	15.6%	19.5%
	NJ Mutual Fund	4,361	0.10%	4,300	4,770	4,962	4,979	1.4%	-8.6%	-12.1%	-12.4%
	Bank of India Mutual Fund	4,144	0.10%	3,394	3,362	3,054	2,948	22.1%	23.2%	35.7%	40.6%
	ITI Mutual Fund	4,037	0.09%	3,612	3,298	2,927	2,706	11.8%	22.4%	37.9%	49.2%
	IDBI Mutual Fund	3,695	0.09%	3,690	3,867	3,761	3,862	0.1%	-4.4%	-1.8%	-4.3%
	JM Financial Mutual Fund	3,154	0.07%	2,969	3,256	3,030	3,057	6.2%	-3.1%	4.1%	3.2%
	Navi Mutual Fund	3,049	0.07%	2,210	2,184	1,736	1,353	38.0%	39.6%	75.7%	125.4%
WhiteOak Capital Mutual Fund	3,018	0.07%	2,361	1,655	662	127	27.8%	82.4%	355.9%	2283.9%	
Quantum Mutual Fund	1,932	0.04%	1,909	1,872	1,801	1,756	1.2%	3.2%	7.3%	10.0%	
IL&FS Mutual Fund (IDF)	1,382	0.03%	1,334	1,455	1,421	1,394	3.6%	-5.0%	-2.8%	-0.9%	
Trust Mutual Fund	1,163	0.03%	1,190	1,097	967	1,034	-2.2%	6.0%	20.2%	12.4%	
Samco Mutual Fund	815	0.02%	781	735	647	590	4.4%	10.9%	26.0%	38.1%	
IIFCL Mutual Fund (IDF)	639	0.01%	629	634	631	625	1.6%	0.8%	1.3%	2.3%	
Taurus Mutual Fund	533	0.01%	513	535	518	498	3.8%	-0.4%	2.9%	6.9%	
Groww Mutual Fund	377	0.01%	512	593	581	524	-26.3%	-36.4%	-35.1%	-28.0%	
Shriram Mutual Fund	275	0.01%	283	296	254	208	-2.6%	-7.1%	8.5%	32.1%	
Grand Total	43,10,179	100%	40,51,147	40,26,769	38,34,203	37,03,221					

Note: IIFL Mutual Fund is now 360 ONE Mutual Fund. 3. Indiabulls Mutual Fund is now Groww Mutual Fund. Source: AMFI, MFI360

Section – 5: Regulatory Update

Key takeaways from Monetary Policy Committee Meetings

FY23	Repo Rate	MSF and Bank Rate	Standing Deposit Facility	Inflation	GDP
08-Jun-23	Unchanged at 6.50%	Unchanged at 6.75%	Steady at 6.25%	Projection lowered from: 5.2% to 5.1% for FY24 5.1% to 4.6% for Q1FY24 5.4% to 5.2% for Q2FY24 Projection retained at: 5.4% for Q3FY24 5.2% for Q4FY24	Projection raised from: 6.4% to 6.5% for FY24 7.1% to 7.8% for Q1FY24 6.0% to 6.1% for Q3FY24 5.8% to 5.9% for Q4FY24 Projection retained at: 7.8% for Q1FY24 6.2% for Q2FY24
06-Apr-23	Unchanged at 6.50%	Unchanged at 6.75%	Steady at 6.25%	Projection lowered from: 5.3% to 5.2% for FY24 5.6% to 5.2% for Q4FY24 Projection raised from: 5% to 5.1% for Q1FY24 Projection retained at: 5.4% for Q2FY24 5.4% for Q3FY24	Projection raised from: 7.8% to 8% for Q1FY24 6.2% to 6.5% for Q2FY24 Projection layered from: 6.1% to 6.0% for Q3FY24 5.9% to 5.7% for Q4FY24 Projection retained at: 6.5% for FY24

RNB Corporate Services Pvt Ltd
 614, Corporate Annexe, Sonawala Road, Goregaon (E)
 AMFI REGISTERED MUTUAL FUND DISTRIBUTOR NO.173108
 CIN: U67190MH2020PTC349176

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