

# Strategy

## India MF Monthly Flow Tracker – Jul'25

In Jul'25, equity mutual funds (ex-arbitrage) saw inflows of INR 565bn (USD 6.5bn), 80% higher MoM. This follows a 30% MoM rise in inflows in Jun'25. SIP inflows in Jul'25 increased over Jun'25 to INR 285bn (USD 3.3bn), taking total SIP AUM to INR 15.2trln (USD 173bn), -0.7% MoM. Outstanding SIP accounts in the country increased by 2.6mn MoM, while number of new SIPs registered (gross) increased by 0.7mn from 6.2mn in Jun'25 to 6.9mn in Jul'25. Further, closure of SIP accounts stood at 4.3mn, taking the ratio of discontinued SIPs as a % of new SIPs to 63%. Vis-à-vis the BSE 200, the top-5 sectors where domestic mutual funds are overweight include: (1) pharmaceuticals & healthcare, (2) capital goods, (3) e-commerce, (4) consumer durables, and (5) agrochemicals & petrochemicals. Vis-à-vis the BSE 200, the top-5 sectors wherein domestic mutual funds are underweight include: (1) private banks, (2) oil & gas, (3) IT services, (4) consumer and (5) metals & mining.

- **MF flows increase 80% MoM following a 30% rise in Jun'25:** In Jul'25, equity mutual funds (ex-arbitrage) saw inflows of INR 565bn (USD 6.5bn), 80% higher MoM. This follows a 30% MoM rise in inflows in Jun'25. Arbitrage funds saw inflows of INR 73bn vs. inflows of INR 156bn in Jun'25. Core equity funds saw an inflow of INR 427bn, up 81% MoM. Thematic flows have increased MoM and stood at INR 94bn vs. INR 5bn in Jun'25. Equity NFOs saw a large rise in Jul'25 to INR 108.8bn vs. INR 9.3bn in Jun'25.
- **SIP inflows and SIP accounts see an increase:** SIP inflows in Jul'25 increased over Jun'25 to INR 285bn (USD 3.3bn), taking total SIP AUM to INR 15.2trln (USD 173bn), 0.7% lower MoM (hampered by ~3% negative market movement). Outstanding SIP accounts in the country currently stand at 94.5mn, 2.6mn higher MoM. The number of new SIPs registered (gross) increased by 0.7mn from 6.2mn in Jun'25 to 6.9mn in Jul'25. Further, closure of SIP accounts stood at 4.3mn, taking the ratio of discontinued SIPs as a % of new SIPs to 63%. Number of total contributing SIP accounts in Jul'25 increased to 91.1mn vs. 86.5mn sequentially.
- **How MF holdings stack up vs. the BSE 200:** Vis-à-vis the BSE 200, the top-5 sectors wherein domestic mutual funds remain **overweight** include: (1) pharmaceuticals & healthcare, (2) capital goods, (3) e-commerce, (4) consumer durables, and (5) agrochemicals & petrochemicals. This list remains unchanged vs. Jun'25. Besides this, sectors such as building materials, media, sugar and diversified have seen mutual funds taking exposure, although they do not have any weight in the BSE200. Vis-à-vis the BSE 200, the top-5 sectors wherein domestic mutual funds are **underweight** include: (1) private banks, (2) oil & gas, (3) IT services, (4) consumer and (5) metals & mining. This list remains unchanged vs. Jun'25.
- **Indian MF cash levels:** Indian MFs cash levels stood at INR 2,070bn, which is 4.9% of total equity AUM. In June, these numbers stood marginally lower at INR 2,040bn, constituting 4.8% of AUM.



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### Nifty Valuation table (JMFL Estimates)

Particulars	FY25A	FY26E	FY27E
Nifty Index	24,487	24,487	24,487
EPS (INR)	1,012	1,112	1,283
YoY (%)	2.7	9.9	15.4
BPS (INR)	6,910	7,506	8,217
YoY (%)	6.2	8.6	9.5
PE (x)	24.2	22.0	19.1
PB (x)	3.5	3.3	3.0
ROE (%)	15.1	15.4	16.3

Source: Company, JM Financial

### Nifty Valuation table (Bloomberg Estimates)

Particulars	FY25A	FY26E	FY27E
Nifty Index	24,487	24,487	24,487
EPS (INR)	1,012	1,155	1,330
YoY (%)	2.7	10.6	15.2
PE (x)	24.2	21.2	18.4
ROE (%)	15.1	15.4	15.5

Source: Company, JM Financial

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
S&P Capital IQ, FactSet and Visible Alpha

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- In Jul'25, equity mutual funds (ex-arbitrage) saw inflows of INR 565bn (USD 6.5bn), 80% higher MoM. This follows a 30% MoM rise in inflows in Jun'25. Arbitrage funds saw inflows of INR 73bn vs. inflows of INR 156bn in Jun'25.
- Core equity funds saw an inflow of INR 427bn, up 81% MoM.
- Thematic flows have increased significantly MoM, and stood at INR 94bn vs. INR 5bn in Jun'25.
- In core equity funds, all funds saw an increase in inflows MoM. ELSS funds saw outflows in Jul'25.
- Equity NFOs saw a large rise in Jul'25 to INR 108.8bn vs. INR 9.3bn in Jun'25.

**Exhibit 1. Equity inflows into mutual funds (INR mn)**

Equity	Aug'24	Sep'24	Oct'24	Nov'24	Dec'24	Jan'25	Feb'25	Mar'25	Apr'25	May'25	Jun'25	Jul'25
Multi Cap Fund	24,751	35,089	35,969	36,265	30,751	35,674	25,177	27,530	25,517	29,993	27,942	39,908
Large Cap Fund	26,369	17,694	34,523	25,479	20,110	30,633	28,660	24,793	26,715	12,505	16,943	21,251
Large & Mid Cap Fund	32,937	35,981	48,571	46,797	38,118	41,230	26,560	27,181	25,521	26,907	34,969	50,347
Mid Cap Fund	30,547	31,304	46,829	48,834	50,932	51,479	34,069	34,389	33,140	28,087	37,544	51,825
Small Cap Fund	32,093	30,708	37,720	41,119	46,677	57,209	37,225	40,921	40,000	32,142	40,245	64,844
Dividend Yield Fund	4,999	15,296	5,328	2,156	2,772	2,146	686	1,405	515	-208	455	967
Value Fund/Contra Fund	17,280	19,644	24,566	20,880	15,139	15,565	13,474	15,534	10,732	-923	11,594	14,700
Focused Fund	-835	-2,728	6,932	4,300	4,558	7,831	12,877	13,863	8,848	9,472	9,650	16,060
Sectoral/Thematic Funds	1,81,172	1,32,546	1,22,788	76,578	1,53,315	90,166	57,116	1,701	20,009	20,525	4,756	94,260
Flexi Cap Fund	35,132	32,146	51,807	50,841	47,307	56,976	51,042	56,150	55,417	38,413	57,332	76,543
ELSS	-2,320	-3,752	3,621	6,023	1,682	7,786	5,531	6,702	-3,876	-6,967	-5,752	-3,979
<b>Core Equity</b>	<b>3,82,124</b>	<b>3,43,928</b>	<b>4,18,654</b>	<b>3,59,273</b>	<b>4,11,362</b>	<b>3,96,693</b>	<b>2,92,417</b>	<b>2,50,168</b>	<b>242,537</b>	<b>189,946</b>	<b>235,679</b>	<b>426,726</b>
Arbitrage Fund	23,721	-35,319	71,817	-13,529	-4,091	42,917	35,923	-28,546	117,904	157,020	155,846	72,957
Balanced/Aggressive Hybrid	3,212	5,162	13,706	9,140	3,276	6,330	3,101	2,937	-1,515	3,414	13,315	23,636
Equity Savings	14,568	22,693	17,476	5,857	4,505	4,021	900	-5,611	-1,419	5,695	10,729	21,036
<b>Balanced (Hybrid + Solution)</b>												
Conservative Hybrid Fund	-1,868	-1,265	3,105	-366	-1,701	-1,942	-815	-2,710	-2,364	893	1,382	3,082
Balanced Advantage	32,151	17,036	24,562	15,696	15,961	15,121	6,644	7,761	8,812	11,361	18,855	26,112
Multi Asset Allocation	28,269	40,704	37,967	24,439	25,747	21,228	22,284	16,703	21,057	29,268	32,100	61,972
Retirement Fund	1,327	1,362	2,077	1,660	1,326	1,021	1,090	1,083	760	529	785	1,189
Children's Fund	950	963	1,184	1,533	2,008	1,409	1,372	1,329	1,299	1,244	1,280	1,637
<b>Total Equity inflow</b>	<b>4,84,455</b>	<b>3,95,264</b>	<b>5,90,549</b>	<b>4,03,703</b>	<b>4,58,393</b>	<b>4,86,799</b>	<b>3,62,917</b>	<b>2,43,114</b>	<b>387,071</b>	<b>399,369</b>	<b>469,971</b>	<b>638,348</b>
Arbitrage inflow	23,721	-35,319	71,817	-13,529	-4,091	42,917	35,923	-28,546	117,904	157,020	155,846	72,957
<b>Total Equity (ex-arbitrage)</b>	<b>4,60,733</b>	<b>4,30,583</b>	<b>5,18,732</b>	<b>4,17,232</b>	<b>4,62,484</b>	<b>4,43,882</b>	<b>3,26,994</b>	<b>2,71,660</b>	<b>269,167</b>	<b>242,350</b>	<b>314,125</b>	<b>565,390</b>

Source: AMFI, JM Financial

## Monthly SIP inflows (Aug'24-Jul'25)

Date	Monthly SIP (INR bn)	Outstanding SIP Accounts (mn)	New SIPs registered (mn)	SIPs discontinued (mn)	SIPs discontinued as % of new SIPs	Contributing SIP Accounts	SIP AUM (INR trn)	SIP AUM (% MoM)	Nifty (% MoM)
Aug'24	235	96.1	6.4	3.7	57%	74.5	13.4	2.3%	1.1%
Sep'24	245	98.7	6.6	4.0	61%	77.5	13.8	3.0%	2.3%
Oct'24	253	101.2	6.4	3.9	61%	79.5	13.3	-3.6%	-6.2%
Nov'24	253	102.3	4.9	3.9	79%	79.7	13.5	1.5%	-0.3%
Dec'24	265	103.2	5.4	4.5	83%	82.7	13.6	0.7%	-2.0%
Jan'25	264	102.7	5.6	6.1	109%	83.5	13.2	-2.9%	-0.6%
Feb'25	260	101.7	4.5	5.5	123%	82.6	12.4	-6.1%	-5.9%
Mar'25	259	100.5	4.0	5.2	128%	81.1	13.4	8.1%	6.2%
Apr'25	266	88.9	4.6	16.2*	353%*	83.8	13.9	4.0%	3.5%
May'25	267	90.6	5.9	4.3	72%	85.6	14.6	5.2%	1.7%
Jun'25	273	91.9	6.2	4.8	78%	86.5	15.3	4.7%	3.1%
Jul'25	285	94.5	6.9	4.3	63%	91.1	15.2	-0.7%	-3.0%

Source: AMFI, JM Financial.

\*Note: Include accounts discontinued due to a one-off cleaning exercise conducted by AMFI

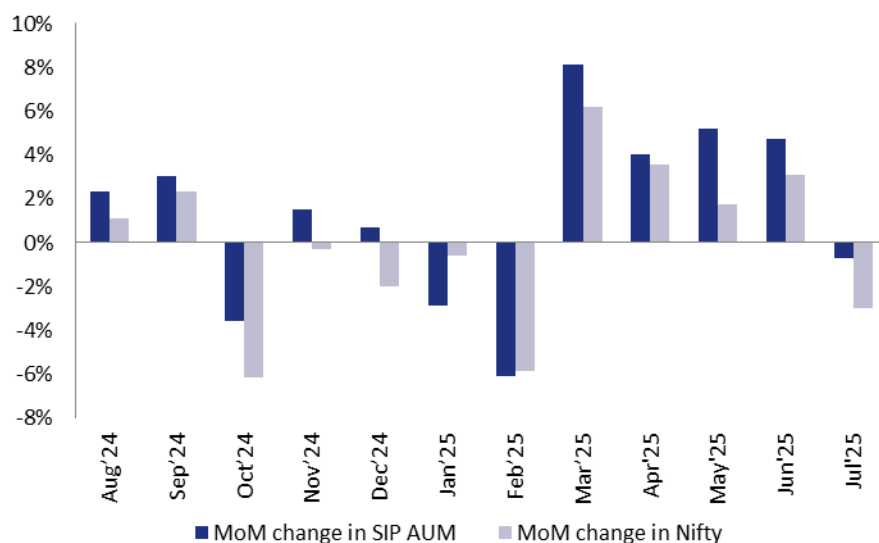
SIP inflows in Jul'25 increased over Jun'25 to INR 285bn (USD 3.3bn), taking total SIP AUM to INR 15.2trln (USD 173bn), 0.7% lower MoM (hampered by ~3% negative market movement).

Outstanding SIP accounts in the country currently stand at 94.5mn, 2.6mn higher MoM.

The number of new SIPs registered (gross) increased by 0.7mn from 6.2mn in Jun'25 to 6.9mn in Jul'25. Further, closure of SIP accounts stood at 4.3mn, taking the ratio of discontinued SIPs as a % of new SIPs to 63%.

Number of total contributing SIP accounts in Jul'25 increased to 91.1mn vs. 86.5mn sequentially.

## Exhibit 2. Monthly change in SIP AUM vs. MoM Change in Nifty50



Source: AMFI, JM Financial

**Exhibit 3. Sectors MFs are overweight in vs. BSE 200 (%)**

Sector	Overweight	BSE200	MF Industry
Pharmaceuticals & Healthcare	1.8	5.2	7.0
Capital Goods	0.9	3.6	4.6
e-Commerce	0.9	1.7	2.6
Consumer Durables	0.8	0.6	1.3
AgroChem & Petrochemicals	0.7	1.5	2.2
Textiles, Apparels & Accessories	0.4	0.2	0.6
Ceramics, Plyboards & Glass	0.2	-	0.2
Cable	0.2	0.2	0.4
Hotels, Restaurants & Tourism	0.2	0.6	0.7
Media	0.1	-	0.1
Sugar	0.1	-	0.1
Diversified	0.1	-	0.1
NBFC - AMC	0.0	0.4	0.4

Source: AMFI, JM Financial

Vis-à-vis the BSE 200, the top-5 sectors where domestic mutual funds are overweight include: pharmaceuticals & healthcare, capital goods, e-commerce, consumer durables, and agrochemicals & petrochemicals (no change vs. Jun'25).

Besides this, sectors such as building materials, media, sugar and diversified have seen mutual funds taking exposure, although they do not have any weight in the BSE200.

**Exhibit 4. Sectors MFs are underweight in vs. BSE 200 (%)**

Sector	Underweight	BSE200	MF Industry
Private Banks	-4.3	20.2	15.8
Oil & Gas	-3.0	8.2	5.2
Software & Services	-2.4	9.5	7.1
Consumer	-2.1	7.2	5.0
Metals & Mining	-1.3	3.5	2.2
Telecom Services	-1.1	3.9	2.8
Utilities	-0.8	3.9	3.1
PSU Banks	-0.5	3.2	2.6
NBFC	-0.4	6.0	5.6
Automobiles & Auto Components	-0.3	7.3	7.0
Cement	-0.3	2.1	1.9
Realty	-0.2	1.3	1.1
Paints	-0.2	0.8	0.6
Port & Logistics	-0.2	1.6	1.5
Insurance	-0.1	1.6	1.5
Engineering - Construction	-0.1	2.7	2.6
Coal	-0.1	0.6	0.4
Retailing	-0.0	2.2	2.1
Plastic Products	-0.0	0.3	0.3

Source: AMFI, JM Financial

Vis-à-vis the BSE 200, the top-5 sectors wherein domestic mutual funds are underweight include: private banks, oil & gas, IT services, consumer, and metals & mining (no change vs. Jun'25).

**Exhibit 5. Top sectors (and the stocks therein) that have witnessed high levels of buying**

Sector	Buy Value (INR mn)	Top-5 Buy	Top-3 Sell
Software & Services	160,986	Infosys, TCS, HCL Tech, Tech Mahindra, Info Edge	LTIMindtree, Birlasoft, Intellect Design
PSU Banks	113,499	SBI, Canara Bank, Indian Bank, BOM, BOB	UBI, BOI, PNB
Private Banks	103,314	Axis Bank, Kotak, ICICI Bank, AU Small FB, RBL Bank	HDFC Bank, IndusInd Bank, DCB Bank
NBFC	78,184	HDB Financial, Cholamandalam Inv, Bajaj Finance, L&T Finance, 360 One Wam	Power Finance, BSE, MCEX
Capital Goods	45,163	CG Power, Bharat Electronics, Hindustan Aeronautics, PG Electroplast, Havells	ABB India, Hitachi Energy, Tega Industries
Auto & Auto Components	43,713	M&M Ltd, Maruti Suzuki, Sona BLW, Hero MotoCorp, Bharat Forge	Bajaj Auto, Samvardhana Motherson, Apollo Tyres
Pharmaceuticals & Healthcare	41,118	Anthem Biosciences, Lupin, JB Chemicals, Laurus Labs, Sai Life Sciences	Sun Pharma, Apollo Hospitals, Zydus Lifesciences
Realty	37,166	Oberoi Realty, Lodha, The Phoenix Mills, Marathon Nextgen, Godrej Properties	Prestige Estates, Raymond Realty, NBCC
Consumer	25,268	ITC, Godrej Consumer, Britannia Ind, Devyani Int, AWL Agri	Varun Beverages, Tata Consumer, Hindustan Unilever
Consumer Durables	17,039	Dixon Tech, Voltas, Amber Ent, Blue Star, Crompton Greaves	Whirlpool, Butterfly Gandhimathi, RHI Magnesita

Source: AMFI, JM Financial

**Exhibit 6. Top sectors (and the stocks therein) that have witnessed high levels of selling**

Sector	Sell Value (INR mn)	Top5 Sell	Top3 Buy
Port & Logistics	-21,234	Interglobe, Container Corp, Cochin Shipyard, Mahindra Logistics, Aegis Vopak	Gesco, Mazagon Dock, Garden Reach
Cement	-20,072	ACC, Grasim Ind, Ambuja Cements, JK Cement, JK Lakshmi Cement	Ultratech Cement, Ramco Cements, India Cements
AgroChem & Petrochemicals	-11,825	Solar Industries, UPL, Aarti Ind, Chambal Fertilisers, Paradeep Phosphates	Navin Fluorine, Coromandel Int, PI Industries
NBFC - AMC	-10,070	HDFC AMC, Nippon AMC	UTI AMC, Aditya Birla AMC
Metals & Mining	-9,158	Hindalco, Hindustan Copper, SAIL, Ratnamani Metals, Nalco	APL Apollo, Jindal Steel, Vedanta
Utilities	-8,811	NTPC, IEX, Siemens Energy, Tata Power, Torrent Power	Adani Green, JSW Energy, NTPC Green
Coal	-7,664	Coal India	
Media	-3,377	Zee Ent, PVR Inox, TV Today, Saregama India, Jagran Prakashan	Tips Music, Sun TV Network, Network 18
Telecom Services	-2,828	Bharti Airtel, Indus Towers, Tejas Networks, ,	Vodafone Idea, Tata Communications, Bharti Hexacom
Ceramics, Plyboards & Glass	-1,868	Kajaria Ceramics, Pokarna, Greenply Ind, Greenlam Ind, Somany Ceramics	Cera Sanitaryware, Greenpanel Ind, AGI Greenpac

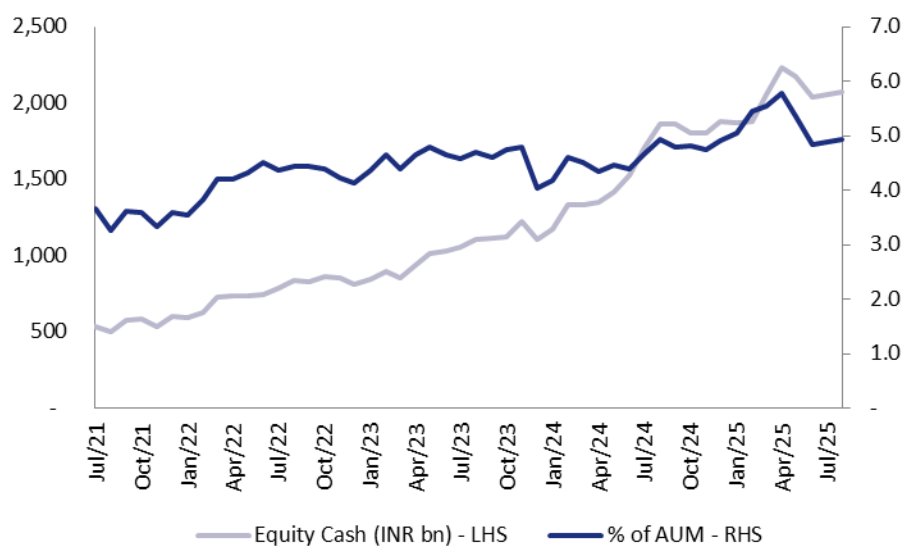
Source: AMFI, JM Financial

**Exhibit 7. Stocks that have seen additions and reductions by MFs (INR mn)**

Top stocks added by MFs	Net Buy Value (INR mn)	Top stocks reduced by MFs	Net Sell Value (INR mn)
State Bank Of India	103,689	Interglobe Aviation	-23,358
Infosys	57,011	Eternal	-15,945
TCS	43,003	HPCL	-9,809
HDB Financial Services	41,654	Hindalco Industries	-9,597
Reliance Industries	41,029	NTPC	-9,285
Axis Bank	38,297	ACC	-8,590
Kotak Mahindra Bank	31,606	HDFC AMC	-8,115
HCL Technologies	28,149	Solar Industries India	-7,961
M&M Ltd	27,766	Coal India	-7,664
Anthem Biosciences	26,245	Sun Pharmaceutical	-7,554
ICICI Bank	20,472	Indian Oil	-6,344
CG Power	17,354	Hindustan Copper	-6,294
Larsen & Toubro	14,191	UPL	-5,981
Oberoi Realty	14,150	HDFC Bank	-5,917
Tech Mahindra	13,878	Grasim Industries	-5,821

Source: AMFI, JM Financial

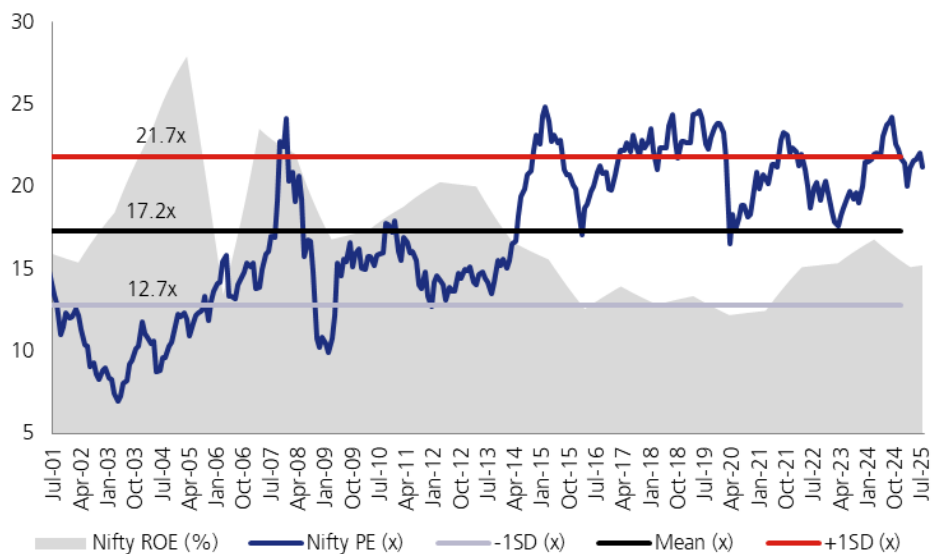
Exhibit 8. Cash levels with Indian MFs



Source: Company, Bloomberg, JM Financial

Indian MFs cash levels stood at INR 2,070bn, which is 4.9% of total equity AUM.

Exhibit 9. Nifty50 – 1-yr forward P/E chart



Source: Company, Bloomberg, JM Financial

## APPENDIX I

## JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
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\* REITs refers to Real Estate Investment Trusts.

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