

MF Meter

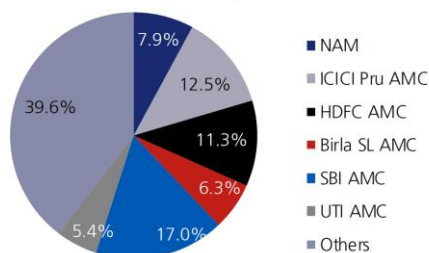
Monthly Update on India's Asset Management Industry

Robust SIP inflows sustain AUM growth momentum

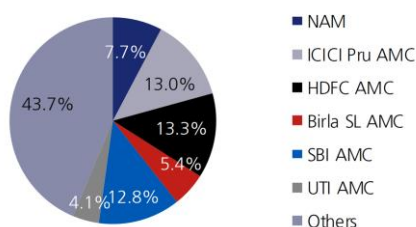
	Reco	TP
HDFC AMC	BUY	3,150
Nippon Life India AMC	BUY	430
UTI AMC	BUY	950

AUM Market share of Top AMC

Overall MF Monthly Avg AUM mkt share (Jan 24)



Individual MF Monthly Avg AUM mkt share (Jan 24)



Equity MF schemes (ex-arbitrage) inflows surged to INR 320bn in Jan'24 (vs. INR 215bn in Dec'23). Within equity, the inflows continue to be driven by uptick in multi/flexi cap schemes (INR 55bn vs 29bn MoM) and steady inflows in mid cap (INR 21bn vs INR 14bn MoM) and small cap schemes (INR 33bn vs 39bn MoM). Arbitrage funds saw net inflows of INR 106bn (flat MoM). SIP inflows continued their upward trend and clocked INR 188.4bn (vs INR 176.1bn in Dec'23) while SIP AUM increased to INR 10.3trn (+52% YoY, +3% MoM). Net new SIPs registered (new SIPs registered minus SIPs discontinued) stood at 2.8mn in Jan'24 (vs 1.9mn in Dec'23). Debt MF (ex-liquid) schemes witnessed net inflows of INR 75bn (vs outflows of INR 205bn in Dec'23); while liquid MF scheme net inflows were at INR 691bn (vs net outflows of INR 529bn in Dec'23). Total industry MF AUM reached INR 52.7trn (+33% YoY, +4% MoM) while equity MF AUM increased to INR 29.9trn (+47% YoY, +4% MoM). As of Jan'24, equity MF schemes contributed 56.9% (+589bps YoY) of total industry AUM while debt and liquid schemes contributed 17.0% (-231bps YoY) and 13.4% (-323bps YoY), respectively. For the AMCs under our coverage, equity AUM market share for HDFC AMC and NAM witnessed an improvement to 12.88% (+79bps YoY, +5bps MoM) and 6.84% (+49bps YoY, +6bps MoM) resp., while market share for UTI AMC stood at 4.07% (-51bps YoY, -8bps MoM).

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Key highlights are tabulated below:

▪ Net flows (Jan'24):

- Equity MFs (incl. ELSS + Arbitrage + Balanced) **inflow: INR 426.3bn** (vs. INR 321.9 bn inflow in Dec'23).
 - Net flows in equity schemes include **INR 106bn net inflow** from arbitrage schemes. Excluding arbitrage flows, equity schemes witnessed **net inflows of INR 320bn** (vs. INR 216bn net inflow in Dec'23 on a like-to-like basis).
 - Small cap, Mid cap, Large and midcap and Multi cap/Flexi cap schemes witnessed inflows of INR 32.6bn, INR 20.6bn, INR 23.3bn and INR 54.9bn respectively. Large cap schemes witnessed inflows of INR 12.9bn vs outflows of INR 2.8bn in Dec'23.
- Debt MFs (ex-liquid schemes) **inflow: INR 74.8bn** (vs. **INR 205.3bn** outflow in Dec'23).
- Liquid MFs **inflow: INR 691.1bn** (vs. **INR 529.2bn** outflow in Dec'23).
- ETFs + FOFs + Index Funds **inflow: INR 39.8bn** (vs **INR 5.7bn** inflow in Dec'23)

▪ MF AUM (as of Jan'24):

- Equity MFs (incl. ELSS+Arbitrage+Balanced) AUM: **INR 29.9trn (+47% YoY, +4% MoM)**.
 - Equity MF AUM includes **INR 1.44trn** in arbitrage schemes.
- Debt MFs (ex-liquid schemes) AUM: **INR 7.3trn (+13% YoY, +2% MoM)**.
- Liquid MFs AUM: **INR 6.7trn (+9% YoY, 12% MoM)**.
- Overall MFs AUM: **INR 52.7trn (+33% YoY, +4% MoM)**.

▪ SIP inflows (Jan'24):

- SIP inflows in Jan'24 stood at **INR 188.4bn** (+36% YoY, +7% MoM) with **SIP AUM at INR 10.3trn** (+52% YoY, +3% MoM).
- **New SIPs** registered stood at **c.5.2mn** for Jan'24 (c.4.0mn for Dec'23) **while SIPs deregistered** stood at **c.2.4mn** for Jan'24 (vs. c.2.1mn for Dec'23).

▪ Industry MF AUM mix (as of Jan'24):

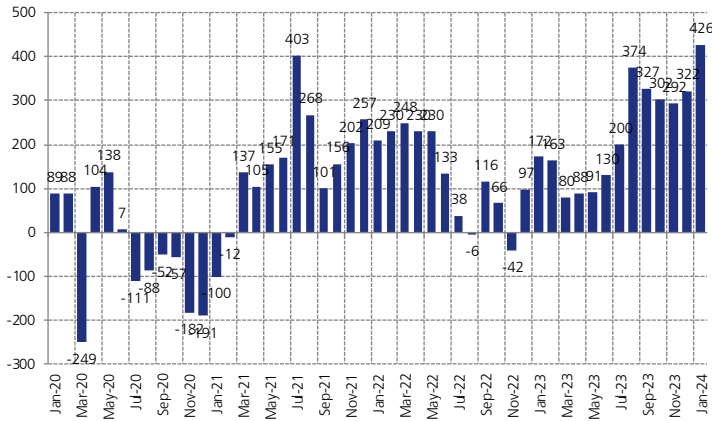
- Equity MF schemes (incl. ELSS + Arbitrage + Balanced) contributed **56.9%** to industry monthly average AUM in **Jan'24**, compared with **51.0%** in **Jan'23 (+589bps)**.
- Individuals contributed **60.1%** to Industry monthly average AUM in **Jan'24**, compared to **57.3%** in **Jan'23 (+278 bps)**.

▪ Market shares based on Jan'24 monthly average AUM:

- **Equity MF schemes:** Among top AMCs, HDFC AMC, SBI AMC, ICICI Pru AMC and NAM gained 79bps, 9bps, 15bps and 49bps of market share respectively since Jan'23, while Birla SL AMC and UTI AMC have lost 67bps and 51bps of market share respectively.
- **Debt MF schemes:** Among top AMCs, ICICI Pru AMC, SBI AMC and NAM have gained 40bps, 42bps and 97bps of market share respectively since Jan'23, while HDFC AMC, Birla SL AMC and UTI AMC have lost 7bps, 4bps and 26bps of market share respectively.

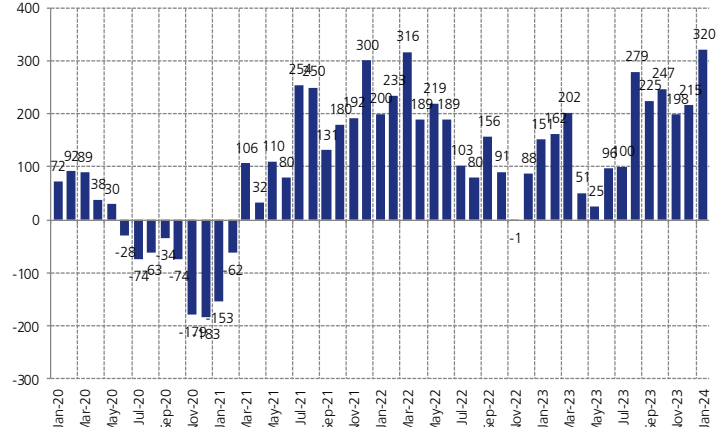
Monthly flows across scheme types

Exhibit 1. Equity MFs net inflows (INR bn)



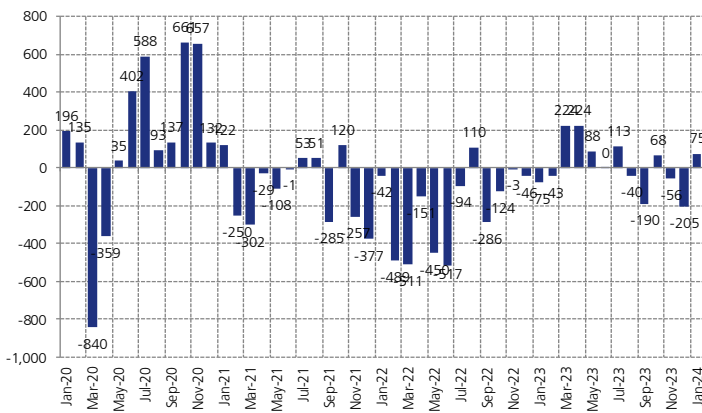
Source: AMFI, JM Financial #Equity MF flow includes Equity + ELSS + Arbitrage + Balanced Schemes

Exhibit 2. Equity MFs net inflows (ex-arbitrage) (INR bn)



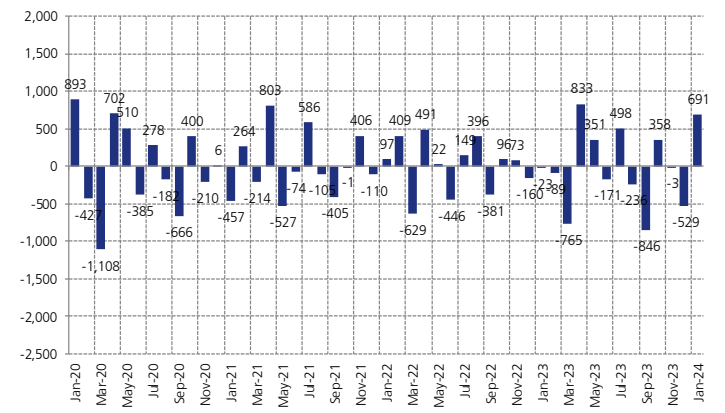
Source: AMFI, JM Financial

Exhibit 3. Debt MFs net inflows (INR bn)



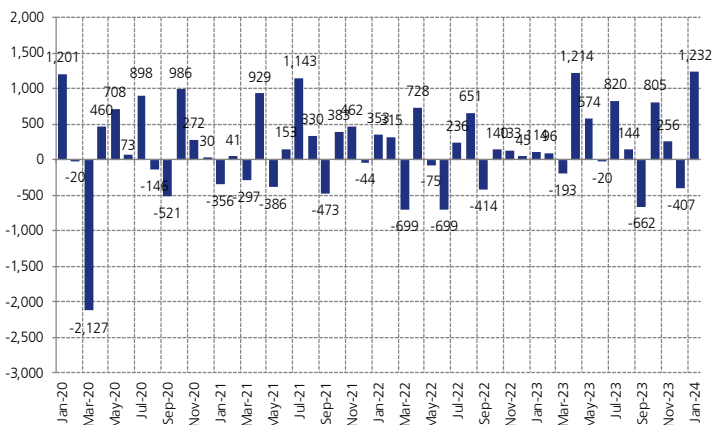
Source: AMFI, JM Financial ^Debt MF flow includes Income + Gilt + Infra Debt schemes, excludes Liquid

Exhibit 4. Liquid MFs net inflows (INR bn)



Source: AMFI, JM Financial

Exhibit 5. Overall MF net inflows (INR bn)



Source: AMFI, JM Financial

Monthly flows across equity schemes

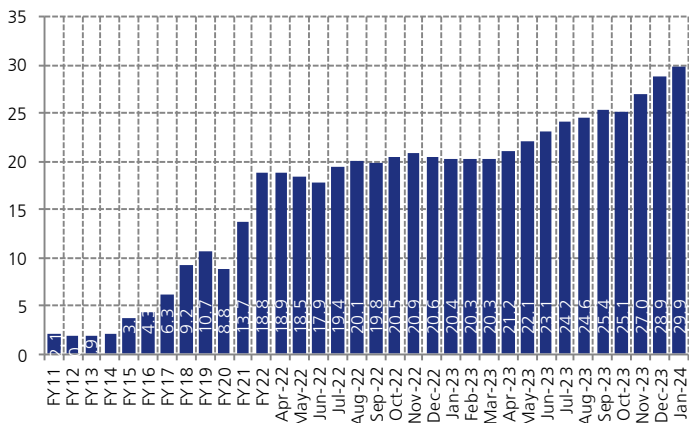
Exhibit 6. Trend of monthly flows across equity schemes

Net Inflows	Jan/23	Feb/23	Mar/23	Apr/23	May/23	Jun/23	Jul/23	Aug/23	Sep/23	Oct/23	Nov/23	Dec/23	Jan/24
Multi Cap/Flexi Cap	27.8	37.8	18.2	7.6	-2.6	7.2	15.7	56.1	35.9	50.8	33.8	29.4	54.9
Large Cap Fund	7.2	3.5	9.1	0.5	-13.6	-20.5	-18.8	-3.5	-1.1	7.2	3.1	-2.8	12.9
Large & Mid Cap Fund	19.0	16.5	16.2	7.4	11.3	11.5	13.3	21.1	13.3	17.3	18.5	23.4	23.3
Mid Cap Fund	16.3	18.2	21.3	17.9	12.0	17.5	16.2	25.1	20.0	24.1	26.7	13.9	20.6
Small Cap Fund	22.6	22.5	24.3	21.8	32.8	54.7	41.7	42.6	26.8	45.0	37.0	38.6	32.6

Source: AMFI, JM Financial, *multi cap/flexi cap includes both multi cap and flexi cap (introduced by SEBI in Nov-20)

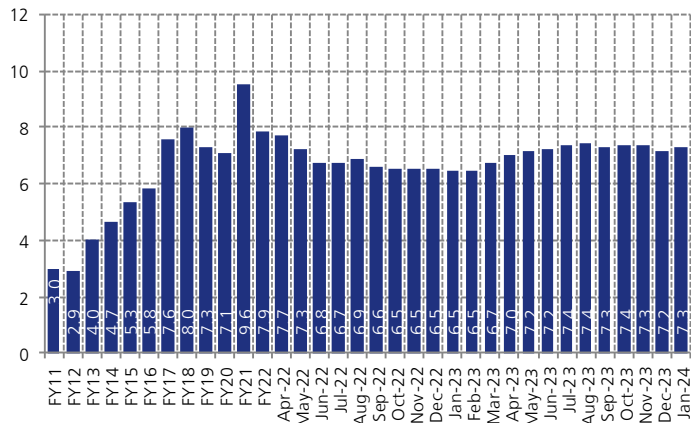
Mutual Fund AUM movement

Exhibit 7. Equity MF AUM (INR trn) (closing basis)



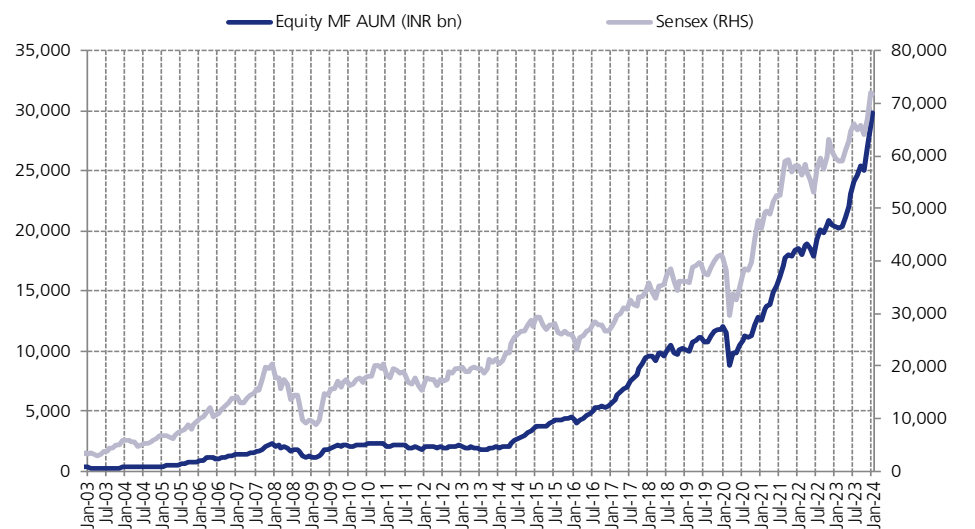
Source: AMFI, JM Financial # Equity MF AUM includes Equity + ELSS + Arbitrage + Balanced Schemes

Exhibit 8. Debt MF AUM (INR trn) (closing basis)



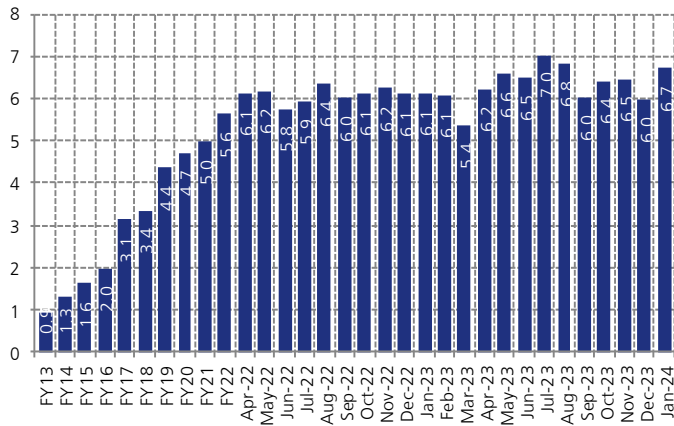
Source: AMFI, JM Financial ^Debt MF AUM includes Income + Gilt + Infra Debt schemes, excludes Liquid

Exhibit 9. Equity MF AUM vs Sensex



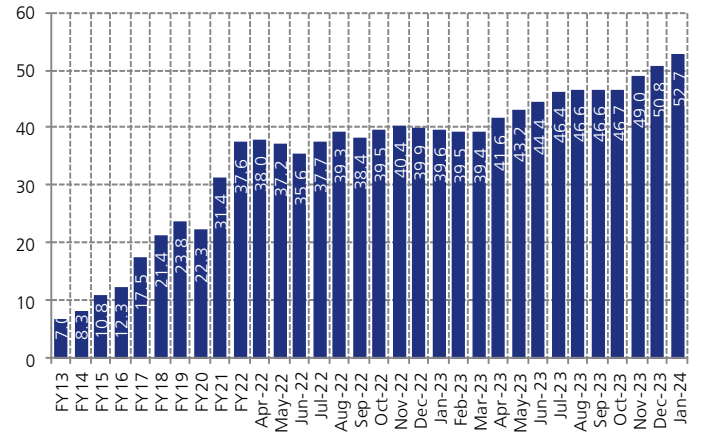
Source: AMFI, JM Financial #Equity MF AUM includes Equity + ELSS + Arbitrage + Balanced Schemes

Exhibit 10. Liquid MF AUM (INR trn) (closing basis)



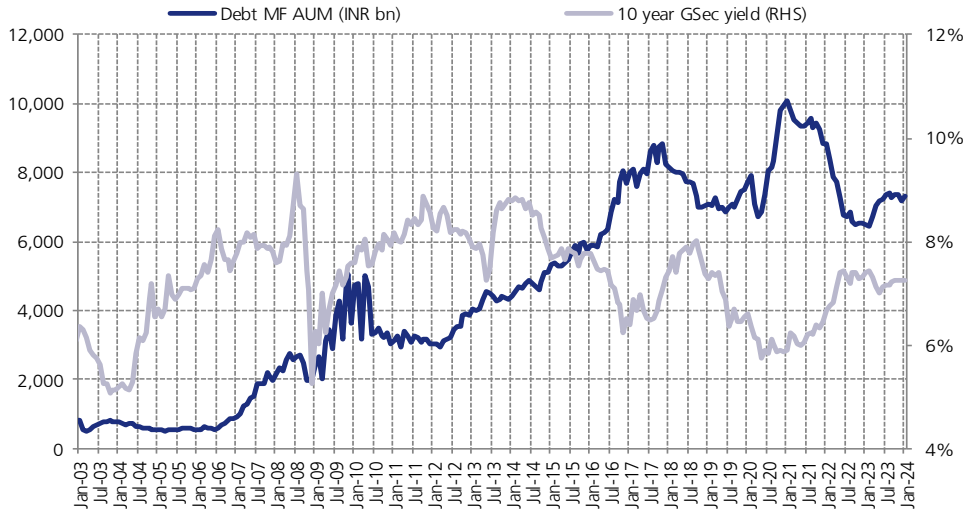
Source: AMFI, JM Financial

Exhibit 11. Overall MF AUM (INR trn) (closing basis)



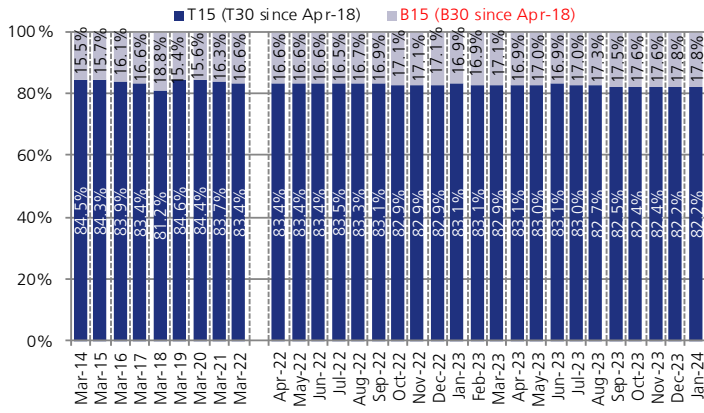
Source: AMFI, JM Financial

Exhibit 12. Debt MF AUM vs 10 year GSec yield



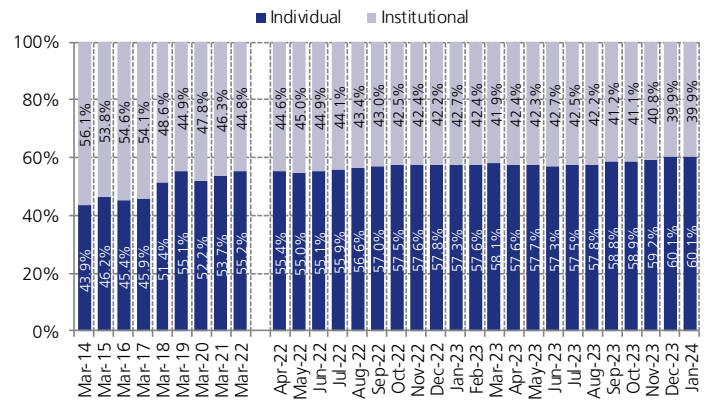
Source: AMFI, JM Financial ^Debt MF AUM includes Income + Gilt + Infra Debt schemes, excludes Liquid schemes

Exhibit 13. Industry Monthly Avg. AUM: T15/T30 vs B15/B30



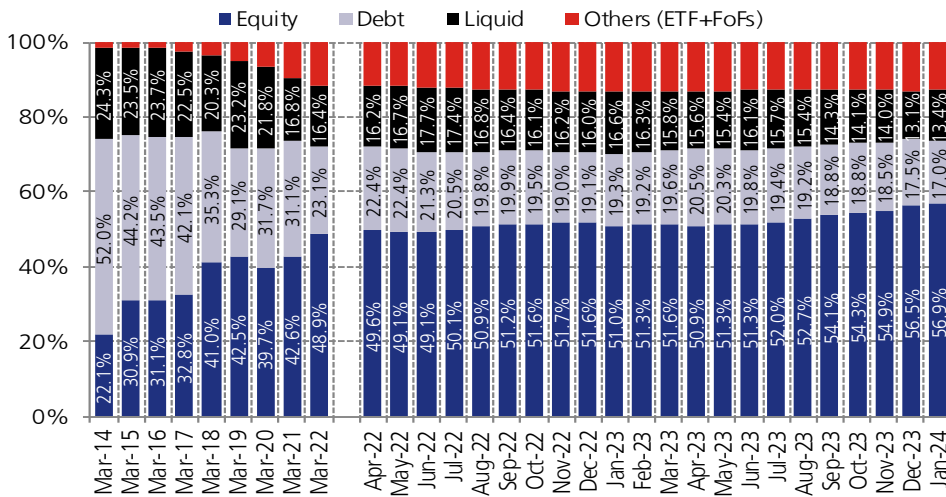
Source: AMFI, JM Financial # SEBI mandated in Feb-18 that additional expense ratio that was chargeable by MF schemes for meeting certain criteria of MF inflows from B15 (beyond top 15) cities will now only be applicable to B30 (beyond top 30) cities. Hence, from Apr-18 onwards, AMCs now report B30 monthly avg. AUM, instead of B15.

Exhibit 14. Industry Monthly Avg. AUM: Individual vs Institutional



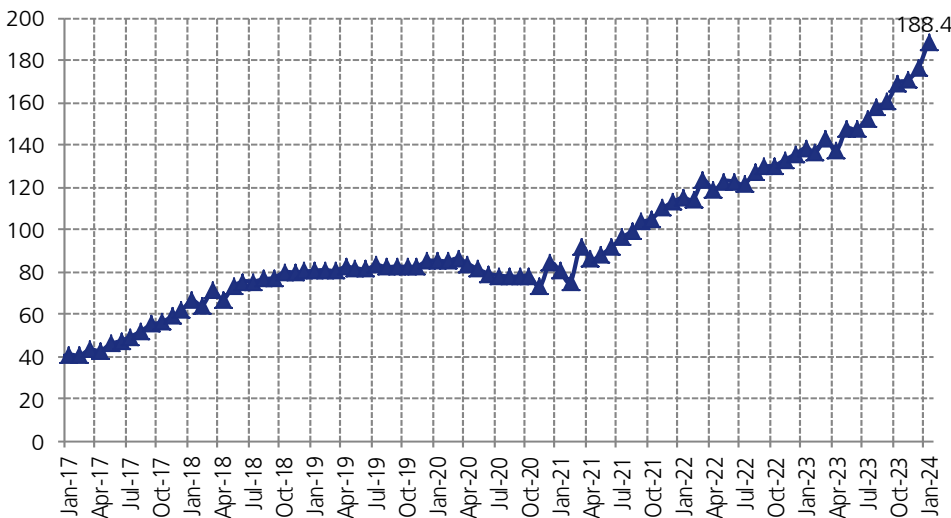
Source: AMFI, JM Financial

Exhibit 15. Industry Monthly Avg. AUM split : Contribution of equity schemes increasing



Source: AMFI, JM Financial #Equity MF AUM includes Equity + ELSS + Arbitrage + Balanced Schemes ^Debt MF AUM includes Income + Gilt + Infra Debt schemes, excludes Liquid schemes

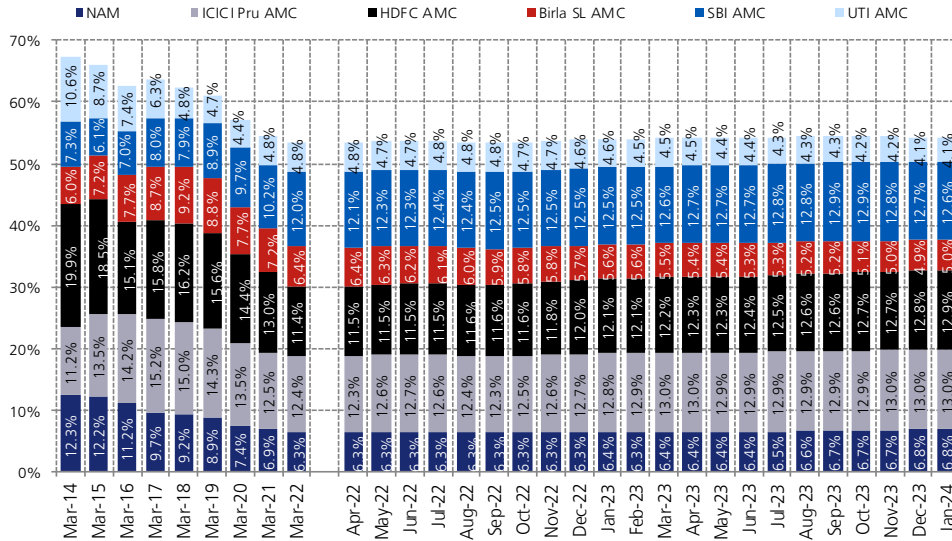
Exhibit 16. Monthly SIP Inflows trend (INR bn)



Source: AMFI, JM Financial

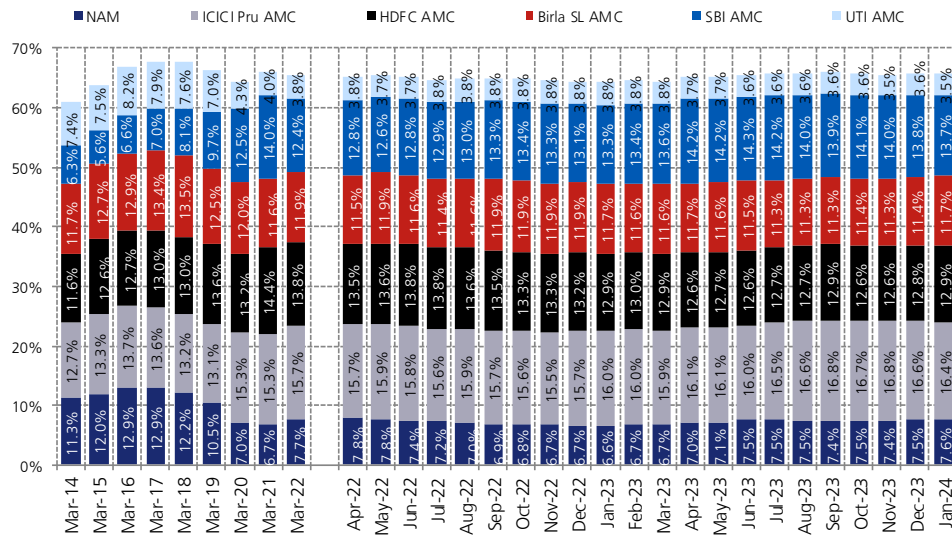
Market share movement

Exhibit 17. Equity MF Monthly Avg. AUM market share



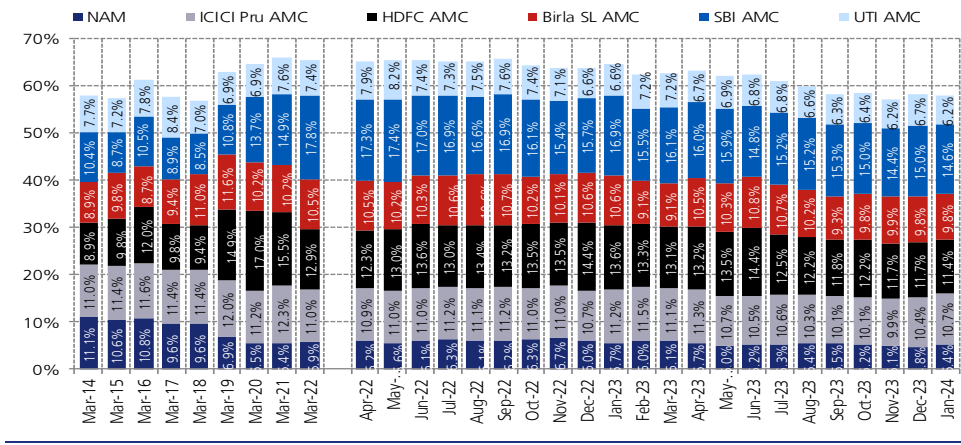
Source: AMFI, JM Financial #Equity MF AUM includes Equity + ELSS + Arbitrage + Balanced Schemes

Exhibit 18. Debt MF Monthly Avg. AUM market share movement



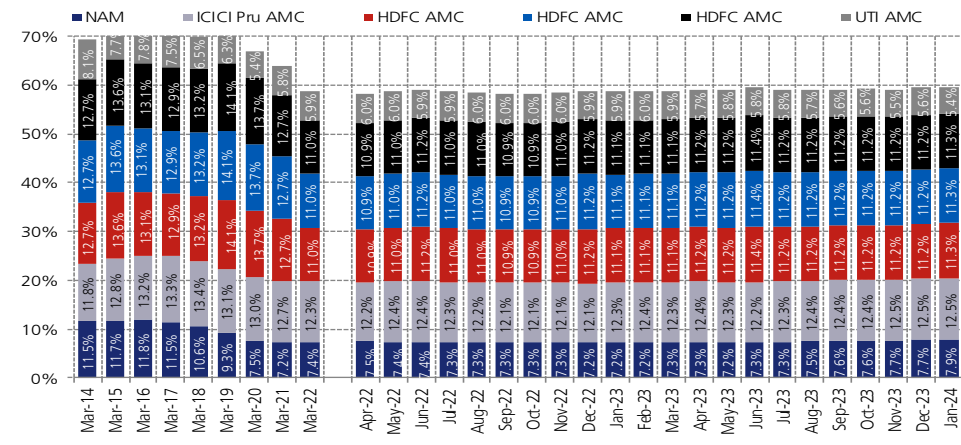
Source: AMFI, JM Financial ^Debt MF AUM includes Income + Gilt + Infra Debt schemes, excludes Liquid schemes

Exhibit 19. Liquid MF Monthly Avg. AUM market share movement



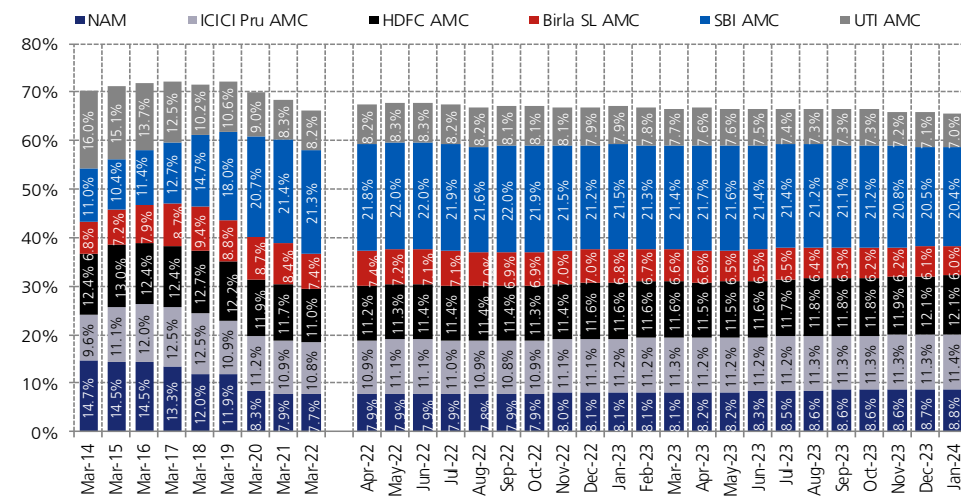
Source: AMFI, JM Financial

Exhibit 20. Overall MF Monthly Avg. AUM market share movement



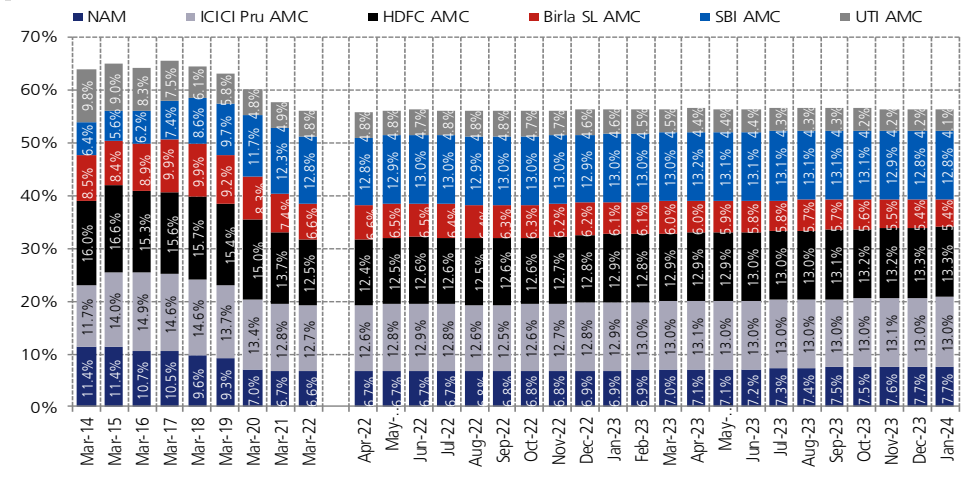
Source: AMFI, JM Financial

Exhibit 21. MF Monthly Avg. AUM market share in B15 locations (B30 since Apr-18)



Source: AMFI, JM Financial # SEBI mandated in Feb-18 that additional expense ratio that was chargeable by MF schemes for meeting certain criteria of MF inflows from B15 (beyond top 15) cities will now only be applicable to B30 (beyond top 30) cities. Hence, from Apr-18 onwards, AMCs now report B30 monthly avg. AUM, instead of B15.

Exhibit 22. MF Monthly Avg. AUM market share in Individual segment (Retail + HNI)



Source: AMFI, JM Financial

Exhibit 23. AMC Sector – JMFL Valuation and Estimates

Company	Reco	EPS			P/E			P/B			PAT/ Avg AUM			Price / AUM		
		FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E	FY23	FY24E	FY25E
HDFC AMC	BUY	66.7	79.8	96.3	51.5	43.1	35.7	12.0	11.1	10.1	0.34%	0.35%	0.35%	16.8%	13.5%	11.6%
NAM (cons)	BUY	11.8	17.1	20.1	42.2	29.1	24.9	8.7	7.9	7.2	0.26%	0.29%	0.26%	10.9%	7.3%	6.0%
UTI AMC (cons)	BUY	34.6	56.6	73.3	24.8	15.1	11.7	2.8	2.6	2.4	0.20%	0.27%	0.26%	4.9%	4.0%	3.4%

Source: Company, JM Financial

APPENDIX I

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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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