

MF Industry Update:

➤ MF industry AUM increased by 6.4% to ~Rs. 27.12 lac crs. MFs saw a massive blow up in total inflow by 1136.1% to ~Rs 90k crore in July owing to inflow in liquid funds to the tune of Rs. 14k cr. Exchange-traded funds (ETFs) continued the trend with capital inflows which were remarkably higher by 207.7% to Rs. 12,944 cr than previous month (Rs. 4,207 crs).

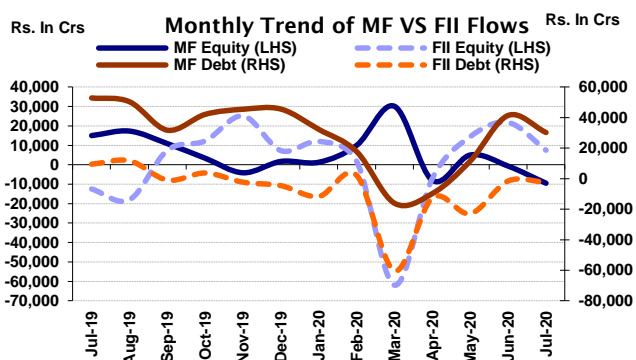
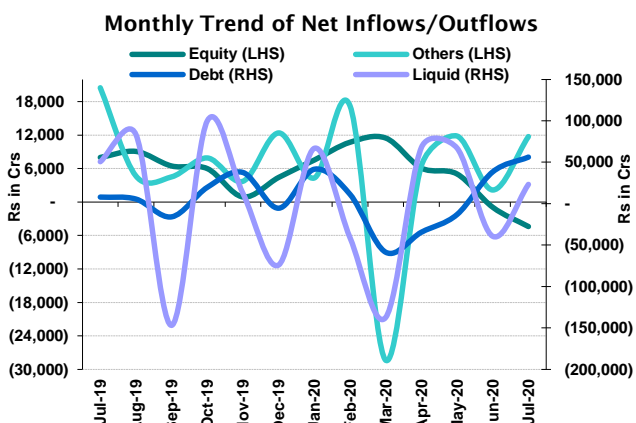
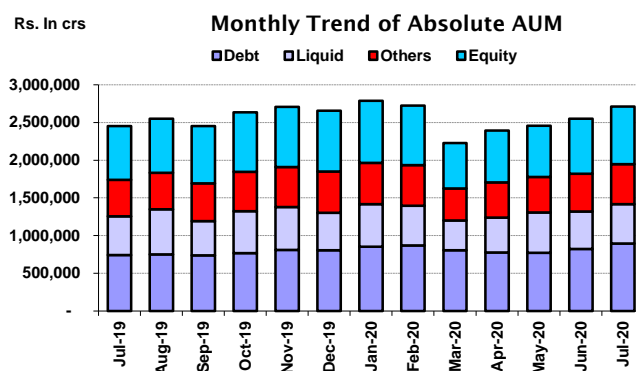
➤ Liquid fund and Money market category witnessed monthly net inflow of Rs. 23.1k crs leading to 5% increase in AUM to Rs.5.18 lac crs. Arbitrage category witnessed an outflow of Rs. 3,732 cr. as against an inflow of Rs. 3,538 cr in the previous month.

➤ Income category saw a net inflow of Rs 59,510 cr. due to substantial inflows in Low Duration & Short Duration Category to the tune of Rs. 14,219 cr. and Rs. 11,510 cr. respectively. Higher credit quality funds such as Corporate Bond Funds and Banking & PSU Debt Funds witnessed inflows of 11,910 cr. and 6,323 cr. respectively.

➤ Due to massive redemptions, equity funds witnessed a staggering outflow of Rs. 4,108 cr compared to previous month outflow of Rs. 346 cr. up by 1087% due to higher valuation and pessimistic view on earnings. The outflows were led by Multi Cap funds having outflow of Rs. 1,033 cr. Mid cap Funds and Value Funds/Contra Funds also saw outflows of Rs. 579 cr and Rs. 549 cr respectively. ELSS funds witnessed inflows of Rs. 263 cr. due to higher investments for tax saving and year end.

➤ AUM in other ETF's increased during the month by 12.9% to Rs.2.11 lac crs. While, Gold ETF AUM increased substantially by 19.2% to Rs. 12,941 cr mainly due to increase in gold prices and movement of money in to safe heaven owing to volatility in the market amid COVID 19 virus. The category saw net inflow rise by 86.4% to Rs. 921 cr. during the month in gold compared to previous month (Rs. 494 cr.).

➤ In July, FIIs flows remained positive in equity market to the tune of \$1.01 bn amid quantitative easing across the globe and gradual opening of economic activity in India but were sellers of \$0.33 bn in debt market. Domestic MF's were strong sellers of \$1.26 bn in equity led by redemptions and remained buyers of \$4.03 bn in the debt space.



Regulatory Update:

- SEBI has directed mutual fund houses to undertake on monthly basis, atleast 10% of their total secondary market trades by value (excluding inter scheme transfer trades) in the corporate bonds by placing or seeking quotes through one-to-many mode on the Request for Quote (RFQ) platform of stock exchanges.
- SEBI Chairman opined that retail investors should be allowed to invest in G-secs directly through demat accounts.
- According to media reports, UTI Mutual Fund has segregated portfolio in respect of Zee Learn Limited in UTI Credit Risk Fund and UTI Medium Term Fund effective Jul 7, 2020 subject to approval from Board of Trustees, said the company press release. This follows the downgrade of debt instruments of Zee Learn Limited to below investment grade by CARE Ratings.
- SEBI has appointed former RBI Governor Usha Thorat as the new chairperson of Mutual Fund Advisory Committee (MFAC). She replaces Arundhati Bhattacharya.
- SEBI has directed AMFI to appoint agency that can value market linked debentures. The issuer of structured products or market linked debentures (MLDs) will have to hire the agency for the valuation of such products.
- AMFI revises AUM transfer norms for distributors. Among the key changes are allowing transferring of assets from national distributors to sub distributor, doing away with the requirement of written consent if transfer is due to the death of distributor and suspension of ARN if it is not renewed within six months.
- AMFI has allowed distributors working under sub broking model with national distributors to transfer their assets to own ARN. However, such a transfer is allowed only if sub distributor transfers his entire assets from national distributors to own ARN.
- In the light of the recent credit events that jolted the mutual fund industry, Confederation of Indian Industry (CII) has suggested that distributors need to ensure that right risks are communicated to clients. The vision document further notes that risk management by distributors is an important aspect to keep alive investor trust in mutual funds.
- SEBI has asked individuals to either become registered investment advisors (RIAs) to offer fee based services or opt for mutual fund distribution model to charge commission. Further, the market regulator has clarified that there will be no client segregation at individual RIA level.
- According to media reports, AMFI has introduced uniform policy for conversion of minor to major accounts. Accordingly, fund houses are no longer allowed to accept fresh money or honour redemption once the minor turns major till his/her KYC is complete.
- According to media reports, SEBI chairman, in the 17th Annual Capital Market Conference organised by FICCI, acknowledged the need to develop the corporate bond market across the rating curve. He called for unification of the corporate bonds market with the government securities market.
- According to media reports, SEBI has prohibited RTAs, AMCs and digital platforms from promoting their apps to investors who are already managed by distributors.

Scheme Specific Updates:

- ICICI Prudential Mutual Fund has announced change in the fund management of multiple funds with immediate effect. Among the changes, ICICI Prudential Multicap will be managed by Mr. Sankaran Naren and Mr. Rajat Chandak.
- UTI MF in its release said it had received the entire payment (along with interest accrued to date) due from Zee Learn on July 14, 2020 in both the debt schemes where the fund house had a segregated portfolio on July 7, 2020. UTI Credit Risk Fund and UTI Medium Term Fund had an exposure of Rs 44.17 crore to the debt securities of Zee Learn, when it was segregated by the fund house.
- Tata Mutual Fund has revised the exit load of Tata Banking & Financial Services Fund, Tata Digital India Fund, Tata Ethical Fund, Tata Focused Equity Fund, Tata India Consumer Fund, Tata India Pharma & Healthcare Fund, Tata Infrastructure Fund, Tata Resources & Energy Fund and Tata Quant Fund. Accordingly, the unit holders of the above funds will have the facility to withdraw maximum up to 12% of the original cost of investment on or before 365 days from the allotment date without any exit load. For amount greater 12% of the original investment amount, an exit load of 1% will be charged in case of redemption within 365 days from the allotment date. BNP Paribas Mutual Fund has revised the exit load of BNP Paribas Multicap Fund effective from May 18. Accordingly, if units of the scheme are redeemed or switched out within 3 months from the date of allotment, exit load of 1% of the applicable NAV will be charged and there will be no exit load if units of scheme are redeemed or switched out after 3 months from the date of allotment.
- PGIM India Mutual Fund has revised the exit load of PGIM India Large Cap Fund, PGIM India Diversified Equity Fund, PGIM India Arbitrage Fund, PGIM India Midcap Opportunities Fund and PGIM India Global Equity Opportunities Fund effective from Jul 20, 2020. Accordingly, the exit load for above schemes is revised to nil. In case of PGIM India Midcap Opportunities Fund and PGIM India Global Equity Opportunities, exit load will be 1% if the units are redeemed on or before completion of 1 month from the date of allotment of units.
- Motilal Oswal Mutual Fund has announced change in the fund manager of Motilal Oswal Midcap 30 Fund. Accordingly, the scheme shall be solely managed by Mr. Niket Shah.
- Sundaram Mutual Fund has announced change in the fund management responsibilities of multiple funds. Among the changes announced, Sundaram Diversified Equity shall be jointly managed by Bharath S, Krishnakumar S and Dwijendra Srivastava.
- Union Mutual Fund has revised the exit load of Union Multi Cap Fund, Union Focused Fund, Union Midcap Fund, Union Large & Midcap Fund, Union Small Cap Fund, Union Value Discovery Fund, Union Large cap Fund, Union Balanced Advantage Fund, Union Equity Savings Fund, Union Corporate Bond Fund and Union Dynamic Bond Fund effective from Jun1. Accordingly, exit load of 1% will be charged if units are redeemed or switched out on or before completion of 15 days from the date of allotment; nil thereafter.
- Axis Mutual Fund has revised the face value and creation unit size for Axis Gold ETF and Axis Nifty ETF, effective from end of business day on Jul 24, 2020. Accordingly, the face value of the 2 funds has been changed to Re. 1 and Rs. 10 per unit, respectively. In case of Axis Gold ETF, each creation unit consists of 1,00,000 units of the fund (each unit of the Axis Gold ETF will be approximately equal to one 0.01 gram of Gold) and Cash Component, if any. For Axis Nifty ETF, the creation unit size is 50,000 units and in multiples thereof.

Mutual Fund Scheme Filings:

Date	Scheme Name
Jul 15, 2020	Edelweiss MSCI India Financials Index
Jul 22, 2020	Axis Value Fund
Jul 23, 2020	Baroda Value Fund
Jul 28, 2020	Motilal Oswal 5 Year G-Sec ETF (MOFGSEC)
Jul 28, 2020	Motilal Oswal Asset Allocation Index Fund of Fund – Aggressive (MOFAAFOF-A)
Jul 28, 2020	Motilal Oswal Asset Allocation Index Fund of Fund – Conservative (MOFAAFOF-C)
Jul 31, 2020	Invesco India Feeder – Invesco India Global Trends Fund
Aug 05, 2020	PGIM India Balanced Advantage Fund

Source: Sebi

NFO Update:

Scheme Name	Type	Open Date	Close Date
ICICI Pru IT ETF	ETFs - Index	12/08/2020	17/08/2020
Nippon India Multi Asset Fund – Reg (G)	Hybrid – Multi Asset Allocation	07/08/2020	21/08/2020
HDFC Banking ETF	ETFs – Index	10/08/2020	14/08/2020
Mahindra Manulife Arbitrage Yogana – Reg (G)	Hybrid – Arbitrage Fund	12/08/2020	19/08/2020

Mutual Funds in Media (Hyperlinks):

- Gold, Silver Prices fall sharply as \$ holds gains <https://bit.ly/3kAOvh7>



OUR NETWORK

Regd Office: 7th Floor, Cnergy, Appasaheb Marathe, Marg, Prabhadevi, Mumbai - 400 025. Tel.: (022) 6630 3030.

Corporate Office: 5th Floor, Cnergy, Appasaheb Marathe, Marg, Prabhadevi, Mumbai - 400 025. Tel.: (022) 6704 0404.

Admin. Office: 1st & 2nd Floor, B Wing, Suashish IT Park, Plot No. 68 E, Off. Dattapada Road, Opp. Tata Steel, Borivali (East), Mumbai - 400 066. Tel.: (022) 6761 7000.

<p>Mumbai - Andheri: 3rd Floor, Dhanashree Heights, Behind Axis Bank, Azad Nagar No-2, Veera Desai Road, Andheri (West), Mumbai - 400 053. Tel.: (022) 6619 1600.</p>	<p>Bengaluru - Malleshwaram: 199, 1st & 2nd Floor, Yathi Raj Mutt Building, 11th Cross, Malleshwaram, Bengaluru - 560 003. Tel.: (080) 4923 0500.</p>	<p>New Delhi: 5D/G/H, 5th Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi - 110 001. Tel.: (011) 4953 7800.</p>
<p>Mumbai - Borivali: 1st, 2nd and 3rd Floor, New Pushpanjali II, Jambli Galli, (Factory Lane), Opp. Chintamani Jewellers, Borivali (West), Mumbai - 400 092. Tel.: (022) 2968 6700.</p>	<p>Chandigarh: Unit No. 513, 5th Floor, Elante Office Complex, Site No. 178 - 178 A, Industrial & Business Park, Phase - 1, Industrial Area, Chandigarh - 160 002. Tel.: (0172) 403 5500.</p>	<p>Noida: Office No.1007, 10th Flr, Wave Silver Tower, Opp. Metro Station, Sector - 18, Noida - 201 301. Tel.: (0120) 718 4710</p>
<p>Mumbai - Fort: 2, 3 & 4 Kamanwala Chambers, Sir P M Road, Fort, Mumbai-400 001. Tel.: (022) 3021 3500 / 61 36 3400. (Primary Products Distribution only)</p>	<p>Chennai: Seethakathi Business Centre, Unit No. 216, Second Floor, 684-690, Anna Salai (Mount Road), Chennai - 600 002. Tel.: (044) 2829 9888.</p>	<p>Pune: 205, Business Guild, Opp. Krishna Dining Hall, Law College Road, Erandwane, Pune - 411 004. Tel.: (020) 4903 1600.</p>
<p>Mumbai - Ghatkopar: 422/423/424/425, 4th Floor, Kailash Plaza, Vallabh Baugh Lane, Ghatkopar (East), Mumbai-400 077. Tel.: (022) 4505 8700.</p>	<p>Coimbatore: 3rd Floor, AMI Midtown, 25A-4, DB Road, RS Puram, Coimbatore - 641 002. Tel.: (0422) 402 2400.</p>	<p>Pune: 3rd Floor, 302, Vishwa Developers, Next to ICICI Bank, Ghole Road, Shivaji Nagar, Pune - 411 005.</p>
<p>Mumbai - Malad: Shop No. 1&2, Prathampad CHS, Opp. OBC Bank, Evershine Nagar, Malad (West), Mumbai-400 064. Tel.: (022) 6171 6300.</p>	<p>Guntur: Sreenivasam, 2nd floor, D.No.: 5-80-2, 1st Line, Ashok Nagar, Guntur - 522 007. Tel.: (0863) 237 7800.</p>	<p>Rajkot: 202, 2nd Floor, Solitaire, Swami Vivekananda Marg, Near Municipal Commissioner's Bungalow, Ramakrishna Nagar, Rajkot-360 002. Tel.: (0281) 619 4000.</p>
<p>Mumbai - Malad: Office No. 8, 1st Floor, Abhishek Commercial Complex, Above Dena Bank, Plot No. 104, S.V. Road, Malad (West), Mumbai - 400 064. Tel.: (022) 2882 2832. (Primary Products Distribution only)</p>	<p>Gurgaon: Office No 316, 3rd Floor, MGF Metropolis Mall, Sector 28, Main Mehrauli Gurgaon Road, Gurgaon - 122 001. Tel.: (0124) 471 7600.</p>	<p>Secunderabad: 305, 3rd Floor, Jade Arcade, Opp. Paradise Hotel, M.G. Road, Secunderabad-500 003. Tel.: (040) 4010 5200</p>
<p>Mumbai - Vashi: 328, 3rd Floor, Vardhman Market, Sector 17, Vashi, Navi Mumbai - 400 703. Tel.: (022) 6632 9200.</p>	<p>Hyderabad: 6-3-1090/1/1, Uma Hyderabad House, 2nd Flr., Somajiguda, Hyderabad - 500 082. Tel.: (040) 4010 5875.</p>	<p>Surat: International Commerce Centre, A wing, 2nd Floor, 202, Near Majura Gate, Ring Road, Surat - 395 002. Tel.: (0261) 408 1700.</p>
<p>Mumbai - Vile Parle: 602, 6th Floor, Kingston, Tejpal Road, Near Railway Crossing, Vile Parle (East), Mumbai - 400 057. Tel.: (022) 2663 6700.</p>	<p>Indore: UG 7 & 8, Ground Floor, D.M.Tower, 21/1 Race Course Road, Indore - 452 004. Tel.: (0731) 474 2100.</p>	<p>Tirupati: 174, 2nd floor, New Balaji Colony, AIR Bypass Road, Tirupati - 517 502, Andhra Pradesh. Tel.: (0877) 668 8100.</p>
<p>Ahmedabad - Ashram Road: G-10/301, Chinubhai Center, Near Nehru bridge Corner, Ashram Road, Ahmedabad-380 009. Tel.: (079) 2657 6666 / 3001 3700.</p>	<p>Jaipur: G-7 & G-8, Plot No. K-13, Brij Anukampa, Ashok Marg, C-Scheme, Jaipur - 302 001. Tel.: (0141) 438 4400.</p>	<p>Vadodara: G1-Ground Floor, "Soham", 49 Alkapuri Society, Opp. HDFC Bank, Alkapuri, Vadodara - 390007. Tel.: (0265) 619 1300</p>
<p>Ahmedabad - Himalaya Emerald: 201, 2nd Floor, Himalaya Emerald, 132 Feet Ring Road, Near IOC Petrol Pump, Shivranjani Char Rasta, Satellite, Ahmedabad - 380 015. Tel.: (079) 4982 6600.</p>	<p>Kolkatta: Ground & 8th Floor, Kankaria Estate, 6 Little Russell Street, Kolkatta - 700 071. Tel.: (033) 4031 0330</p>	<p>Vizag: Door No: 9-1-224/4/3, 1st Floor, Nandan Nirman, CBM Compound, Near Rama Talkies Junction, Visakhapatnam - 530 003. Tel.: (0891) 660 3800</p>
<p>Bengaluru - Basappa Complex: No. 40/1A, 4th Floor, Basappa Complex, Lavelle Road, Bengaluru - 560 001. Tel.: (080) 4927 2400.</p>	<p>Lucknow: Eldeco Corporate Tower, 701, 7th Floor, Vibhuti Khand, Gomtinagar, Lucknow - 226010. Tel.: (0522) 4933 250</p>	
<p>Bengaluru - Indira Nagar 1 & 2: 709, 80 Feet Road, 7th Main, Indira Nagar, Bangalore - 560 008. Tel.: (080) 4684 4500.</p>	<p>Nellore: Dr. Anilreddy Building, D. No. 16-2-232, 4th Flr, Gandhi Nagar, Pogathota, Nellore - 524001. Tel.: (0861) 235 8299</p>	

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