

MF cash holdings top ₹4L cr in July

● Amount sees an 18% month-on-month increase

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Mumbai, August 31

ELEVATED VALUATIONS IN the stock markets amid trade uncertainties and a bouquet of new fund offers in July took the total cash kitty of mutual fund houses to more than ₹4 lakh crore for the first time.

PrimeMF July database showed that the amount rose by nearly 18% month-on-month to ₹4.16 lakh crore after falling for two consecutive months before that.

Among the fund houses whose cash holdings increased the most are SBI MF, Axis MF, and Aditya Birla Sun Life MF by ₹10,396.19 crore, ₹7,952.85 crore, and ₹4,404.51 crore, respectively, while those of Franklin Templeton MF, Canara Robeco MF, PGIM India MF, and DSP MF fell in the range of ₹419.64 crore to ₹597.82 crore.

In equity schemes, cash holdings net rose by

NUMBERS GAME

Funds with maximum change in total Cash holdings in July

	Total as on Jul, 2025 (₹ cr)	Change in holding (₹ cr)
SBI MF	66,293.12	10,396.19
Axis MF	27,004.76	7,952.85
Aditya Birla Sun Life MF	18,288.75	4,404.51
HSBC MF	4,947.81	3,987.50
HDFC MF	50,351.32	3,967.72



Mutual fund - Cash holdings since January 2024 (Total)



Highest % of Cash to total AUM in equity schemes

	Total as on Jul, 2025 (₹ cr)	% of Equity AuM
Trust MF	266.57	12.96
Quantum MF	201.25	12.44
PPFAS MF	11,794.36	12.30
Old Bridge MF	178.54	10.50
Samco MF	201.72	8.11

Source: primemfdatabase.com

₹2,034.61 crore to ₹1.52 lakh crore. As a percentage of equity assets under management, TRUST MF, Quantum MF, PPFAS MF and Old Bridge MF had 10.5%-12.96% in cash and Samco MF and Motilal Oswal MF had around 8%.

According to Kaustubh Belapurkar, director – manager research, Morningstar Investment Research India, most equity managers prefer staying fully invested, typically holding less than 5% in cash in most scenarios. “In

times of exuberant markets due to excessive flows or valuations, this number might inch up slightly, but cash levels tend to stay in single digits as managers will look to judiciously deploy at opportune moments,” he said.

Some of the rise was driven by 30 NFOs launched in the month. Jio Blackrock raised the whole ₹3,524 crore in cash it holds by launching three debt funds and TRUST MF launched its multicap fund. Among stocks, maximum reduction in value of holdings was witnessed in the shares of Bharti Airtel, Solar Industries, IndiGo, and CMX.

Experts said cash has been created due to the uncertainty. Sandeep Bagla, CEO of TRUST MF, believes that the cash is not likely to be deployed in a hurry as valuations are still not compelling, earnings growth unclear and trade-related uncertainties exist.

“There were expectations that the additional tariff will not be implemented, but now it looks like Trump has singled us out,” he said, adding that the multicap fund will allocate around 25% each in large-, mid-, and small-caps as he believes while large caps are less overpriced, sectoral opportunities of higher growth can be found in broader markets due to the uncertainty.