# **Insights from AMFI data**

## KPIs Analysed:

1. Industry/Channel/Product/Geo/Investor wide market share composition.
2. Company internal share composition.
3. Rate of growth of industry and company assets.
4. Standard deviation of market share to check volatility

## **Summary Data:**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BIRLA | HDFC | ICICI | SBI | Axis | Kotak | Nippon | UTI |
| Mar-20 | 9.12% | 13.68% | 13.04% | 14.16% | 5.33% | 6.93% | 7.48% | 5.43% |
| Mar-21 | 8.42% | 12.74% | 12.68% | 15.73% | 6.13% | 7.25% | 7.16% | 5.76% |
| Mar-22 | 7.66% | 11.05% | 12.31% | 16.93% | 6.78% | 7.37% | 7.37% | 5.85% |
|  | -1.47% | -2.63% | -0.73% | 2.77% | 1.45% | 0.43% | -0.10% | 0.42% |

* Birla and HDFC among major losers. SBI and Axis among major gainers.
* Very less standard deviation in market shares of players, this shows there is either constant decrease (Birla, HDFC, ICICI) or increase (SBI, Axis, Kotak) of share over the course of two years. There isn’t much volatility in performance of companies.
* Industry has grown 53% in terms of total investments. Birla has grown mere 28% during two years, Half the growth rate of industry. Axis has shown whopping 94% growth, which is two times the industry growth and four times the Birla growth.

**Investor Types:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Banks | Corporates | FIIs | HNIs | Retail |
| Mar-20 | 3.10% | 44.46% | 0.22% | 33.21% | 19.01% |
| Mar-21 | 1.79% | 44.18% | 0.18% | 31.66% | 21.81% |
| Mar-22 | 1.63% | 43.06% | 0.12% | 31.85% | 23.34% |

Sector wise break of investors shows that corporates, HNIs and Retail investors make up the majority of investments. Retail investors share is growing constantly while others are either same or reducing. As there is still lot of untapped potential in retail segment, there can be significant increase of it in coming years.

* **Bank Investors:**

Birla and Axis have gained share of bank investors slightly but others have reduced or remained the same.

* **Corporate Investors:** Birla lost significant amount (0.87%) of market share here along with HDFC and ICICI. SBI had shown a whopping growth of 2% in corporate investors out of 2.7% of its total market share growth.
* **HNIs:** Birla (0.71%), HDFC and ICICI lost share in HNIs. SBI, Axis and Kotak had shown growth here with Axis being highest (0.49%).
* **Retail:** Every player gained share here, while Birla gained the lowest (0.06%) and Axis gained the highest (0.77%)

**HNI Channel:**

* TNAD remains the channel through which majority of HNIs investments come through. Followed by TDP and TAD.
* But Birla lost share in TNAD and TDP where major investments flow through. It gained meagre share in TAD.
* In exactly converse way Axis lost share in TAD but gained huge share in TNAD and TDP.
* Birla maintained the same composition between TAD, TDP and TNAD for last two years. But axis has their share increased in TDP and TNAD, but cutting down the TAD. Axis has much scope to improve in TAD through its banking channel.
* Rate of growth of Birla in TAD is double the HNI industry TAD growth. Highest of all the players is UTI which showed 15 times the growth of industry.
* Axis grew 2.5 times the industry in TDP category. Except Birla and HDFC everybody else grew in line with or better than industry. HDFC isn’t taking advantage of banking channel it has, while Axis and SBI are taking maximum advantage here.
* Axis grew 3 times the TNAD industry growth and Kotak grew 1.5 times the TNAD industry growth. Birla showed lowest growth rate in this channel. This needs immense improvement as we don’t have banking channel and we have to rely on this channel for maximum growth.

**HNI Product:**

* Complete market trend shows that funds invested in equity and balanced schemes are increasing while debt, liquid and FMPs are decreasing. People are getting educated regarding risk and returns which is pushing them to invest in high-risk areas.
* Low returns and lack of innovation in debt funds is causing consumers to shift to minimum risk funds with high returns like balanced schemes. Balanced schemes are also offering tax benefits which help HNIs in saving tax also.
* SBI showed whopping growth in Balanced schemes. SBI and Axis gained significant share in Equity funds. SBI growth is 3 times the Balanced funds growth.
* SBI MS growth in Liquid market (4%) shows that it has eaten share of all other players. While liquid market showed negative growth, SBI and UTI showed around 8% growth rate over two years.
* Every player showed growth in MS of debt schemes except Birla and Nippon. This turns out to be a big negative factor for Birla.
* While HNI debt market itself showed meagre growth rate of 12%, Axis and SBI showed 5 times growth compared to HNI Debt market.
* Birla showed increase in its equity funds (11%) composition but it’s not in line with growth of equity funds (13%) in market composition.
* During volatile period of war (Feb 22 to Mar 22), Total funds inflow and debt funds inflow has decreased but the investment into equity funds showed significant growth. Spike in volatility has increased the inflow into equity schemes by HNIs.
* Gold ETFs showing low growth due to physical alternatives. Some months showed slump in investments due to festive activities.

Growth in retail money and investors strongly correlates to growth in equity markets. Retail money is driving the increase in equity mutual funds according to the trends.

**HNI Geography:**

* Total Aum share in T30 cities has decreased. But axis, sbi and kotak have increased their share in this segment.
* Total Aum share in B30 has remained almost the same. sbi has gained the most in this area with other players remaining unaffected.
* While the share of cities other than T30 and B30 has increased significantly by 1.36%.
* HNIs in cities other than T30 have showed a surge in investments.