

Common Voice of the Distribution Industry

Get complete news & updates on the financial products distribution industry and the latest happenings at FIAI in our monthly newsletter - FIAI Diary





The mutual fund industry's asset base reached an all-time high of ₹ 15.2 lakh crore by end of July 2016 helped by strong flows in Debt and money market category of funds. Investments in the equity schemes was ₹ 2,506 crores in July. The overall asset size of Equity funds has now reached ₹ 4.5 lakh crores largely driven by consistent retail and SIP inflows.

FIAI and United Forum of IFA Associations had various internal as well as meeting with senior people in the Finance ministry for taking up certain development and issues impairing the working of Mutual fund Distributors.

FIAI announced the Volunteer of the quarter award to Sriram BKR of Geojit BNP Paribas Financial Service Ltd for his valuable contribution to the efforts at FIAI.

Mr. Satheesh Krishnamurthy joins the FIAI Board of Directors from this month. We welcome him aboard this journey of FIAI in growing and contributing to a selfless cause of the Financial Distribution Industry.

Gurpreet Singh

Principal Consultant - FIAI

ABOUT FIAI

Financial Intermediaries Association of India (FIAI) was formed as a financial distributors' body to strengthen the cause, development, education and progress of the industry. FIAI's endeavour is to bring all the national & regional players like National Distributors, Banks and IFA Associations on one platform to pursue the industry development and education agenda.

Some of the key objectives of FIAI are to promote and develop the Indian financial intermediary industry on professional, healthy and ethical lines and to enhance and maintain standards in all areas of operations and to work towards protecting and promoting the interests of financial intermediary and their members

THE KEY OBJECTIVES OF FIAI ARE:

INDUSTRY DEVELOPMENT:

Promotion & development of the Financial Distribution Industry on professional, healthy and ethical lines.

INDUSTRY STANDARDS:

To ensure, promote and maintain a high professional and ethical standards in all areas of operation of financial intermediaries and their members and to enhance and maintain standards with a view to protecting and promoting their interests.

SUGGESTIONS:

Engaging with and proposing suggestions & initiatives to the industry players, associations and regulators for the growth of the industry.

TRAINING & EDUCATION:

Sharing of knowledge and giving a forum for enlightenment & exchange of ideas within the industry.

ENGAGING OTHER STAKEHOLDERS:

Actively engaging with certification bodies including NISM and FPSB for distribution to agree professional standards and accreditations for financial advisors in India and to drive its implementation across the intermediary fraternity.

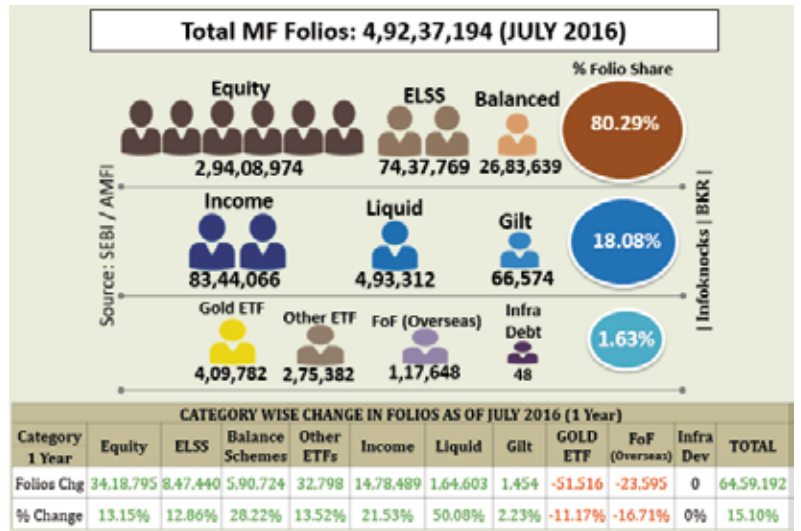
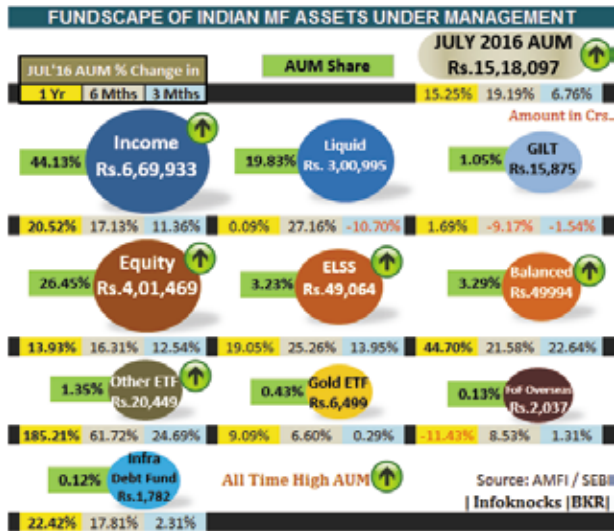
RECAP OF THE MF INDUSTRY FOR AUGUST 2016

MF FUND FLOW SUMMARY	Net Inflow / (-Outflow) (In Rs. Crs.)						
	JULY 2016				YTD till Month		
	Category	Open-E	Close-E	Interval	JULY	FY 16-17	% Share
LIQUID/MONEY MARKET	54,211	0	0	54,211	92,277	47.77%	128582
INCOME	43,955	-36	-7	43,913	82,746	42.84%	29269
EQUITY	2,222	0	0	2,222	10,478	5.42%	38095
BALANCED	2,079	0	0	2,079	5,820	3.01%	8162
OTHER ETFs	386	0	0	386	2,233	1.16%	-1056
ELSS - EQUITY	303	-18	0	285	1,507	0.78%	971
INFRASTRUCTURE DEBT	0	0	0	0	0	0.00%	230
FUND OF FUND (OVERSEAS)	-23	0	0	-23	-117	-0.06%	-136
GOLD ETFs	-183	0	0	-183	-411	-0.21%	-281
GILT	-170	0	0	-170	-1373	-0.71%	950
TOTAL	102,780	-54	-7	102,719	193,160	100.00%	204787

Source: AMFI / SEBI

| Infoknocks | BKR |

Sorted by YTD Flow



STATE WISE MUTUAL FUND AVERAGE AUM AS OF JULY 2016																					
S.N	STATE & UT	% Chg July 2016 Vs July 2015					% Asset share in Category wise Total					% Asset Share in State's own Total					Avg AUM as of JULY 2016 (Rs.Crs.)				
		Equity	Balanced	Other ETF	Debt & Others	Total	Equity	Balanced	Other ETF	Debt & Others	Total	Equity	Balanced	Other ETF	Debt & Others	Total	Equity	Balanced	Other ETF	Debt & Others	Total
1	Rajasthan	22%	53%	31%	41%	6%	2.14%	1.50%	0.10%	2.83%	2.56%	23.30%	1.79%	0.05%	74.87%	100%	9394	721	20	30190	40324
2	New Delhi	21%	57%	28%	23%	28%	10.32%	8.39%	3.78%	11.18%	10.76%	26.83%	2.38%	0.45%	70.35%	100%	45416	4022	754	119089	160280
3	Uttar Pradesh	18%	50%	68%	2%	31%	5.22%	5.07%	0.36%	2.39%	3.24%	45.12%	4.78%	0.14%	49.96%	100%	22965	2432	73	25429	50898
4	Gujarat	18%	61%	117%	136%	31%	7.42%	8.53%	1.19%	6.54%	6.78%	30.62%	3.83%	0.22%	65.32%	100%	32647	4085	238	69644	106615
5	Tamil Nadu	16%	55%	42%	31%	27%	4.91%	4.59%	0.94%	4.42%	4.52%	30.39%	3.10%	0.26%	66.25%	100%	21599	2200	187	47082	71068
6	Karnataka	15%	43%	5%	10%	14%	7.84%	6.58%	1.32%	6.84%	7.04%	31.15%	2.85%	0.24%	65.76%	100%	34504	3154	263	72842	110762
7	West Bengal	14%	72%	81%	-6%	25%	5.99%	6.19%	1.08%	4.68%	5.04%	33.20%	3.74%	0.27%	62.79%	100%	26346	2966	216	49822	79350
8	Maharashtra	10%	29%	180%	15%	11%	34.24%	37.67%	84.39%	46.08%	43.00%	22.27%	2.67%	2.49%	72.57%	100%	150640	18052	16842	490949	676484
9	Haryana	10%	36%	72%	63%	42%	2.77%	2.46%	0.70%	6.19%	5.05%	15.32%	1.49%	0.18%	83.01%	100%	12174	1180	141	65949	79444
10	Andhra Pradesh	7%	54%	355%	-3%	0%	2.12%	2.32%	0.30%	1.02%	1.36%	43.79%	5.21%	0.28%	50.73%	100%	9340	1110	60	10819	21328
11	Jharkhand	35%	104%	1136%	71%	39%	1.03%	1.51%	2.20%	0.24%	0.52%	55.05%	8.83%	5.36%	30.78%	100%	4514	724	439	2525	8202
12	Orissa	32%	65%	1116%	161%	43%	0.92%	1.22%	0.27%	0.73%	0.79%	32.46%	4.69%	0.44%	62.41%	100%	4038	584	54	7763	12439
13	Telangana	27%	20%	41%	34%	68%	1.44%	1.19%	0.46%	1.07%	1.17%	34.50%	3.09%	0.50%	61.90%	100%	6339	569	92	11375	18375
14	Chhattisgarh	23%	95%	37281%	-29%	31%	0.60%	0.55%	0.30%	0.21%	0.33%	50.67%	5.09%	1.14%	43.10%	100%	2648	266	60	2252	5226
15	Punjab	22%	65%	18%	46%	35%	1.62%	1.34%	0.06%	0.76%	1.01%	44.76%	4.06%	0.07%	51.11%	100%	7108	644	12	8115	15880
16	Kerala	19%	80%	51%	110%	46%	1.51%	1.23%	0.18%	0.90%	1.07%	39.27%	3.49%	0.22%	57.03%	100%	6625	589	37	9621	16871
17	Madhya Pradesh	19%	70%	111%	131%	34%	1.69%	1.82%	0.16%	0.42%	0.81%	58.02%	6.81%	0.25%	34.92%	100%	7417	870	32	4464	12784
18	Bihar	18%	61%	3%	170%	32%	1.16%	0.97%	0.08%	0.21%	0.50%	65.22%	5.90%	0.21%	28.66%	100%	5115	463	17	2248	7843
19	Chandigarh	12%	-2%	46%	55%	19%	0.50%	0.62%	0.08%	0.17%	0.27%	50.69%	6.95%	0.37%	42.00%	100%	2180	299	16	1806	4301
20	Goa	11%	43%	22%	33%	0%	1.03%	1.40%	0.08%	0.55%	0.70%	41.05%	6.09%	0.14%	52.73%	100%	4530	672	15	5818	11035

ACTION AT FIAI

ADDITION IN FIAI'S BOARD OF DIRECTORS



Mr. Satheesh Krishnamurthy joins the FIAI Board from this month.

A brief profile

Mr. Satheesh Krishnamurthy heads the Affluent & NRI Business for Axis Bank. He was featured in Fortune India as India's 40 under 40 in 2016 & in Business Today as India's hottest executives in the corporate sector in 2015. Prior to joining Axis Bank, Satheesh worked with Citibank across multiple geographies for over 13 years. In his recent most role with Citibank, he headed Citigold - Citibank's flagship brand in the affluent space. He was instrumental in launching Citigold Private Client (CPC), a bespoke offering for high net worth clients with over USD 1 million relationship size with the bank.

Satheesh worked across various business functions starting with the Suvidha business (Corporate Salary accounts), Business banking, Cards, Sales & Distribution, and the affluent business across geographies. He also did a stint in New York as part of Citibank's prestigious global high potential talent development program. On his return to India, he was the Sales Director for the Cards business, and was part of the team which developed a new Universal Banker (responsible for all product sales) distribution architecture.

Satheesh graduated from IIT Kharagpur and holds an MBA degree from FMS, Delhi.

FIAI STAR VOLUNTEER OF THE QUARTER



Sriram B.K.R, Product Head - Distribution, Geojit BNP Paribas Financial Services Ltd was announced as the FIAI Volunteer of the quarter April - June 2016 for his contribution in providing content & Infographics on Mutual Fund Industry data for the FIAI Diary. It captures latest data on Mutual Fund Inflows, Assets Under Management, Folios and its movement over a period of time and other trends

MEETING WITH MOS - FINANCE, FINANCE MINISTRY

Last month, a joint FIAI and United Forum of IFA Association team met up with Mr. Arjun Meghwal, the new Union minister of State - Finance and Corporate Affairs, Govt of India on the MF Distributor commissions disclosure issue. It was a very positive meeting and Mr. Meghwal took our representation and assured us of consideration of the issue.

MEETING WITH REVENUE SECRETARY, MOF

FIAI and United Forum of IFA Association team met up with Dr. Hasmukh Adhia, Revenue Secretary, Ministry of Finance, on the MF Distributor service tax issue last month. We were assured of a discussion with SEBI on the issue

INDUSTRY UPDATES

KEY ECONOMIC INDICES

DATA FOR MONTH: JULY 2016

Indices	As On 31-Jul-16	As On 30-Jun-16	As On 30-Apr-16	Change (Month)	Change (Quarter)
364 Day Tbill	6.72%	6.86%	6.88%	-0.14%	-0.16%
91 Day Tbill	6.56%	6.71%	6.78%	-0.15%	-0.22%
10-year Benchmark (7.59% 2026)	7.16%	7.45%	7.44%	-0.29%	-0.28%
3 Months Certificate Of Deposit (CD)	6.60%	6.75%	7.38%	-0.15%	-0.78%
3 Months Commercial Paper (CP)	7.15%	7.75%	8.40%	-0.60%	-1.25%
AAA Corp Yields - 1 Yr	7.95%	8.49%	8.30%	-0.54%	-0.35%
AAA Corp Yields - 3 Yrs	8.10%	8.49%	8.40%	-0.39%	-0.30%
Bank Rate	7.00%	7.00%	7.00%	0.00%	0.00%
RBI LAF-Repo rate	6.50%	6.50%	6.50%	0.00%	0.00%
RBI LAF-Reverse Repo rate	6.00%	6.00%	6.00%	0.00%	0.00%
Foreign Exchange Reserve(\$ bn)	365.75	363.17	363.12	2.58	2.63
Brent Crude Oil (\$/bbl)	42.69	50.06	48.14	-7.37	-5.45
Gold (\$/oz)	1342.00	1320.75	1285.65	21.25	56.35
US Fed Funds Rate	0.50%	0.50%	0.50%	0.00%	0.00%
US 10-yr Gilt	1.49%	1.47%	1.83%	0.02%	-0.34%
CRR	4.00%	4.00%	4.00%	0.00%	0.00%

Source: Various (BSE, NSE, SEBI)

DOMESTIC MARKETS - INDICES

% Returns as on 31 July, 2016.

Key Indices	31-July-16	1 Month	3 Months	1 Years	3 Years	5 Years	10 Years
S&P BSE Sensex	28051.86	3.90	9.55	-0.22	13.19	9.04	10.07
NIFTY 50	8638.50	4.23	10.05	1.24	14.58	9.52	10.64
S&P BSE 100	8856.01	5.05	11.06	2.34	15.77	9.87	10.91
S&P BSE 200	3692.08	5.07	11.15	2.87	17.59	10.35	11.21
NIFTY 500	7330.00	5.00	11.25	3.15	18.73	10.63	11.08
NIFTY FREE FLOAT MIDCAP 100	14772.75	6.92	11.95	7.61	29.05	13.00	14.31
S&P BSE SmallCap	12309.95	4.31	11.70	4.05	32.34	8.19	9.14
S&P BSE Midcap	12661.06	8.06	14.65	12.31	28.46	12.86	11.40
NIFTY NEXT 50	22457.40	9.37	16.22	7.90	26.24	15.53	15.46

Source: BSE & NSE.

FOREX (Currency movements against INR)

Source: bloomberg.com

	31-July-16	30-Jun-16	30-Apr-16	31-Jul-15	% Change (Month)	% Change (Quarter)	% Change (Year)
1 US\$	67.02	67.52	66.34	64.13	0.75%	-1.01%	-4.31%
1 Euro	74.27	75.01	75.73	70.16	1.00%	1.97%	-5.53%
100 Yen	64.69	65.91	61.96	51.55	1.89%	-4.22%	-20.31%
1 Pound	88.30	90.52	97.40	99.84	2.51%	10.31%	13.07%

Source: bloomberg.com

GLOBAL MARKETS INDICES

% Returns as on 31st July, 2016.

Global Indices	31-July-16	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years
All Ordinaries (Australia)	5643.97	6.28	6.17	-0.66	3.87	4.63	1.31
Dow Jones Ind Avg (USA)	18432.24	2.80	3.71	4.20	5.95	8.70	5.12
FTSE 100 (UK)	6724.43	3.38	7.73	0.42	0.52	2.95	1.27
Hang Seng (Hong Kong)	21891.37	5.28	3.91	-11.14	0.01	-0.49	2.58
Nasdaq (USA)	5162.13	6.60	8.10	0.66	12.49	13.37	9.46
Nikkei 225 (Japan)	16569.27	6.38	-0.58	-19.51	6.63	11.00	0.70
S&P BSE Sensex	28051.86	3.90	9.55	-0.22	13.19	9.04	10.07
Bovespa (Brazil)	57308.21	11.22	6.30	12.67	5.91	-0.52	4.45
Jakarta Composite (Indonesia)	5216.00	3.97	7.80	8.61	4.20	4.78	14.46
KLSE Composite (Malaysia)	1653.26	-0.05	-1.16	-4.06	-2.30	1.31	5.86
PSE Composite (Phillippines)	7963.11	2.14	11.23	5.47	6.25	12.07	12.79
RTS Index (Russia)	928.16	-0.28	-2.23	8.07	-10.93	-13.93	-5.01
Seoul Composite (S. Korea)	2016.19	2.33	1.11	-0.69	1.75	-1.12	4.50
SET (Thailand)	1524.07	5.47	8.50	5.83	2.31	6.10	8.22
Shanghai Composite (China)	2979.34	1.70	1.40	-18.68	14.33	1.98	6.33
Straits Times (Singapore)	2868.69	0.98	1.06	-10.42	-3.80	-2.10	1.61
Taiwan Weighted (Taiwan)	8984.41	3.67	7.24	3.68	3.48	0.78	3.36

Source: bloomberg.com

INSTITUTIONAL ACTIVITY

Net Investment (Rs. Crores).

	JULY-2016			01-Jan-16 To 31-July-16		
	Debt	Equity	Total	Debt	Equity	Total
FIs	(6,845.44)	12,611.82	19,457.26	-4,723.20	31,778.40	27,055.20
Mutual Funds	19,652.90	(-33.50)	19,619.40	213,088.80	9,528.80	222,617.60

Source: SEBI.

MUTUAL FUND MONTHLY DATA

Amount in Rs. Crore (Source: SEBI)

Type	No. of Schemes	No. of Folios	Funds mobilized	Repurchase/Redemption	Net Inflow (+ve)/Outflow (-ve)	Net Assets as on May 31, 2016
A Income / Debt Oriented Schemes	1,821	86,70,946	25,51,753	24,50,913	1,00,841	8,97,983
i Liquid/ Money Market	52	5,05,929	24,45,182	23,80,270	64,912	2,69,746
ii Gilt	41	64,784	719	1,928	-1,209	15,352
iii Debt (other than assured return)	1,721	81,00,185	1,05,852	68,714	37,138	6,11,130
iv Debt (assured return)	0	0	0	0	0	0
v Infrastructure Development	7	48	0	0	0	1,755
B Growth/ Equity Oriented Schemes	472	3,63,90,441	24,379	15,221	9,158	4,15,088
i ELSS	60	73,66,984	1,497	641	856	44,766
ii Others	412	2,90,23,457	22,882	14,580	8,302	3,70,322
C Balanced Schemes	28	25,66,108	3,259	1,919	1,340	42,695
D Exchange Traded Fund	59	7,00,583	3,036	2,347	688	23,902
i GOLD ETF	13	4,25,815	10	158	-148	6,159
ii Other ETFs	46	2,74,768	3,026	2,189	836	17,743
E Fund of Funds Investing Overseas	29	1,20,001	49	99	-51	1,958
Total (A+B+C+D+E)	2,409	4,84,48,079	25,82,476	24,70,500	1,11,976	13,81,625

Source: SEBI

BECOME A FIAI MEMBER

FIAI invites all National Distributors, Banks and IFA Associations to become its members to be able to successfully pursue the objectives of the body in interest of the entire industry & distributors at national level.

Membership Benefits

- ▶ FIAI provides an excellent opportunity to participate in the process of building a think tank that puts forth well-researched and independent points of view on topic relevant to the financial products distribution / advisory practice.
- ▶ Members will be able to suggest and participate in building of the research subjects and the underlying reports.
- ▶ Members will get access to the updates of regulatory and business changes.

- ▶ The FIAI members will be privy to our reports immediately prior to submission with regulatory bodies.
- ▶ Members will have the opportunity to engage with eminent people and organisations through a range of events.
- ▶ Members will be able to reach remote areas by the use of the planned FIAI regional/ zonal offices.
- ▶ FIAI will undertake services for promotion of financial business of its members and the development of the securities market.
- ▶ FIAI will undertake studies /surveys on important matters and access to such report will be helpful for the business practices of its members.

Registration Process

To become a member, kindly contact us...



CONTACT FIAI

Communicaton Address: AWFIS Business Centre, 1st Floor, Poddar Chambers, Mathuradas Mill Compound, Lower Parel, Mumbai - 400 013.

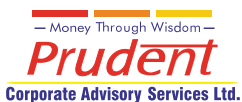
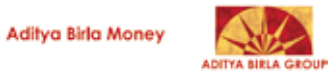
Registered office: Navjivan Society, Office No. 1209, Building No. 3, Lamington Road, Mumbai - 400 008.
Website: www.fiai-india.org

Suggestions & feedback: Email: info@fiai-india.org



Financial Intermediaries Association of India

MEMBERS



Communication Address: AWFIS Business Centre, 1st Floor, Poddar Chambers, Mathuradas Mill Compound, Lower Parel, Mumbai - 400 013.