Net SIP inflow hits record ₹2-trn in FY26 despite rise in account closures

Accounted for around 56% of the ₹3.5-trn in gross SIP investments, the highest share in at least three years

Resilient Markets
- Retail investors increasingly favour long-term investing
- Investors avoided exits during short-term market corrections
- SIP commitments continued despite persistent market volatility

New Delhi

NET systematic investment plan (SIP) inflows into mutual funds surged to a record Rs 2 trillion in financial year 2025-26 (FY26), even as equity market volatility led to a rise in SIP account closures, according to data released by the Securities and Exchange Board of India (SEBI).

The net SIP inflow accounted for around 56 per cent of the Rs 3.5 trillion in gross SIP invest-ments during FY26, the highest share in at least three years. The corresponding share stood at 54 per cent in FY25.

Net SIP inflow is calculated after deducting redemptions from gross SIP investments. The monthly SIP figures reported by the Association of Mutual Funds in India (Amfi), meanwhile, represent gross inflows.

Despite higher SIP account closures in FY26, redemptions rose only 15% to Rs1.5-trn, the slowest growth in three years, indicating retail investor resilience. However, market volatility slowed new SIP account additions sharply, with just 4-mn added versus nearly 17-mn in FY25

The data indicates that the increase in SIP account closures during FY26 did not translate into a proportionate rise in redemptions. Based on gross and net SIP figures, total SIP outflows through redemptions stood at around Rs 1.5 trillion during the year. Although redemptions increased by about 15 per cent from nearly Rs 1.3 trillion in FY25, the pace of growth was the slowest recorded in the past three years. SIP outflows had jumped 57 per cent in FY24 and 18 per cent in FY25.

The rise in redemptions in FY26 was also significantly lower than the 21 per cent growth in gross SIP inflows recorded during FY25, highlighting the resilience of retail investors despite challenging market conditions.

Mutual fund industry officials attributed the strong growth in net SIP inflows to a growing long-term investment approach among retail investors. Investors, they said, appeared more willing to continue their SIP commitments through periods of market volatility rather than exit investments in response to short-term corrections.

However, market turbulence did have a visible impact on the pace of new SIP account addi-tions. The number of SIP accounts increased by only around 4 million in FY26, compared with nearly 17 million net additions in FY25, accord-ing to SEBI data.

The equity market has remained volatile since September 2024. Over the two-year period end-ing March 2026, the Nifty declined by more than 5 per cent, while the Nifty Smallcap 250 remained broadly flat. The Nifty Midcap 150, meanwhile, gained around 6 per cent.

Sonaselection sets price band

NEW DELHI: Textile company Sonaselection India Ltd on Thursday fixed a price band of Rs 94-99 per equity share for its upcoming Rs 141.6-crore initial public offering. The company's maiden public offer is scheduled to open on September 17 and conclude on September 21. The bidding for anchor investors will take place on September 16.

The Bhilwara-headquartered company's IPO will comprise a fresh issue of 1.43 crore equity shares worth Rs 141.57 crore at the higher end, with no offer for sale (OFS) component, accord-ing to a statement. Proceeds from the IPO will be used for debt payment, purchasing plant and machinery at the company's manufacturing facility and general corporate purposes.

Founded in 2022, Sonaselection India is an integrated fabric manufacturing and processing company, with the core operations housed at its manufacturing facility at Bhilwara in Rajasthan. Bhilwara is widely recognised as a major hub for textile processing and manufacturing, provid-ing the company access to skilled labour, established supply chains and textile ecosystem ad-vantages.

In fiscal 2026, the company expanded its operations into the readymade garments segment through its wholly owned subsidiary, Sionnah Enterprises, thereby strengthening vertical inte-gration between fabric manufacturing and downstream garment production.

Gold ETF inflows surge 67% to ₹2,596.70-cr in Aug: AMFI report

Driven by continued investor interest despite MCX gold prices surging 7.7%

MARKET ANALYSIS
- MF inflows fell to Rs41,353.60-cr
- Silver ETFs attracted Rs1,270.63-cr net inflows
- Retail participation through SIPs remained strong
- Debt funds drove the sharp rally with Rs8,127.32-cr outflows

New Delhi

INFLOWS into gold Exchange-Traded Funds (ETFs) surged nearly 67 per cent in Au-gust 2026 as investors increased their exposure to the precious metal amid a sharp rise in do-mestic gold prices, according to the latest data released by the Association of Mutual Funds in India (AMFI) on Thursday.

Gold ETFs received net inflows of Rs 2,596.70 crore in August, compared with Rs 1,559 crore in July. The category recorded positive inflows for the third consecutive month, reflecting con-tinued investor interest in gold-linked investment products.

The increase in gold ETF investments came as domestic gold prices on the Multi Commodity Exchange (MCX) rose 7.7 per cent during August, making the precious metal one of the key investment avenues during the month.

Mutual fund SIP contributions reached a record high of Rs32,297-cr in Aug, rising mar-ginally from Rs31,961-cr in July. On a year-on-year basis, SIP inflows increased 14% from Rs28,265-cr in Aug 2025, reflecting sustained growth and continued retail investor participation in mutual funds

Silver ETFs also continued to attract investors, recording net inflows of Rs 1,270.63 crore in August. Overall, the mutual fund industry recorded net inflows of Rs 41,353.60 crore in Au-gust, significantly lower than the Rs 2.35 lakh crore recorded in July. The sharp month-on-month decline was largely influenced by flows in the debt fund segment. Systematic Investment Plan (SIP) contributions, however, continued to strengthen and reached a record high of Rs 32,297 crore in August, compared with Rs 31,961 crore in July. The steady rise in SIP contributions highlights continued retail investor participation in mutual funds. Debt funds registered a net outflow of Rs 8,127.32 crore in August, reversing from a net inflow of Rs 1.87 lakh crore in July.

Meanwhile, the mutual fund SIP inflows increased marginally month-on-month to a record high of Rs 32,297 crore in August, compared with Rs 31,961 crore in July. On a year-on-year basis, SIP inflows rose 14 per cent from Rs 28,265 crore recorded in August 2025.

Gold futures rise on firm spot demand

NEW DELHI: Gold prices rose by Rs 231 to Rs 1.53 lakh per 10 grams in futures trade as specula-tors created fresh positions on firm spot demand. The yellow metal contract for the October de-livery traded higher by 0.15 per cent in 867 lots. Fresh positions by market participants led to a rise in the precious metal's prices, analysts said. Gold futures rose 0.47 per cent to $4,419.57 per ounce in New York.

Silver futures decline on negative trend

SILVER prices fell by Rs 568 to Rs 2,43,645 per kilogram in futures trade as participants reduced their bets. Silver contracts for December delivery declined by 0.23 per cent in 1,262 lots. Ana-lysts said a sell-off by participants mainly weighed on silver prices.

Brent crude trade higher at $101.08/bbl

CRUDE oil prices rose by Rs 35 to Rs 9,134 per barrel in the futures trade amid positive global trends. Crude oil futures for September delivery rose by Rs 35, or 0.38 per cent, to Rs 9,134 per barrel in a business turnover of 3,190 lots.

Sebi revises position limits in commodity derivatives

New Delhi

Easing Compliance
- Broad commodity definition revised using supply thresholds
- Exchanges can square off persistent excess positions
- Reclassified commodities retain 1% limit for year

MARKET regulator Sebi overhauled position limits for clients in agricultural commodi-ty derivatives and put a ceiling on penalties for violations to facilitate ease of doing business. Under the new rules, Sebi will calculate penalties for breaches of client-level position limits based on the extent of the excess position and the number of days the violation persists, accord-ing to its circular.

The move comes after Sebi received representa-tions to review the position limit norms applica-ble for agri commodity derivatives, as the current position limits were introduced in 2017, aligned with market condi-tions prevailing at that time.

As per the circular, for violations of more than 2 per cent of the prescribed limit, the penalty will be the excess position multiplied by the closing price, number of days of violation and 2 per cent, or Rs 2 lakh, whichever is lower. For violations of up to 2 per cent, the penalty will be cal-culated similarly, subject to a cap of Rs 10,000. Sebi said members will have to bring excess positions within prescribed limits by the next trad-ing day. If the violation continues, exchanges can square off the excess position without further notice. The regulator has also revised the definition of a "Broad Com-modity". An agricultural commodity will now qualify as a broad commodity if it is not classified as a sensi-tive commodi-ty and has an average deliverable supply over the past five years of at least 10 lakh metric tonnes or Rs 5,000 crore in monetary terms.

Under the revised frame-work, client-level position limits will be 2 per cent of deliverable supply for broad commodities, 1 per cent for narrow commodities and 0.5 per cent for sensitive com-modities, Sebi said.

Commodities moving from the narrow to broad category following the re-vised definition will retain the 1 per cent limit for one year. Exchanges may subse-quently raise the limit to 2 per cent after a review.

A pullback rally possible from current levels

Above 75,000 it may bounce back to 75,500-75,700; below 74,700, it could slip to 74,500-74,200 zone

Bizz Buzz Bureau
Mumbai

THE benchmark indices witnessed range-bound ac-tivity, with the Sensex ris-ing by 139 points. Among sectors, selective financial stocks experienced intraday buying interest, whereas the defense index was the top loser, shedding nearly 1 per cent.

Technically, the short-term market outlook re-mains weak, but due to tem-porary oversold condi-tions, we could see a pullback rally from the current levels.

"For day traders, 74,700 would act as key support zones, while 75,000 would be the immediate hurdles for the bulls," says Shrikant Chouhan, Head - Equity Research, Kotak Securities. A move above 75,000 could extend the bounce back to 75,500-75,700. Conversely, below 74,700, selling pres-sure is likely to accelerate. If the market drops below this level, it could slip to 74,500-74,200.

NSE IPO: Declining options share, derivatives curbs pose challenges

Mumbai

THE National Stock Exchange (NSE) is heading towards its much-awaited initial pub-lic offering (IPO) at a time when the exchange is facing several challenges, including a sharp decline in its market share in equity options, tighter regu-lations governing derivatives trading and limited room for growth in its dominant cash market segment.

According to data dis-closed by NSE in its Red Her-ring Prospectus (RHP), the exchange's market share in the equity options segment, measured by premium value, has declined significantly over the past three financial years. NSE's share stood at 96.9 per

cent in FY24, before falling to 87.4 per cent in FY25 and further to 74.71 per cent in FY26. This represents a decline of around 22.2 percentage points over the three-year period.

The decline highlights the increasing competitive pres-sure in one of NSE's key rev-enue-generating segments, even as the exchange con-tinues to maintain a strong position across other market segments. In the equity cash segment, NSE's market share has remained above 90 per cent during the same period. Its share stood at 92.7 per cent in FY24, increased to 93.6 per cent in FY25 and remained largely stable at 92.99 per cent in FY26. While the high market share reflects NSE's strong position in the cash market, it also points to limited head-room for significant expan-sion in the segment. At the same time, regulatory tighten-ing around derivatives trad-ing has emerged as another challenge for the exchange. Authorities have taken several measures in recent years to curb excessive participation in derivatives, par-ticularly amid concerns over retail in-vestors suffering substantial losses in futures and options (F&O) trading.

Copper's record rally highlights global mining-smelting mismatch: IPCPA

The red metal prices on the London Metal Exchange surged nearly 50% over the past year to touch a record $14,737/tonne in Sept 2026

New Delhi

A growing mismatch be-tween global copper mining and smelting capacity is add-ing to supply pressures and helping drive copper prices to record levels, the Indian Pri-mary Copper Producers As-sociation (IPCPA) said.

Copper prices on the Lon-don Metal Exchange touched a record $14,737 a tonne in September 2026, up nearly 50 per cent over the past year, as expectations of US tar-iffs, tighter mine supply and sharp shifts in global inven-tories reshape the market, the association said. Hundreds of thousands of tonnes of cop-per have been shipped to the United States since the start of the year to take advantage of the price premium between the Comex and LME mar-kets, according to IPCPA.

Comex stocks have surged to a record 6,75,000 tonnes, while inventories in LME ware-houses have fallen to critically low levels, tightening the metal availability in other markets. China's continued expansion of smelting capacity is placing additional pressure on an already constrained supply of copper concentrates

The US Commerce De-partment's report on poten-tial copper import tariffs is nearly two months overdue, but the market continues to price in the possibility of trade restrictions, supporting ele-vated prices, the asso-ciation said. The prospect of tariffs has triggered a major redistribution of copper in-ventories.

Comex stocks have surged to a record 6,75,000 tonnes, while inventories in LME warehouses have fallen to critically low levels, tighten-ing the metal availability in other markets, IPCPA said. The resulting concentra-tion of copper stocks in the United States comes as global mine output has been slightly weaker because of operation-al challenges at three to four major mines, it added.

At the same time, China's continued expansion of smelting capacity is placing additional pres-sure on an already constrained supply of copper concentrates. That imbalance is being reflected in treatment and refining charges, or TC/RCs - fees paid to smelters to process copper concen-trate.

TC/RCs have fallen to un-precedented levels of around negative $1,300 a tonne, from positive levels of roughly $300-400 a tonne, according to IPCPA. The sharp decline is a sign that smel-ters are fac-ing increasing financial pres-sure as competition for cop-per concentrates intensifies, while mining capacity fails to keep pace with expanding global refining and smelt-ing capacity. The divergence between mine supply and smelting capacity is creating a structural constraint in the copper market, rather than simply reflecting a temporary inventory imbalance, IPCPA said. Copper is increasingly viewed as a strategic industri-al commodity because of its extensive use in power grids, electric vehicles, renewable energy, construction and oth-er infrastructure associ-ated with electrification and the energy transition.

Indices snap 3-day losses on fag-end buying in blue-chip scrips

However, elevated crude oil prices above $100-per-barrel mark, amid persistent geopolitical tensions, kept risk appetite subdued

Markets Overview
- Power Grid, Axis Bank, UltraTech were major winners
- HCL Tech, Tata Steel, Trent & ITC were major laggards
- FIIs offloaded equities worth Rs582.99-cr on Wed

Mumbai

SNAPPING their three-session losing streak, benchmark indices Sensex and Nifty edged higher on Thursday amid fag-end stock-specific buying despite the cautious market un-dertone. However, elevated crude oil prices above the $100-per-barrel mark, amid persistent geopolitical ten-sions, kept risk appetite sub-dued throughout the day, traders said. The market re-mained range-bound for the most part of the session as investors kept their exposure lower.

The 30-share BSE Sensex advanced 138.36 points, or 0.19 per cent, to settle at 74,902.59 on last-minute buying. During the day, it hit a high of 74,910.96 and a low of 74,598.47. The 50-share NSE Nifty edged higher by 46.30 points, or 0.20 per cent, to end at 23,477.80.

"Indian equities ended marginally higher on Thurs-day, shrugging off weak global cues and Brent crude hovering near $102 a barrel, as selective buying in finan-cials and oil & gas stocks offset broader caution," Hariselvan Radhakrishnan, Founder & CEO of HST Wealth, a Research Analyst firm, said.

Among the 30 Sensex firms, Power Grid, Axis Bank, UltraTech Cement, NTPC, Tech Mahindra, Bharti Airtel, HDFC Bank, and Larsen & Toubro were the major winners. HCL Tech, Tata Steel, Trent, and ITC were among the lag-gards.

The BSE SmallCap Select index was up 0.16 per cent, while the MidCap Select index dipped 0.34 per cent. Among the BSE sectoral indices, Insurance climbed 0.58 per cent, Top 10 Banks (0.52 per cent), Bankex (0.36 per cent), Private Banks in-dex (0.35 per cent), Financial Services (0.34 per cent) and PSU Bank (0.32 per cent). Capital Goods declined 0.99 per cent, Telecom-munica-tion (0.91 per cent), Metal (0.67 per cent) and Hospitals (0.48 per cent).

> Investors are closely watching upcoming US inflation data, which could shape expecta-tions for the Federal Reserve's policy path and provide fresh direction for global equities, bond yields and emerging-market currencies
> - *Ponmudi R, CEO, Enrich Money*

"Indian equity markets ended on a resilient note, trading within a narrow range after three con-sec-utive sessions of sharp de-clines. Investors are closely watching upcoming US inflation data, which could shape expectations for the Federal Reserve's policy path and provide fresh direc-tion for global equities, bond yields and emerging-market currencies," Ponmudi R, CEO of En-rich Money, an online trading and wealth tech firm, said.

"Investors now await key US inflation data for cues on the rate trajectory," Vi-nod Nair, Head of Research, Geojit Investments Ltd, said.

Foreign Institutional In-vestors (FIIs) offloaded equi-ties worth Rs 582.99 crore on Wednesday, according to ex-change data. On Wednesday, the Sensex tanked 813.35 points, or 1.08 per cent, to settle at 74,764.23. The Nif-ty declined 203.60 points, or 0.86 per cent, to end at 23,431.50.