

CAMS releases report on ‘The emerging force of millennial investors is here to stay & grow’

- Insights based on 10 of the top 15 Mutual funds serviced by CAMS as RTA
- 54% of the new investors added between FY19-FY23 in CAMS serviced mutual funds were millennials
- Assets Under Management (AuM) of millennials over the 5-year period stood at Rs. 96,000 crore
- 1.54 crore SIPs registered by millennials

Chennai 4th May, 2023: Computer Age Management Services Limited (CAMS), India’s largest registrar and transfer agent of mutual funds (a SEBI regulated entity) released a report on new millennials titled **“The emerging force of millennial investor is here to stay & grow”** at the 17th CII Mutual Fund Summit held at Mumbai on 3rd May 2023. The report was released by Mr. Manoj Kumar, Executive Director, Securities and Exchange Board of India (SEBI) in the presence of Mr. Sundeep Sikka, Chairman CII WR Taskforce on Banking & Finance, CII Mutual Fund Summit & ED and CEO Nippon Life India Asset Management, Dr. Rajesh Kapoor, Regional Director, CII Western Region.

The report on new millennials based on data from Mutual Funds serviced by CAMS as a Registrar and Transfer Agent (RTA) brings out trends, behaviours and preferences of the millennial segment and the emerging opportunities from this segment for the benefit of mutual fund managers and the ecosystem partners. As CAMS serves 10 of the top 15 Mutual funds, the report brings insights from a sizeable universe of the mutual fund industry.

The report focusses on the new millennials who have entered the Mutual funds arena in the last five years (FY 2019 - FY 2023). It includes actionable insights for asset managers, intermediaries, advisors and service partners, covering several key areas. These insights emerge from (the millennials’) demographics, preferences in investing, SIP trends, preference for intermediation and advisory services, diversification and stamina to stay invested.

According to the report, Millennials have been the dominant segment among the new investors who entered mutual funds in the last five years.

Key highlights of the report, include:

- 1.57 Crore new investors during the five-year period FY19-FY23 entered CAMS serviced Funds. Of these 1.57 crore, 84.8 lakh were millennials with 54 % share
- Of these 84.8 lakh, nearly 26% were women
- 85% of the new millennial entrants came from urban locations – T 30 locations
- This segment has cumulatively added 1.54 crore SIPs during the five year period.
- A sizeable number (33 lakh) have also diversified across funds houses over the five years, with having investment in more than one fund house
- Digital and straight through investment via electronic platforms is significant at 75%. Paper is still prevalent in B30 locations



- Gross inflows from millennials across the five years was over Rs. 1,00,000 crore, of which over Rs. 65,000 crore was into equity schemes (Growth & Equity Oriented Schemes & Hybrid schemes)
- The AUM of the millennials who stayed through the five years stands at Rs.96,000 Crore as at Mar 2023.

Speaking about the report, Mr. Anuj Kumar, Managing Director, CAMS Limited said, “The India story is the envy of the world, a country with the largest population of employed youth. The digital native millennial generation is a massive opportunity to make Mutual Funds the first choice and the most inclusive investment class. The report highlights millennials’ participation in mutual funds and the opportunity the segment holds. We are delighted to release this insightful report that puts the spotlight on the new millennials who are a dominant section choosing MFs as their choice of investment for wealth creation. The addition of millennials who formed 54% of the new investor base into mutual funds has been possible on the back of five key drivers viz. massive awareness campaigns, conducive market conditions, digital access, simplified KYC and concerted intermediation and advisory. AMCs, Intermediaries, Advisors and CAMS have the responsibility to give these investors a superior experience as they traverse the journey.”

Progressive increase of women millennial investors is a great sign of financial independence and growing confidence of women to choose financial assets led wealth-creation, thus narrowing the gender divide in the traditionally male dominated investment space. Investors’ conviction to grow their MF portfolio is best evidenced when they start new SIPs (a long-term commitment) and when they begin to diversify across fund houses and asset classes. Interestingly, 95% of millennials have chosen advisors or distributors to begin their MF journey.

About CAMS Limited (www.camsonline.com) BSE: 543232; NSE: CAMS

CAMS is a financial infrastructure and service partner to mutual funds and provides platform-based services to other financial institutions. The Company is India's largest registrar and transfer agent of mutual funds with an aggregate market share of approximately 69% based on mutual fund average assets under management ("AAUM"). The Company has grown its market share from approximately 61% in March 2015 to approximately 69%, based on AAUM serviced. Its mutual fund clients include ten of the fifteen largest mutual funds. The Company is the market-leading platform and service partner to alternative investment funds and portfolio managers serving over 300 funds with full-stack digital and fund administration services. CAMSPay is the primary Payment services provider for Mutual funds and several NBFCs. Services to insurance companies and insurance services are provided via the subsidiary CAMSRep. The company has recently launched account aggregator service CAMSfinserv, a path-breaking initiative for consent-based data sharing. Central Record-keeping services for National Pension System is similarly a newly launched service.

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