PL Capital
PRABHUDAS LILLADHER

Navigating Crests & Troughs

Quant

November 03, 2026



Oct'26 Sectoral PE trend

Quick Pointers

- This report reviews one year forward PE trends across 20 major sectors in Oct'26, comparing current valuations with LTAs, SD bands and historical valuation bands.
- Oct'26 valuations remained mixed, with 8 sectors trading above their LTAs, 10 sectors below and 2 sectors in line with their LTAs.

Overall, Oct'26 valuations witnessed moderation across most sectors. Automobiles, Auto Parts & Equipment, Cements, Defence, Oil & Gas, Pharma, Power Generation & Distribution and Textiles continue to trade above their LTAs. Notably, Cements, Defence and Pharma remained above their respective SD (+1) levels, while Power Generation & Distribution traded at its SD (+1) level. Capital Goods and Metals & Mining moderated to trade in line with their historical averages.

In contrast, Agro Chemicals, Building Materials, Chemicals, Consumer Durables, FMCG, Hospitals, Hotels, IT, Real Estate and Retail remained below their LTAs. Building Materials and FMCG ended the month below their respective SD (-1) levels, while IT traded at its SD (-1) level. Consumer Durables, which started the month above its LTA, moderated to trade below its historical average by month end. Hotels and IT, however, witnessed an expansion in valuations during the month, although both continued to trade below their LTAs.

Agro Chemicals: PE moderated from 16 at the start of Oct'26 to 15 by month end. Compared to the LTA PE of 20, the current valuation remains below average and within the historical valuation band of 9–39, with SD (+1) and SD (-1) levels at 26 and 14, respectively.

Auto Parts & Equipment: PE moderated from 32 at the start of Oct'26 to 31 by month end. Compared to the LTA PE of 30, the current valuation remains slightly above average and within the historical valuation band of 17–46, with SD (+1) and SD (-1) levels at 36 and 25, respectively.

Automobile: PE remained stable at 24 from the start of Oct'26 to month end. Compared to the LTA PE of 23, the current valuation remains slightly above average and within the historical valuation band of 16–32, with SD (+1) and SD (-1) levels at 27 and 19, respectively.

Building Material: PE moderated from 38 at the start of Oct'26 to 36 by month end. Compared to the LTA PE of 49, the current valuation remains below average and within the historical valuation band of 32–75, with SD (+1) and SD (-1) levels at 59 and 39, respectively.

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Capital Goods: PE moderated from 33 at the start of Oct'26 to 31 by month end. Compared to the LTA PE of 31, the current valuation remains in line with the long-term average and within the historical valuation band of 19–50, with SD (+1) and SD (-1) levels at 38 and 25, respectively.

Cements: PE remained stable at 33 from the start of Oct'26 to month end. Compared to the LTA PE of 25, the current valuation remains above average and within the historical valuation band of 11–37, with SD (+1) and SD (-1) levels at 32 and 19, respectively.

Chemicals: PE moderated from 25 at the start of Oct'26 to 23 by month end. Compared to the LTA PE of 29, the current valuation remains below average and within the historical valuation band of 11–68, with SD (+1) and SD (-1) levels at 45 and 12, respectively.

Consumer Durables: PE moderated from 43 at the start of Oct'26 to 39 by month end. Compared to the LTA PE of 41, the current valuation remains below average and within the historical valuation band of 18–67, with SD (+1) and SD (-1) levels at 53 and 29, respectively.

Defence: PE remained stable at 33 from the start of Oct'26 to month end. Compared to the LTA PE of 20, the current valuation remains above average and within the historical valuation band of 6–47, with SD (+1) and SD (-1) levels at 31 and 9, respectively.

FMCG: PE moderated from 34 at the start of Oct'26 to 33 by month end. Compared to the LTA PE of 39, the current valuation remains below average and within the historical valuation band of 30–49, with SD (+1) and SD (-1) levels at 42 and 35, respectively.

Hospitals: PE moderated from 44 at the start of Oct'26 to 42 by month end. Compared to the LTA PE of 49, the current valuation remains below average and within the historical valuation band of 28–98, with SD (+1) and SD (-1) levels at 61 and 37, respectively.

Hotels: PE increased from 33 at the start of Oct'26 to 36 by month end. Compared to the LTA PE of 46, the current valuation remains below average and within the historical valuation band of 27–95, with SD (+1) and SD (-1) levels at 62 and 30, respectively.

IT: PE increased from 15 at the start of Oct'26 to 17 by month end. Compared to the LTA PE of 21, the current valuation remains below average and within the historical valuation band of 14–33, with SD (+1) and SD (-1) levels at 26 and 17, respectively.

Metals & Mining: PE moderated from 10 at the start of Oct'26 to 9 by month end. Compared to the LTA PE of 9, the current valuation remains in line with the long-term average and within the historical valuation band of 3–16, with SD (+1) and SD (-1) levels at 12 and 7, respectively.

Oil & Gas: PE remained stable at 14 from the start of Oct'26 to month end. Compared to the LTA PE of 12, the current valuation remains above average and within the historical valuation band of 7–21, with SD (+1) and SD (-1) levels at 15 and 10, respectively.

Pharma: PE remained stable at 35 from the start of Oct'26 to month end. Compared to the LTA PE of 29, the current valuation remains above average and within the historical valuation band of 17–39, with SD (+1) and SD (-1) levels at 34 and 24, respectively.

Power Generation & Distribution: PE moderated from 21 at the start of Oct'26 to 20 by month end. Compared to the LTA PE of 15, the current valuation remains above average and within the historical valuation band of 7–26, with SD (+1) and SD (-1) levels at 20 and 10, respectively.

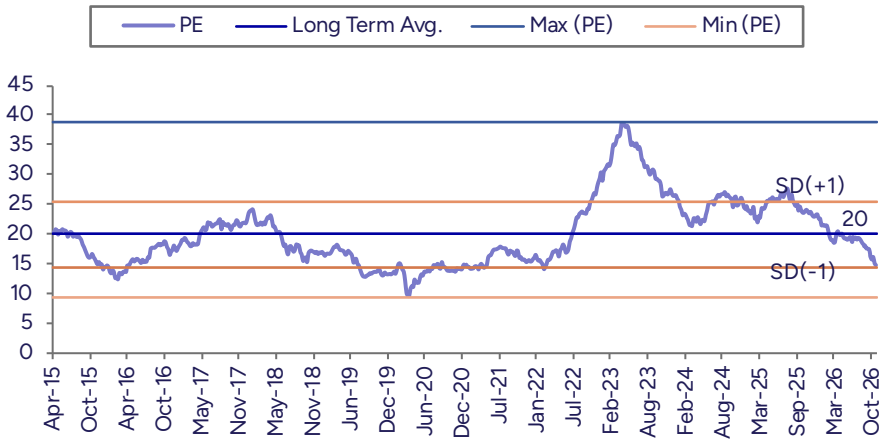
Real Estate: PE moderated from 26 at the start of Oct'26 to 25 by month end. Compared to the LTA PE of 36, the current valuation remains below average and within the historical valuation band of 12–104, with SD (+1) and SD (-1) levels at 50 and 21, respectively.

Retail: PE moderated from 56 at the start of Oct'26 to 53 by month end. Compared to the LTA PE of 77, the current valuation remains below average and within the historical valuation band of 33–169, with SD (+1) and SD (-1) levels at 103 and 52, respectively.

Textile: PE moderated from 20 at the start of Oct'26 to 19 by month end. Compared to the LTA PE of 18, the current valuation remains slightly above average and within the historical valuation band of 5–39, with SD (+1) and SD (-1) levels at 27 and 10, respectively.

Agro Chemicals

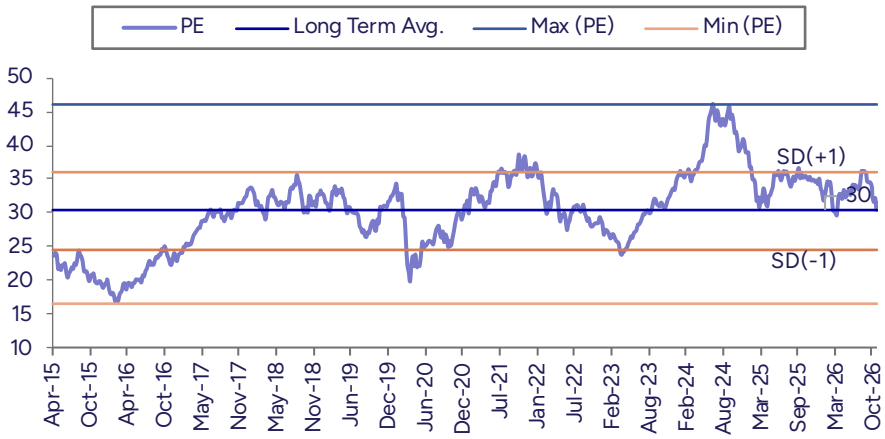
Exhibit 1: One year forward PE trading at 15x, below the 20x LTA.



Source: Company, PL

Auto Parts & Equipment

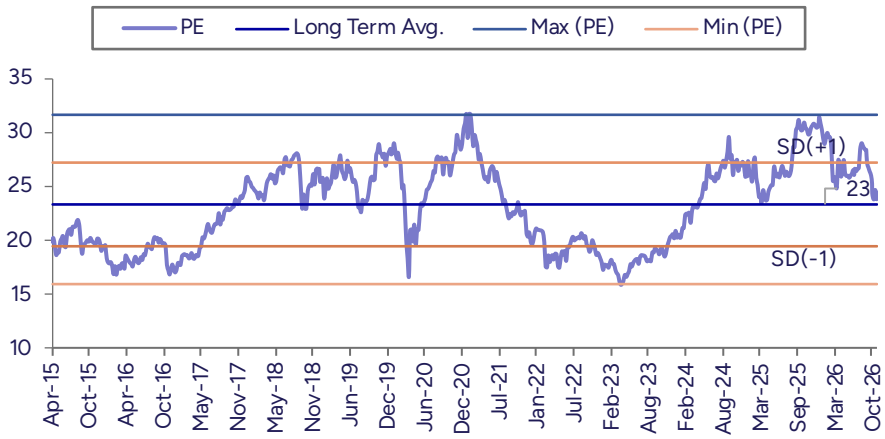
Exhibit 2: One year forward PE trading at 31x, versus a historical average of 30x.



Source: Company, PL

Automobile

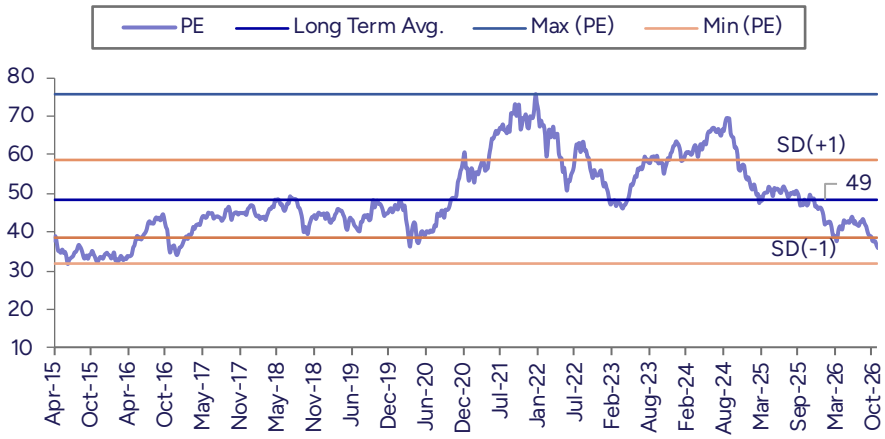
Exhibit 3: Sector valuations stand at 24x, above the 23x LTA.



Source: Company, PL

Building Materials

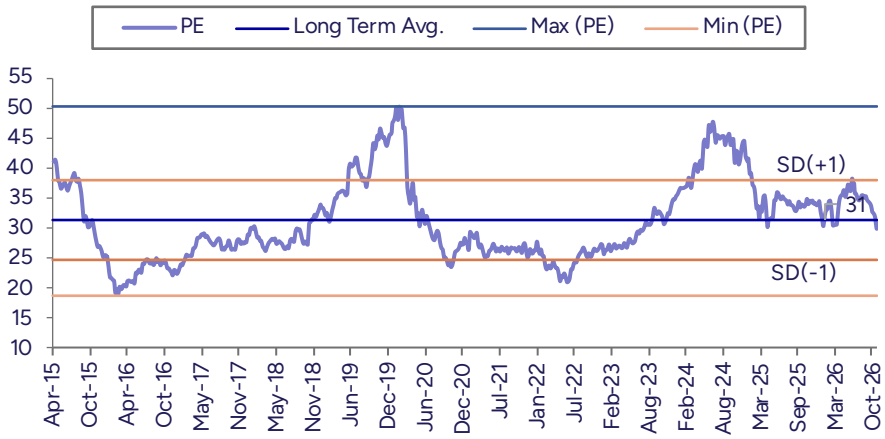
Exhibit 4: Sector valuation at 36x remains below the 49x LTA.



Source: Company, PL

Capital Goods

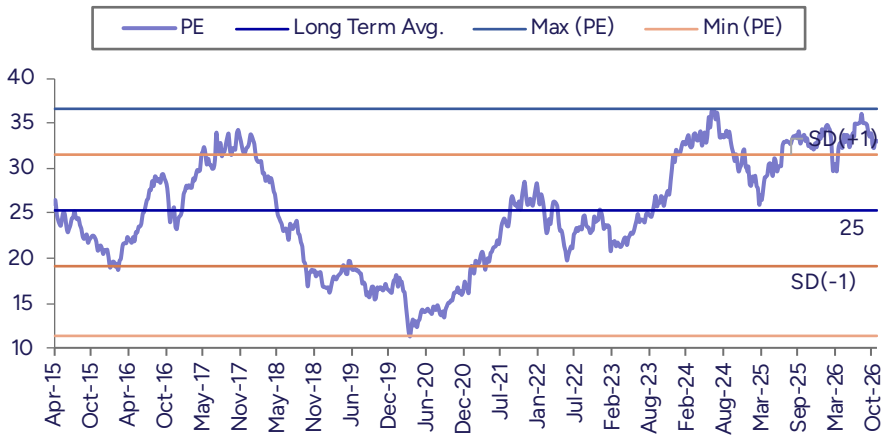
Exhibit 5: Sector quoted at 31x, in line with its historical average of 31x.



Source: Company, PL

Cement

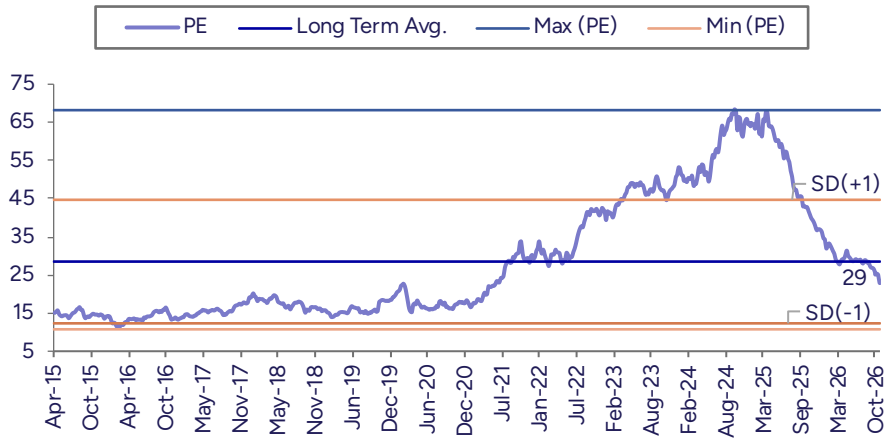
Exhibit 6: One year forward PE trading at 33x, compared with its 25x LTA.



Source: Company, PL

Chemicals

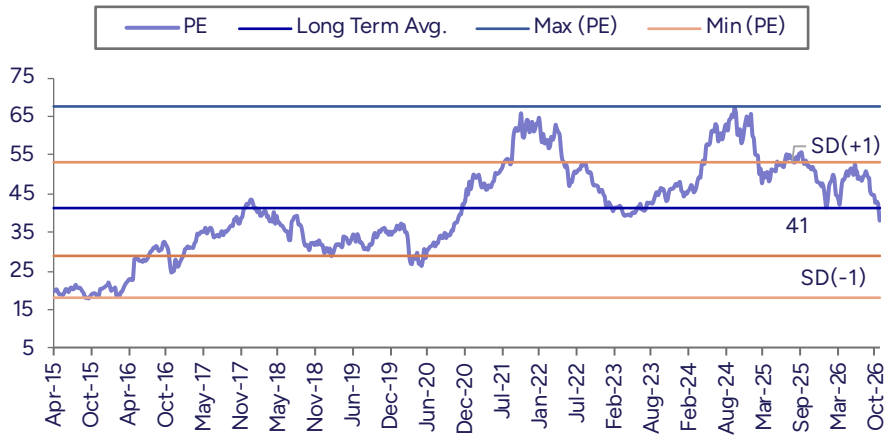
Exhibit 7: Sector trades at 23x, below its 29x historical average.



Source: Company, PL

Consumer Durables

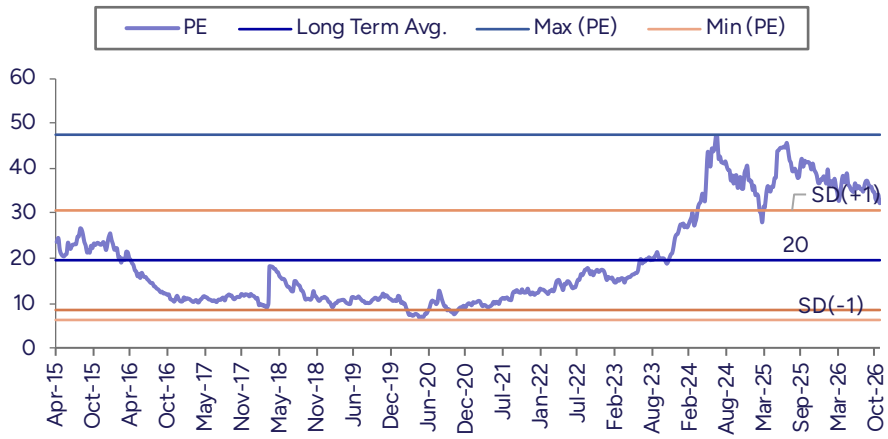
Exhibit 8: One year forward PE trading at 39x, versus a historical average of 41x.



Source: Company, PL

Defence

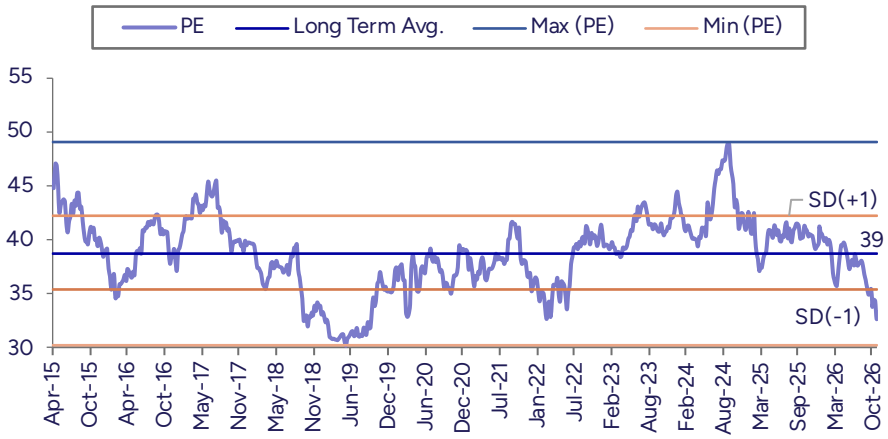
Exhibit 9: Sector valuations stand at 33x, significantly above the 20x LTA.



Source: Company, PL

FMCG

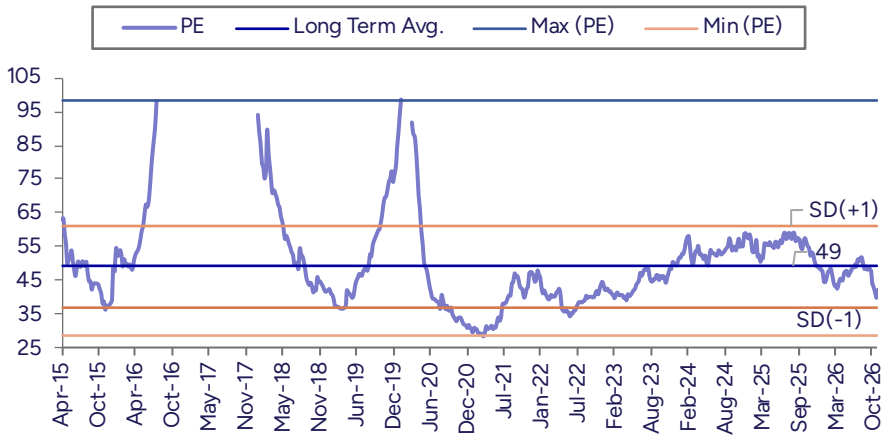
Exhibit 10: One year forward PE trading at 33x, below the 39x LTA.



Source: Company, PL

Hospitals

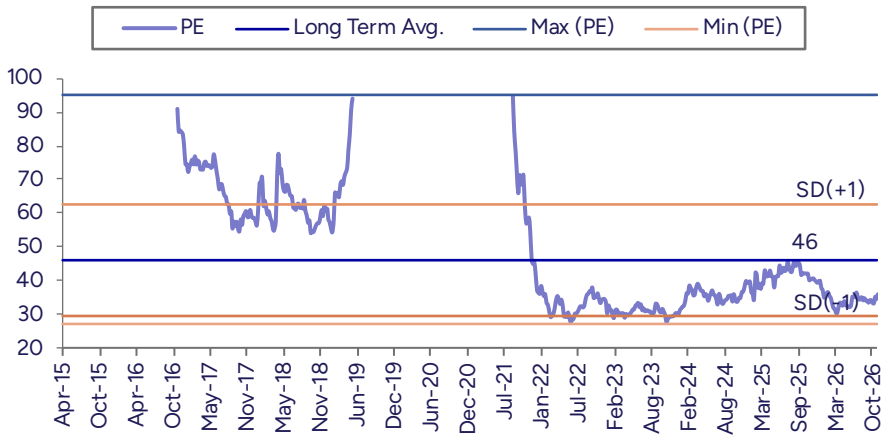
Exhibit 11: Sector trades at 42x, below the 49x LTA.



Source: Company, PL

Hotels

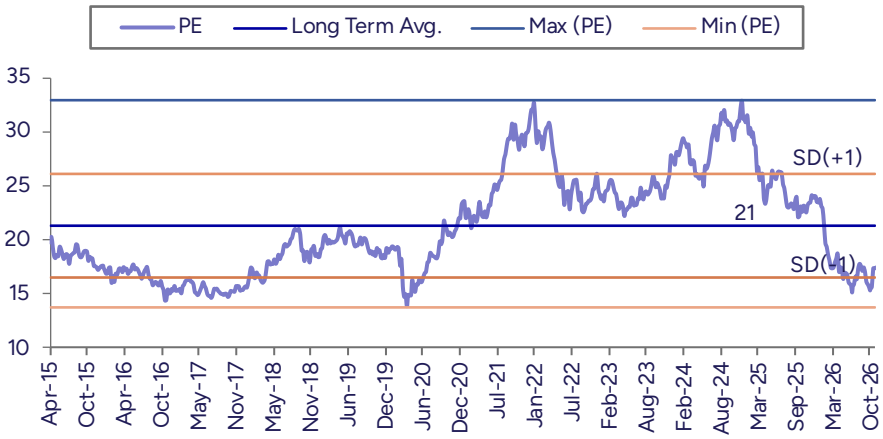
Exhibit 12: Sector valuation at 36x remains below the 46x LTA.



Source: Company, PL

IT

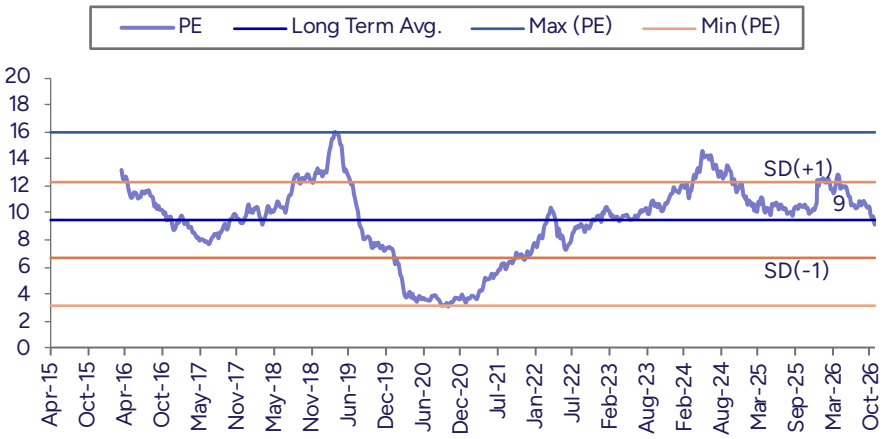
Exhibit 13: One year forward PE trading at 17x, below the 21x LTA.



Source: Company, PL

Metals & Mining

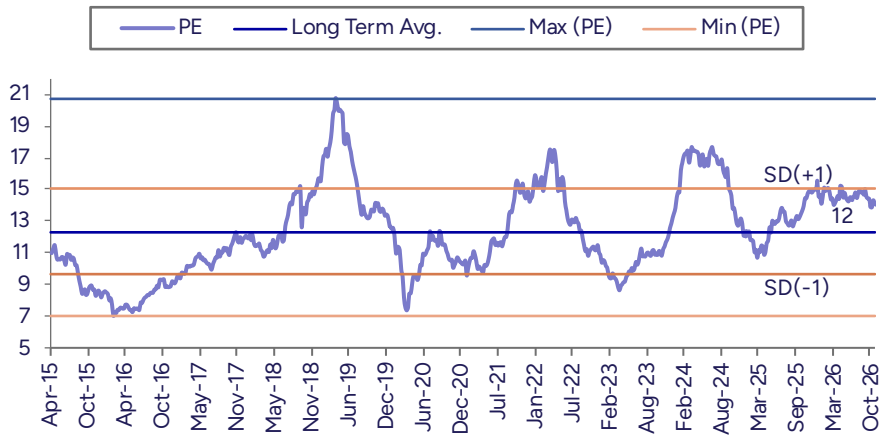
Exhibit 14: Sector trades at 9x, in line with its 9x historical average.



Source: Company, PL

Oil & Gas

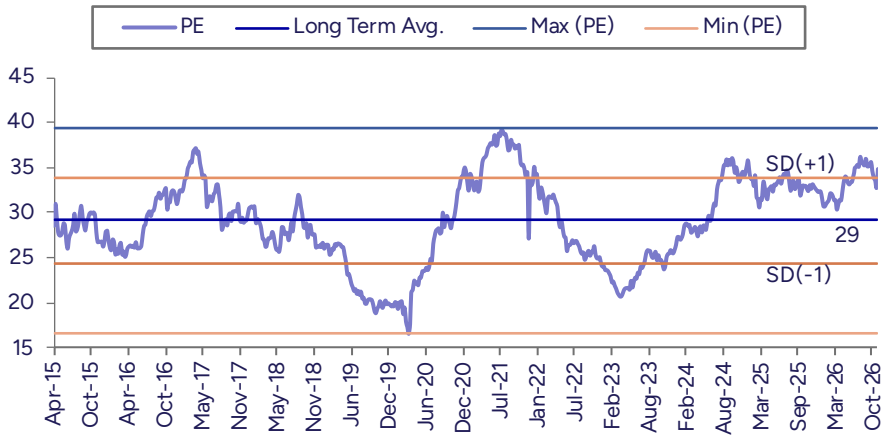
Exhibit 15: One year forward PE trading at 14x, versus a historical average of 12x.



Source: Company, PL

Pharma

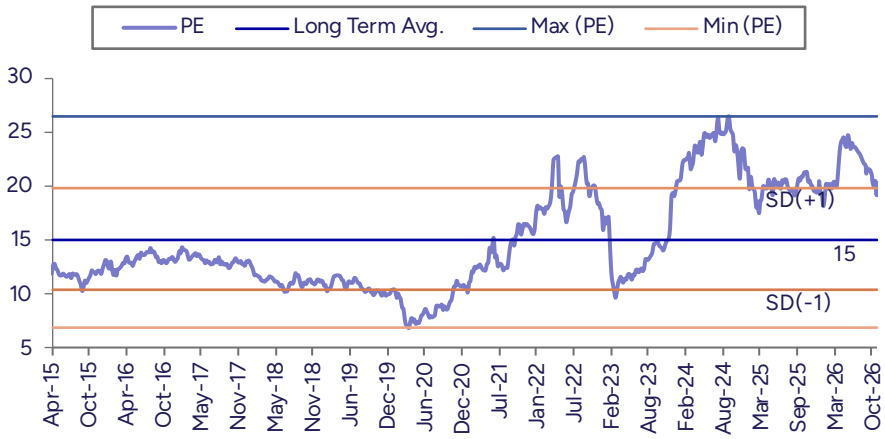
Exhibit 16: Sector valuations stand at 35x, above the 29x LTA.



Source: Company, PL

Power Generation & Distribution

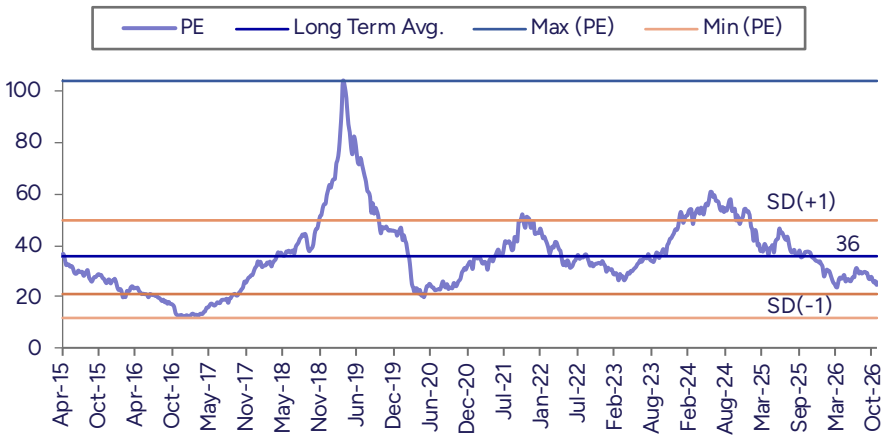
Exhibit 17: Sector quoted at 20x, ahead of its historical average of 15x.



Source: Company, PL

Real Estate

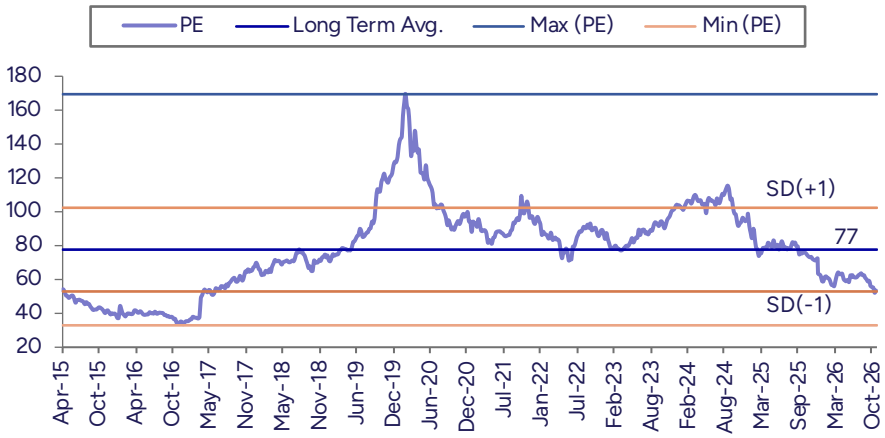
Exhibit 18: Sector valuation at 25x remains below the 36x LTA.



Source: Company, PL

Retail

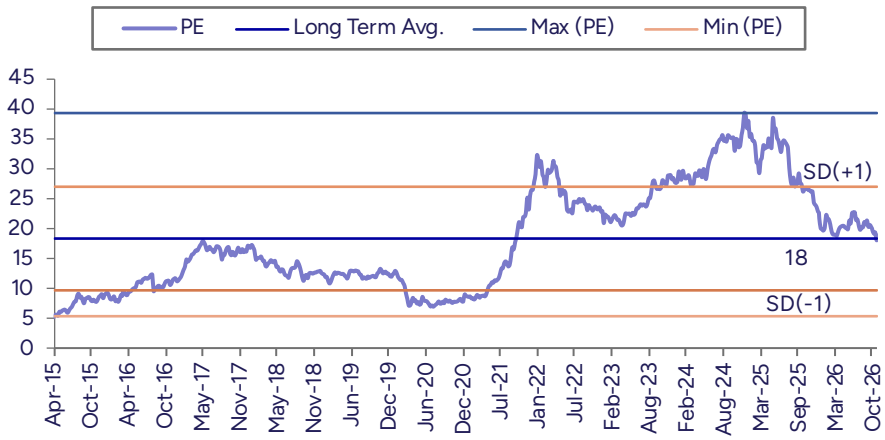
Exhibit 19: One year forward PE trading at 53x, below the 77x LTA.



Source: Company, PL

Textiles

Exhibit 20: Sector trades at 19x, a premium to the 18x historical average.



Source: Company, PL

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BUY	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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