

Monthly sector-wise FPI/FII flows- Feb'26

Feb'26 saw a sharp rebound in FII/FPI sentiment, with total sectoral outflow of Rs333bn in Jan'26 to a strong inflow of Rs164bn. The improvement was broad-based, with 12 of 18 sectors turning positive, compared to just three in the previous month. Capital Goods, Financial Services, Oil & Gas, Metals & Mining and Power emerged as the key drivers of this recovery, posting large inflows. Some sectors that had big outflows in Jan'26 like Consumer Services, Realty, Services and Automobiles returned to inflows in Feb'26. However, the upturn was not uniform: IT posted a sharp Rs110bn outflow, remaining the biggest drag, while FMCG, Healthcare, Consumer Durables and Telecom also stayed negative despite moderating from January levels. Overall, Feb'26 showed a clear improvement in foreign flows, led by strong buying across core and infrastructure-linked sectors.

- **Automobile and Auto Components** sector recorded FII/FPI outflows of Rs39,690mn in Feb'25, followed by outflows of Rs35,940mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs5,110mn. These flows remain below the long-term average inflow of Rs736mn.
- **Capital Goods** sector recorded FII/FPI outflows of Rs44,640mn in Feb'25, followed by inflows of Rs27,610mn in Jan'26. The trend strengthened in Feb'26 with inflows of Rs80,320mn. These flows remain above the long-term average inflow of Rs19,661mn.
- **Chemicals** sector recorded FII/FPI inflows of Rs4,290mn in Feb'25, followed by inflows of Rs1,400mn in Jan'26. Inflows strengthened further in Feb'26 to Rs6,420mn. These flows remain above the long-term average inflow of Rs2,403mn.
- **Construction Materials** sector recorded FII/FPI outflows of Rs38,440mn in Feb'25, followed by outflows of Rs8,570mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs3,780mn. These flows remain above the long-term average outflow of Rs2,347mn.
- **Consumer Durables** sector recorded FII/FPI outflows of Rs22,900mn in Feb'25, followed by outflows of Rs10,500mn in Jan'26. Outflows moderated further in Feb'26 to Rs4,340mn. These flows remain broadly in line with the long-term average outflow of Rs5,471mn.
- **Consumer Services** sector recorded FII/FPI outflows of Rs28,570mn in Feb'25, followed by significant outflows of Rs55,130mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs10,660mn. These flows remain below the long-term average inflow of Rs6,273mn.
- **FMCG** sector recorded FII/FPI outflows of Rs69,040mn in Feb'25, followed by outflows of Rs74,970mn in Jan'26. Outflows eased sharply in Feb'26 to Rs11,820mn. These flows remain broadly aligned with the long-term average outflow of Rs9,841mn.

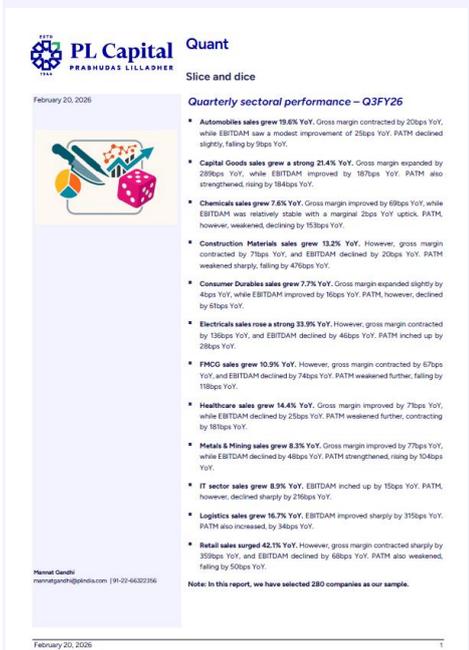
March 5, 2026



PL Capital Quant
 Navigating Crests & Troughs
 March 4, 2026
Feb'26 sectoral PE trend
 This report reviews one-year forward PE and market-cap trends across major sectors in Feb'26, benchmarking current valuations against long-term averages to assess sector positioning. Overall, valuation patterns were mixed but stable, with Auto, Auto Parts & Equipment, Capital Goods, Cement, Chemicals, Consumer Durables, Hotels, Power, Pharma and Textiles trading at or above their historical averages. Agri Chemicals, Building Materials, FMCG, IT and Hospitals remained slightly below trend, while Real Estate and Retail continued to trade well under long-term trends. Defence, Oil & Gas, and Metals & Mining reflected the strongest premium multiples. Out of the 20 sectors analyzed, 7 are currently trading below their long-term averages.

- **Agri Chemicals** PE ratio was steady at 18 throughout the month with no major fluctuations. Compared to the long-term average PE of 20, the current valuation is slightly below average, but comfortably within the historical band of 9-39, with 1 standard deviation levels at 25 and 14.
- **Auto Parts & Equipment's** PE ratio moved slightly during the month, oscillating between 31 and 32 before ending at 32. Compared to the long-term average PE of 30, the current valuation is marginally above average, but remains well within the historical band of 17-45, with 1 standard deviation levels at 35 and 24.
- **Automobile PE** ratio moved in a narrow band, oscillating between 28 and 29 during the month before ending at 28. Compared to the long-term average PE of 23, the current valuation remains above average, but comfortably within the historical band of 16-32, with 1 standard deviation levels at 27 and 19.
- **Building Material** PE ratio moved slightly during the month, oscillating between 42 and 43 before ending at 43. Compared to the long-term average PE of 40, the current valuation remains above average, but comfortably within the historical band of 30-75, with 1 standard deviation levels at 59 and 39.
- **Capital Goods** PE ratio inched up through the month, rising from 31 at the start to 33 by month-end. Compared to the long-term average PE of 31, current valuations are slightly above trend, but remain comfortably within the historical band of 19-50, with 1 standard deviation levels at 38 and 24.
- **Cement** PE ratio held firm for most of the month, staying at 29 in the initial weeks before easing slightly to 28 by month-end. Compared to the long-term average PE of 30, the current valuation remains above average, but comfortably within the historical band of 11-39, with 1 standard deviation levels at 31 and 19.
- **Chemicals** PE ratio remained steady at 31 for most of the month before easing slightly to 30 by month-end. Compared to the long-term average PE of 27, the current valuation is above average, but comfortably within the historical band of 11-54, with 1 standard deviation levels at 40 and 13.

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 March 4, 2026



PL Capital Quant
 Slice and dice
 February 20, 2026
Quarterly sectoral performance - Q3FY26
 • **Automobile sales** grew 19.6% YoY. Gross margin contracted by 20bps YoY, while EBITDAM saw a modest improvement of 25bps YoY. PATM declined slightly, falling by 30bps YoY.
 • **Capital Goods sales** grew a strong 21.4% YoY. Gross margin expanded by 28bps YoY, while EBITDAM improved by 187bps YoY. PATM also strengthened, rising by 184bps YoY.
 • **Chemicals sales** grew 7.6% YoY. Gross margin improved by 69bps YoY, while EBITDAM was relatively stable with a marginal 2bps YoY uptick. PATM, however, weakened, declining by 153bps YoY.
 • **Construction Materials sales** grew 13.2% YoY. However, gross margin contracted by 77bps YoY, and EBITDAM declined by 20bps YoY. PATM weakened sharply, falling by 476bps YoY.
 • **Consumer Durables sales** grew 7.7% YoY. Gross margin expanded slightly by 4bps YoY, while EBITDAM improved by 86bps YoY. PATM, however, declined by 67bps YoY.
 • **Electrical sales** rose a strong 33.9% YoY. However, gross margin contracted by 136bps YoY, and EBITDAM declined by 46bps YoY. PATM inched up by 28bps YoY.
 • **FMCG sales** grew 10.9% YoY. However, gross margin contracted by 67bps YoY, and EBITDAM declined by 74bps YoY. PATM weakened further, falling by 118bps YoY.
 • **Healthcare sales** grew 14.4% YoY. Gross margin improved by 75bps YoY, while EBITDAM declined by 23bps YoY. PATM weakened further, contracting by 187bps YoY.
 • **Metals & Mining sales** grew 8.3% YoY. Gross margin improved by 77bps YoY, while EBITDAM declined by 48bps YoY. PATM strengthened, rising by 104bps YoY.
 • **IT sector sales** grew 8.9% YoY. EBITDAM inched up by 10bps YoY. PATM, however, declined sharply by 256bps YoY.
 • **Logistics sales** grew 16.7% YoY. EBITDAM improved sharply by 315bps YoY. PATM also increased, by 34bps YoY.
 • **Retail sales** surged 42.1% YoY. However, gross margin contracted sharply by 39bps YoY, and EBITDAM declined by 68bps YoY. PATM also weakened, falling by 50bps YoY.
 Note: In this report, we have selected 280 companies as our sample.

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- **Financial Services** sector recorded FII/FPI outflows of Rs69,910mn in Feb'25, followed by outflows of Rs85,920mn in Jan'26. The trend reversed sharply in Feb'26 with inflows of Rs61,750mn. These flows remain better than the long-term average outflow of Rs9,054mn.
- **Healthcare** sector recorded FII/FPI outflows of Rs14,620mn in Feb'25, followed by steep outflows of Rs61,620mn in Jan'26. Outflows moderated sharply in Feb'26 to Rs10,510mn. These flows remain below the long-term average inflow of Rs5,336mn.
- **Information Technology** sector recorded FII/FPI inflows of Rs8,050mn in Feb'25, followed by outflows of Rs18,350mn in Jan'26. Outflows intensified sharply in Feb'26 to Rs109,560mn. These flows remain significantly weaker than the long-term average outflow of Rs26,129mn.
- **Media, Entertainment & Publication** sector recorded FII/FPI inflows of Rs220mn in Feb'25, followed by outflows of Rs1,780mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs1,340mn. These flows remain better than the long-term average outflow of Rs1,689mn.
- **Metals & Mining** sector recorded FII/FPI outflows of Rs11,640mn in Feb'25, followed by strong inflows of Rs115,260mn in Jan'26. Inflows moderated to Rs32,790mn in Feb'26. These flows remain above the long-term average inflow of Rs2,123mn.
- **Oil, Gas & Consumable Fuels** sector recorded FII/FPI outflows of Rs33,770mn in Feb'25, followed by outflows of Rs9,400mn in Jan'26. The trend reversed sharply in Feb'26 with inflows of Rs46,780mn. These flows remain better than the long-term average outflow of Rs18,141mn.
- **Power** sector recorded FII/FPI outflows of Rs30,860mn in Feb'25, followed by outflows of Rs18,670mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs32,720mn. These flows remain better than the long-term average outflow of Rs6,217mn.
- **Realty** sector recorded FII/FPI outflows of Rs11,890mn in Feb'25, followed by deeper outflows of Rs26,550mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs7,860mn. These flows remain below the long-term average inflow of Rs1,726mn.
- **Services** sector recorded FII/FPI inflows of Rs1,830mn in Feb'25, followed by outflows of Rs19,710mn in Jan'26. The trend reversed in Feb'26 with inflows of Rs12,860mn. These flows remain above the long-term average inflow of Rs4,859mn.
- **Telecommunication** sector recorded FII/FPI inflows of Rs79,980mn in Feb'25, followed by outflows of Rs47,770mn in Jan'26. Outflows continued in Feb'26 at Rs1,060mn. These flows remain below the long-term average inflow of Rs16,351mn.
- **Textiles** sector recorded FII/FPI inflows of Rs330mn in Feb'25, followed by outflows of Rs2,750mn in Jan'26. Outflows moderated in Feb'26 to Rs670mn. These flows remain broadly in line with the long-term average outflow of Rs96mn.

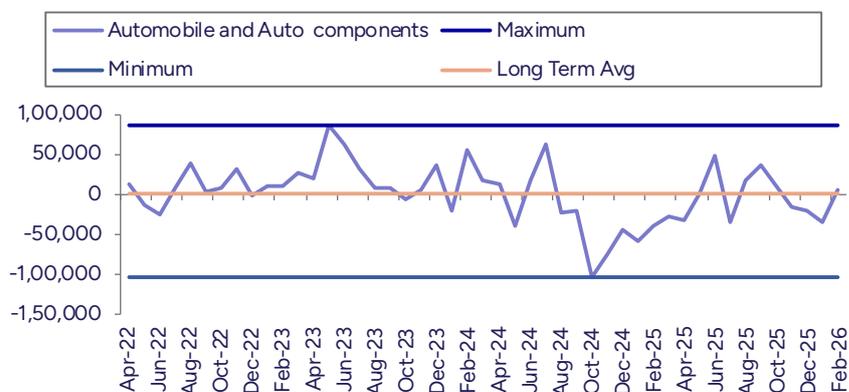
Exhibit 1: FPI/FII flows in equity segment for FY26

(Rs in Mn)	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26
Automobile and Auto components	-32,070	1,010	47,240	-35,840	18,030	36,410	9,670	-16,420	-20,450	-35,940	5,110
Capital goods	-750	53,270	-18,310	3,050	18,960	30,100	-6,820	24,950	-25,660	27,610	80,320
Chemicals	8,750	13,080	23,920	11,290	15,710	-3,830	-9,240	-11,780	-480	1,400	6,420
Construction materials	-1,970	5,750	2,580	3,290	24,750	-14,130	-12,920	-8,610	-16,740	-8,570	3,780
Consumer durables	-610	-17,340	-24,930	-26,140	-19,690	-36,270	-17,560	-1,060	5,990	-10,500	-4,340
Consumer services	17,970	-4,910	13,480	30,170	-4,580	-33,600	-34,620	-39,930	33,400	-55,130	10,660
FMCG	29,170	8,150	-39,850	15,580	-10,970	-42,020	-42,590	-47,640	-58,440	-74,970	-11,820
Financial services	1,84,090	40,280	89,460	-59,000	-2,32,880	9,920	1,32,790	-31,780	-1,05,250	-85,920	61,750
Healthcare	-7,280	-26,140	-4,030	-570	-14,170	-61,220	-31,040	-17,830	-29,940	-61,620	-10,510
IT	-1,52,130	-24,360	11,660	-1,99,010	-1,12,850	-60,500	-21,940	-57,940	11,260	-18,350	-1,09,560
Media, entertainment & publication	1,120	1,370	340	-1,970	1,650	770	-460	-3,090	-3,200	-1,780	1,340
Metals & mining	-34,030	700	-3,570	33,650	-6,600	18,400	31,470	-6,800	29,840	1,15,260	32,790
Oil, gas & consumable fuels	-3,580	25,200	61,370	-32,720	-61,080	-7,740	91,290	71,690	23,560	-9,400	46,780
Power	9,070	-24,940	-63,110	620	-40,660	-26,930	9,650	-26,150	-27,530	-18,670	32,720
Realty	-7,130	-16,640	13,410	-39,330	-12,450	-22,590	-8,060	-8,090	-9,410	-26,550	7,860
Services	-1,920	79,720	3,460	34,570	23,510	-9,860	2,130	-9,800	-42,780	-19,710	12,860
Telecommunication	46,480	80,890	27,330	14,730	57,660	-24,220	21,600	1,43,260	2,340	-47,770	-1,060
Textiles	-1,440	-890	2,040	2,760	-6,500	-1,580	-3,590	-3,260	-5,370	-2,750	-670
Total	53,740	1,94,200	1,42,490	-2,44,870	-3,62,160	-2,48,890	1,09,760	-50,280	-2,38,860	-3,33,360	1,64,430

Source: Company, PL

Automobile and Auto Components

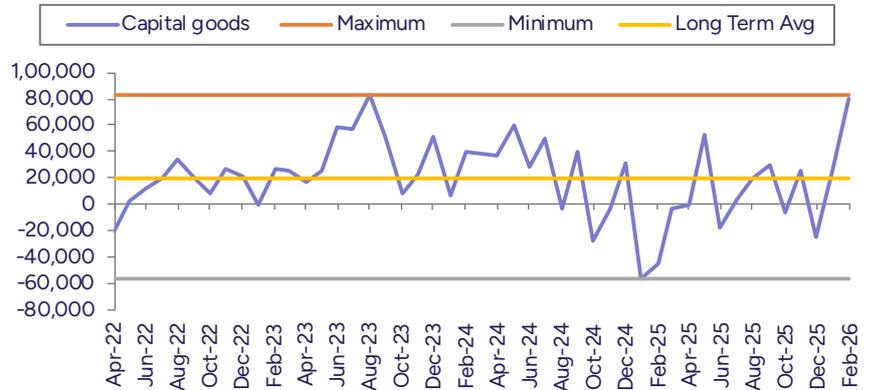
Exhibit 2: FII/FPI inflow at Rs5,110mn against LTA inflow of Rs736mn



Source: Company, PL

Capital Goods

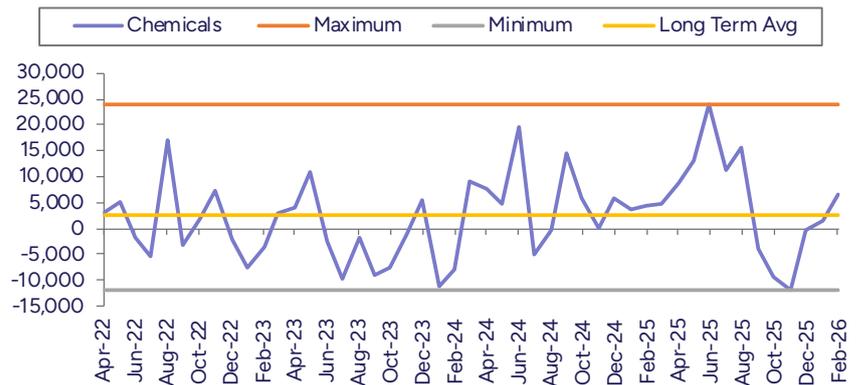
Exhibit 3: FII/FPI inflow of Rs80,320mn against LTA inflow of Rs19,661mn



Source: Company, PL

Chemicals

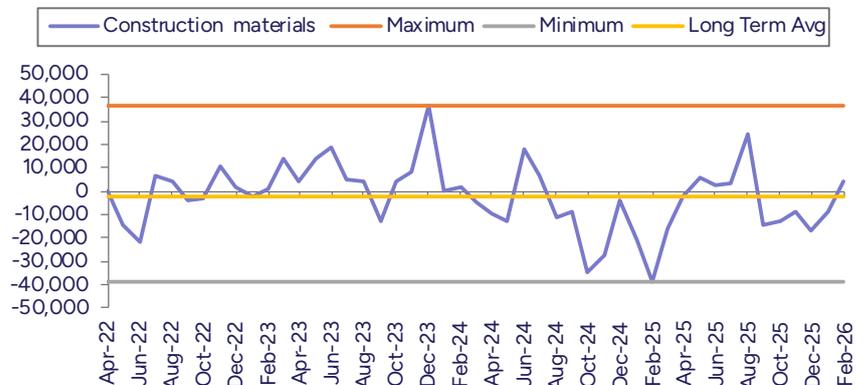
Exhibit 4: Sector FII/FPI inflow of Rs6,420mn against LTA inflow of Rs2,403mn



Source: Company, PL

Construction Materials

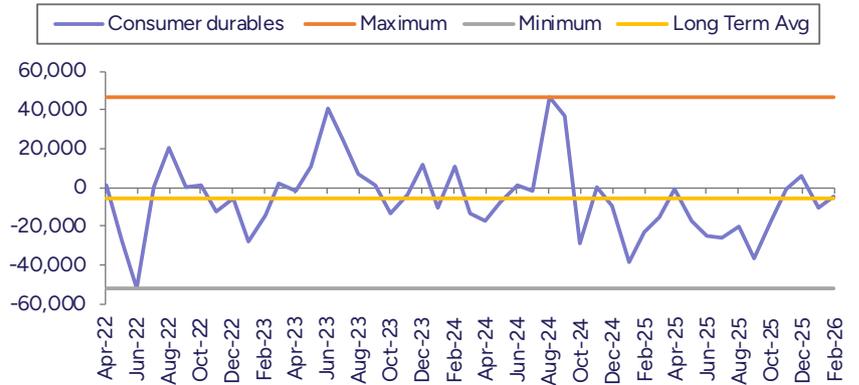
Exhibit 5: FII/FPI inflow of Rs3,780mn against LTA outflow of Rs2,347mn



Source: Company, PL

Consumer Durables

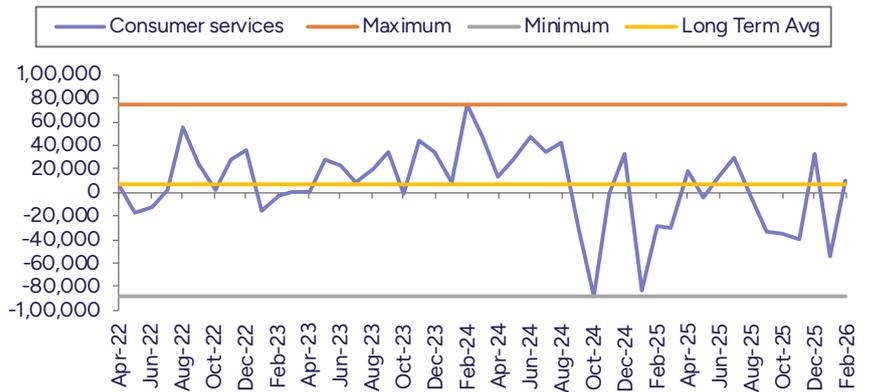
Exhibit 6: FII/FPI outflow of Rs4,340mn against LTA outflow of Rs5,471mn



Source: Company, PL

Consumer Services

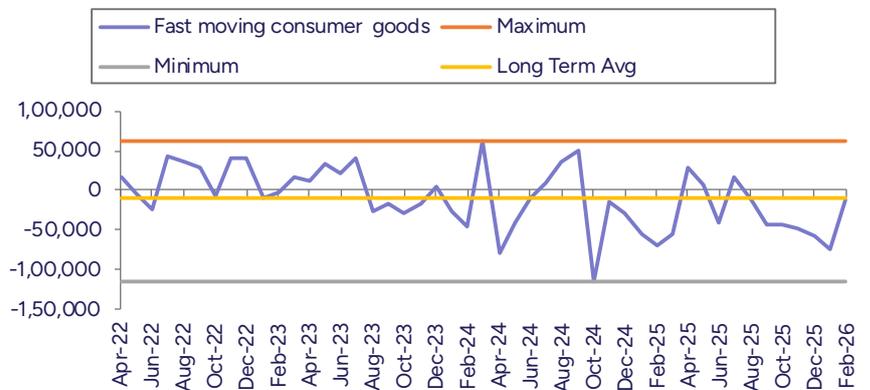
Exhibit 7: FII/FPI inflow of Rs10,660mn against LTA inflow of Rs6,273mn



Source: Company, PL

FMCG

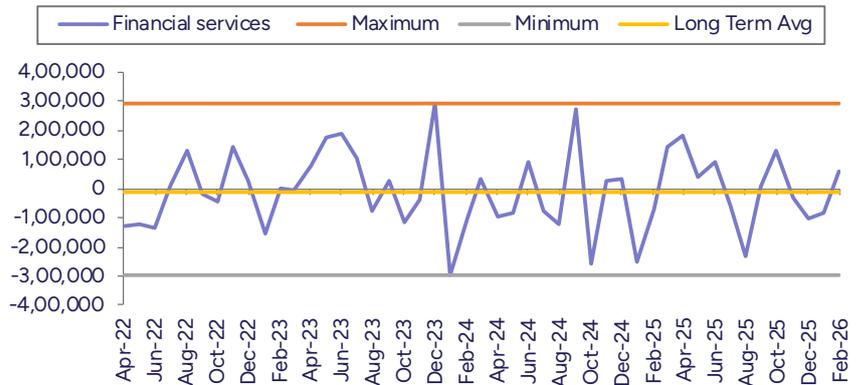
Exhibit 8: FII/FPI outflow at Rs11,820mn against LTA outflow of Rs9,841mn



Source: Company, PL

Financial Services

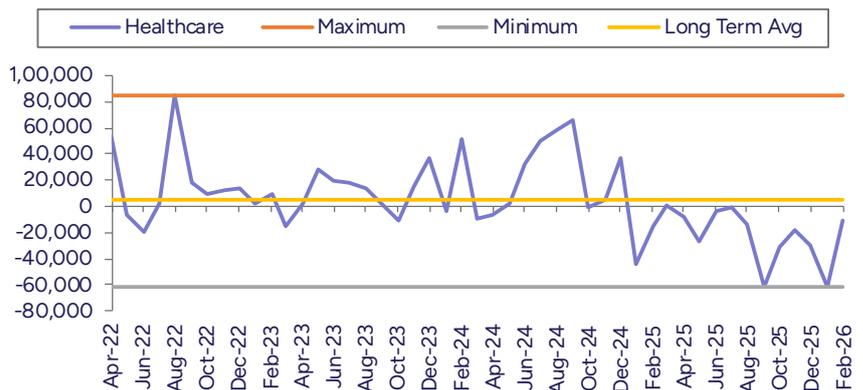
Exhibit 9: FII/FPI inflow at Rs61,750mn against LTA outflow of Rs9,054mn



Source: Company, PL

Healthcare

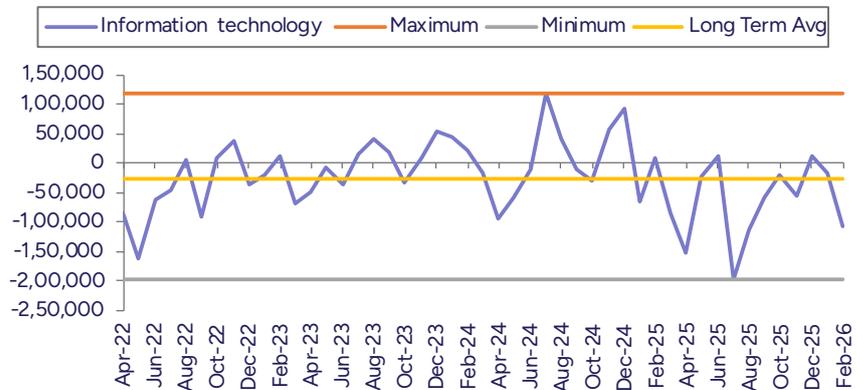
Exhibit 10: FII/FPI outflow at Rs10,510mn against LTA inflow of Rs5,336mn



Source: Company, PL

IT

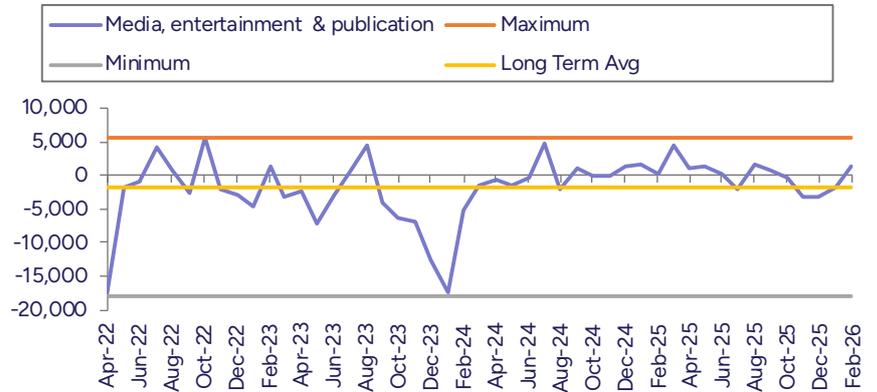
Exhibit 11: FII/FPI outflow at Rs109,560mn against LTA outflow of Rs26,129mn



Source: Company, PL

Media, Entertainment & Publication

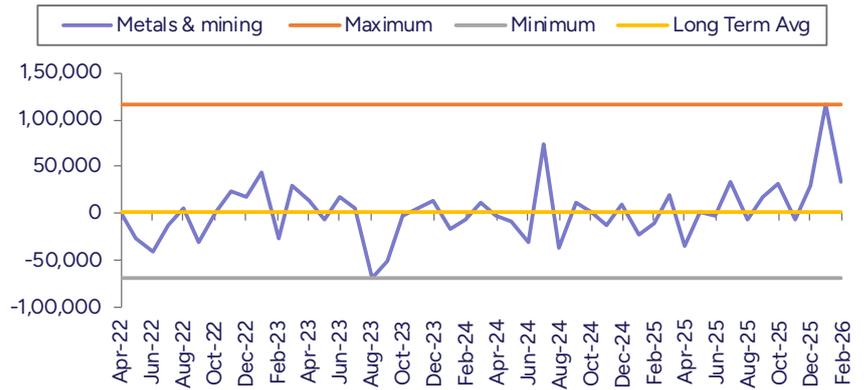
Exhibit 12: FII/FPI inflow at Rs1,340mn against LTA outflow of Rs1,689mn



Source: Company, PL

Metals & Mining

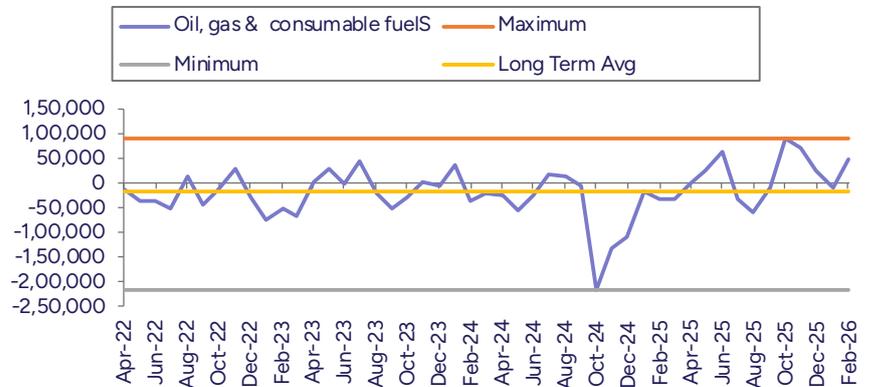
Exhibit 13: FII/FPI inflow at Rs32,790mn against LTA inflow of Rs2,123mn



Source: Company, PL

Oil, Gas & Consumable Fuels

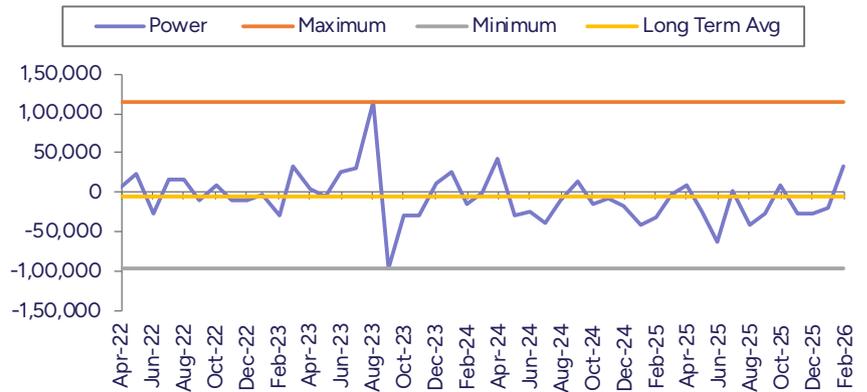
Exhibit 14: FII/FPI outflow at Rs46,780mn against LTA outflow of Rs18,141mn



Source: Company, PL

Power

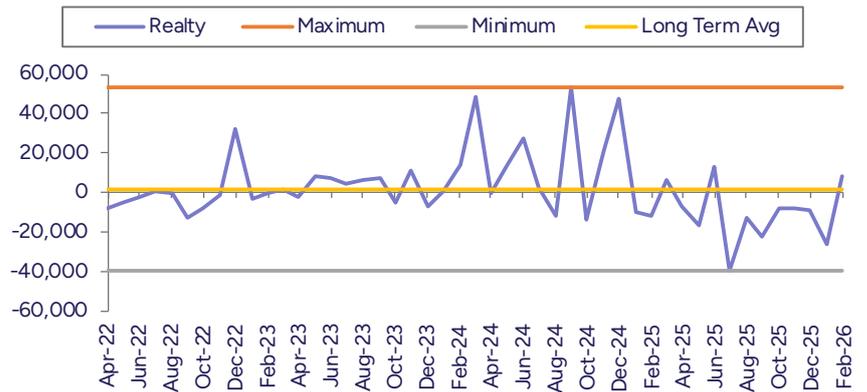
Exhibit 15: FII/FPI inflow at Rs32,720mn against LTA outflow of Rs6,217mn



Source: Company, PL

Realty

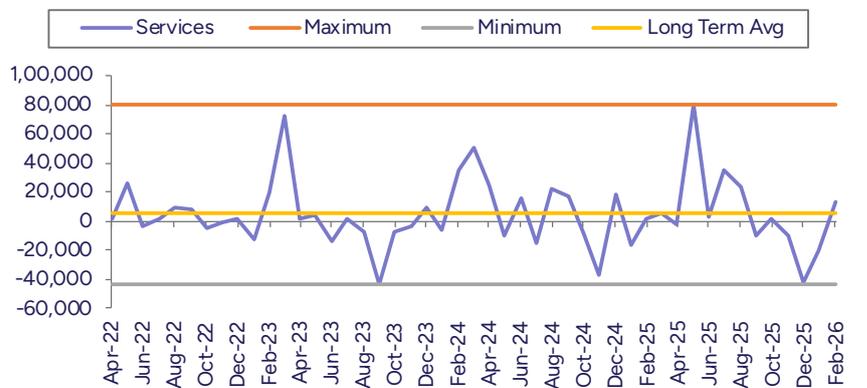
Exhibit 16: FII/FPI inflow at Rs7,860mn against LTA inflow of Rs1,726mn



Source: Company, PL

Services

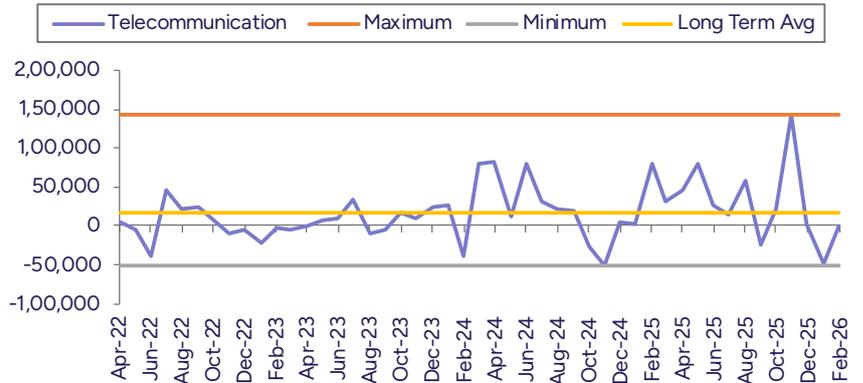
Exhibit 17: FII/FPI inflow at Rs12,860mn against LTA inflow of Rs4,859mn



Source: Company, PL

Telecommunication

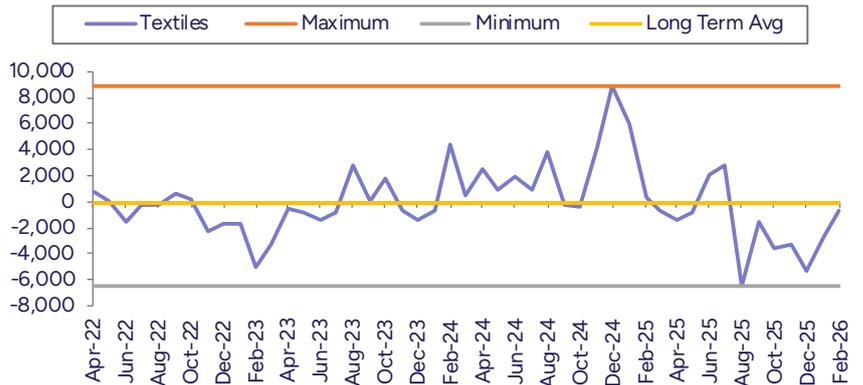
Exhibit 18: FII/FPI outflow at Rs1,060mn against LTA inflow of Rs16,351mn



Source: Company, PL

Textiles

Exhibit 19: FII/FPI outflow at Rs670mn against LTA outflow of Rs96mn



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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