

February Market Pulse: Fortnightly Investment Insights

- ❖ **Record FPI Sell-Off: Worst Start in a Decade!**
 - **FPI Record Sell-Off:** Foreign Portfolio Investors (FPIs) have offloaded a staggering **\$11 billion (₹99,299 Cr)** worth of Indian equities in **just six weeks of 2025**, marking the **highest-ever outflow for this period**. This relentless selling spree has triggered the **worst start for domestic markets in nearly a decade**, intensifying volatility and investor caution.
 - **Relentless Equity Sell-Off:** FPIs **offloaded ₹21,272 Cr** from equities in the first half of February, extending their bearish stance. February 4 stood as the only day of net buying, offering a brief break from the selling spree.
 - **Primary Market Participation:** FPIs made a modest investment of **₹1,970 Cr** in the primary market, showing selective interest.
- ❖ **FPI Debt Market Inflows**
 - Despite heavy equity sell-offs, FPIs turned to debt, **infusing ₹7,426 Cr** in the first half of February. The shift towards debt signals a cautious stance amid market volatility. From January 1 to February 15, FPIs maintained a positive stance, investing a total of **₹7,997 Cr** in debt instruments.
- ❖ **DII Power Play: The Market's Backbone**
 - DIIs **infused ₹26,019 Cr** into equities in the first half of February, cushioning the impact of FPI selling. Their confidence in the market is reflected in their **massive ₹112,611 Cr investment** from January 1 to February 15.
 - With FPIs pulling out, DIIs have stepped in as a key pillar of market stability, absorbing the selling pressure and keeping sentiment buoyant.
- ❖ **Mutual Funds Bet Big on Equities**
 - Mutual Funds remained optimistic, **investing ₹16,061 Cr** in equities during the first half of February. Extending their bullish stance, they **poured ₹73,681 Cr** into equities from January 1 to February 15, reinforcing confidence in the market.

Fortnightly Investment Insights

Tracking Investments of Market Participants

Market Participants	For the Period 1st Feb, 2025 to 15th Feb, 2025		For the Period 1st Jan, 2025 to 15th Feb, 2025	
	Equity (Cr)	Debt (Cr)	Equity (Cr)	Debt (Cr)
FPI	(21,272)	7,426	(99,299)	7,997
DII	26,019	-	112,611	-
Mutual Funds	16,061	(29,936)	73,681	(85,145)

*DII investments include MFs Investments. Data updated till 15th February

Absolute Returns: A Snapshot of Indices Performance(%)

Benchmark	*Feb, 25	YTD
Sensex	-2.01	-2.82
Nifty 50	-2.46	-3.03
Nifty Midcap 150	-7.58	-13.22
Nifty Smallcap 250	-8.51	-18.31

Mapping FPI Investments: Sector-wise Insights in Indian Equities

❖ FPI Sell-Off: Sectors Under Pressure

- In the first half of February, Financial Services bore the brunt of FPI outflows, witnessing a ₹5,344 Cr sell-off. FMCG followed suit, with ₹4,336 Cr in outflows, reflecting concerns over consumer demand.
- Capital Goods, Oil & Gas, Consumer Services, Construction Materials, Construction and Power also faced selling pressure as FPIs trimmed exposure to cyclical sectors. The trend signals a shift towards caution amid market uncertainties.

❖ Selective Buying: Focus on Telecom, Healthcare and Chemicals

- Amid a significant sell-off in the first half of February, FPIs flocked to Telecommunication, leading with ₹2,337 Cr inflows, while Healthcare attracted ₹1,534 Cr as a defensive bet. Information Technology, Chemicals, Services and Textiles also gained traction.

❖ FPI Sell-Off: Financials Services Sector Hit Hard in 2025

- **Financial Services** took the biggest hit, with FPIs offloading a massive ₹30,293 Cr, signaling heightened risk aversion. **Consumer Services (₹10,609 Cr)**, **FMCG (₹9,764 Cr)** and **Capital Goods (₹8,903 Cr)** also faced heavy selling, reflecting caution in discretionary spending.
- Meanwhile, Automobile & Auto Components, Power, Information Technology and Consumer Durables struggled as FPIs pulled out, dampening sentiment in these key sectors. The broad-based selling suggests a strategic shift in foreign investment trends.

Sector-Wise FPI Equity Purchases: 1st–15th Feb 2025

Sector	Amount (Cr)
Telecommunication	2,337
Healthcare	1,534
Information Technology	693
Chemicals	337
Services	267
Textiles	158
Forest Materials	11

Sector-Wise FPI Equity Sales: 1st–15th Feb 2025

Sector	Amount (Cr)
Financial Services	-5,344
Fast Moving Consumer Goods	-4,336
Capital Goods	-3,206
Oil, Gas & Consumable Fuels	-2,434
Consumer Services	-2,262
Construction Materials	-2,024
Construction	-1,886
Power	-1,852

Sector-Wise FPI Equity Purchases from Jan-Feb,25

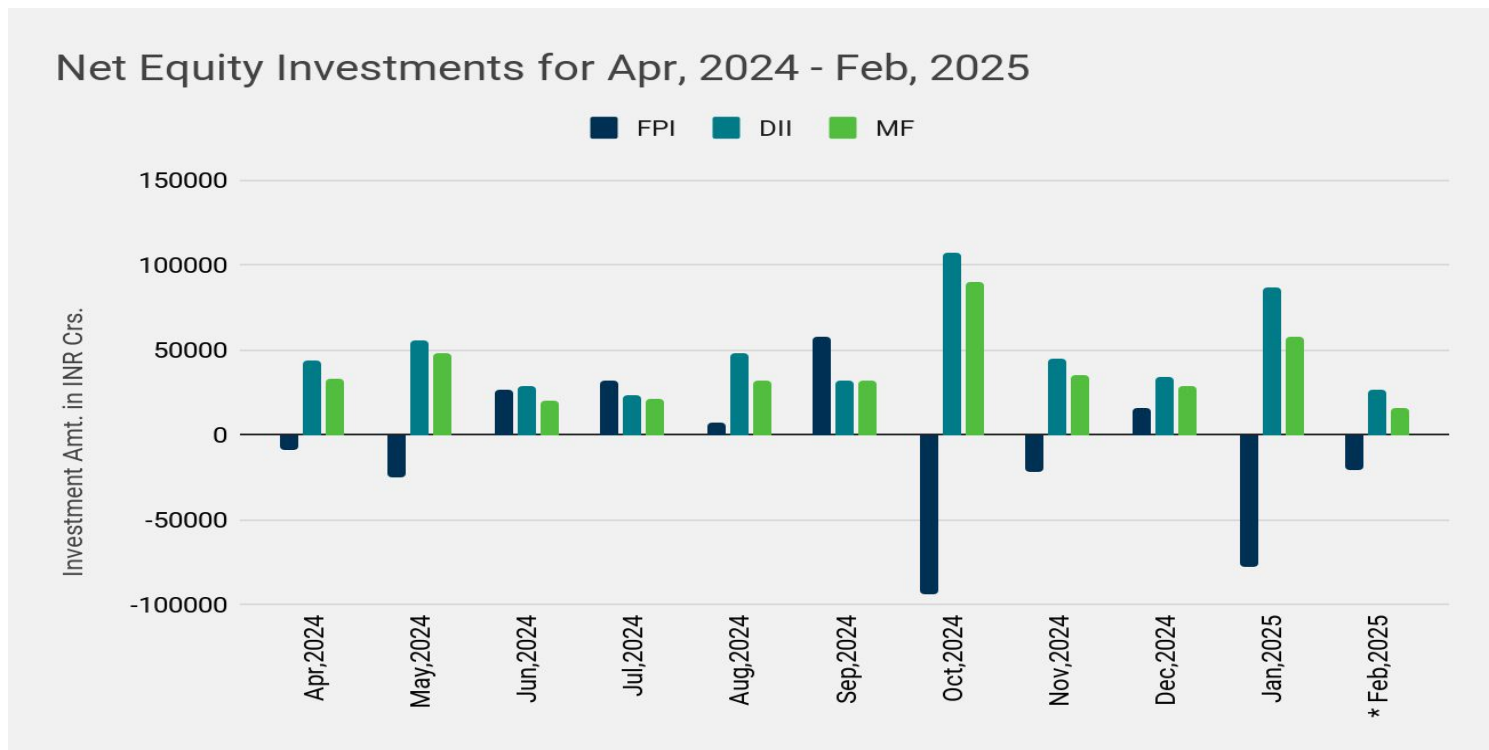
Sector	Amount (Cr)
Telecommunication	2,481
Textiles	760
Chemicals	692
Diversified	225
Media, Entertainment & Publication	168

Sector-Wise FPI Equity Sales from Jan-Feb,25

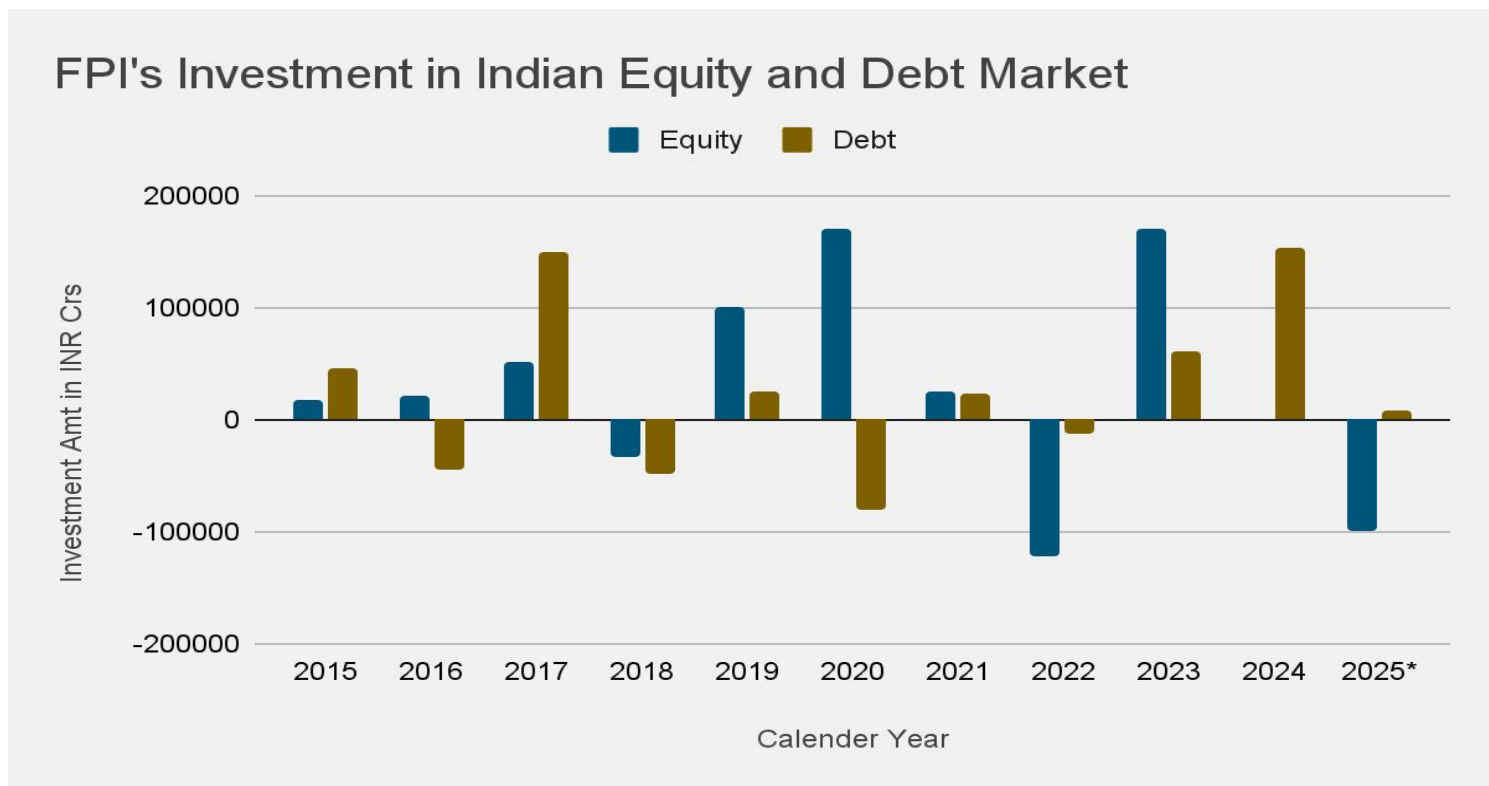
Sector	Amount (Cr)
Financial Services	-30,293
Consumer Services	-10,609
Fast Moving Consumer Goods	-9,764
Capital Goods	-8,903
Automobile and Auto Components	-6,513
Power	-6,050
Information Technology	-5,778
Consumer Durables	-4,849

*All data considered till 15th February. DII investments include MFs Investments.

Equity Investment Breakdown by Participant



FII's Strategic Investments in Equity and Debt Markets



*All other data is updated till 15th February. DII investments include MF investments.

Source: NSDL, SEBI