

## February Market Pulse: Monthly Investment Insights

### ❖ FPIs in Retreat: Heavy Outflows Shake Indian Markets!

- **FPIs Holdings Plunge to Yearly Low** - The Indian stock market witnessed a sharp correction in February, exacerbated by relentless selling from Foreign Portfolio Investors (FPIs). As of February, FPIs' **Assets Under Custody (AUC)** stood at **₹62.38 Lakh Cr—the lowest level since January 2024**.
- **Massive Wealth Erosion: ₹15.58 Lakh Cr Lost** - From its peak of **₹77.96 Lakh Cr** in September 2024, FPIs' AUC has seen a steep decline of **₹15.58 Lakh Cr**, reflecting the significant capital outflows from Indian equities.
- **FPIs Continue Selling Spree**: Foreign investors remained net sellers in February, offloading stocks worth **₹34,574 Cr**. This persistent selling pressure weighed heavily on market sentiment, dragging key indices lower.
- **2025 Off to a Rough Start** – With February's outflows, FPIs have now pulled out a staggering **₹1,12,601 Cr** from Indian equities in the 2025 calendar year, underscoring their cautious stance amid global uncertainties.

### ❖ DIIs to the Rescue: Strong Buying Offsets FII Sell-Off!

- **DIIs Step Up, Absorb FII Outflows** - Despite the heavy selling by FPIs, domestic institutional investors (DIIs) provided strong support to the Indian stock market in February, fully compensating for the outflows. DIIs poured **₹64,853 Cr** into equities during the month, countering the selling pressure and showcasing confidence in the Indian markets.
- **YTD Investment Crosses ₹1.5 Lakh Crore** - For the calendar year 2025 so far, DIIs have collectively invested **₹1,51,445 Cr**, reflecting their continued bullish outlook amid market fluctuations.
- **Mutual Funds Lead the Charge** - Within domestic investors, mutual funds played a crucial role, injecting **₹36,163 Cr** till 25th of February. Their total net purchases for the year now stand at **₹93,782 Cr**, reinforcing strong retail participation through SIPs and fund inflows.

## Monthly Investment Insights

### Tracking Flows by Market Participants

Market Participants	For the month of February		Jan, 2025 - Feb, 2025	
	Equity (Cr₹)	Debt (Cr₹)	Equity (Cr₹)	Debt (Cr₹)
FPI	(34,574)	10,517	(112,601)	11,088
DII	64,853	-	151,445	-
Mutual Funds	36,163	(49,263)	93,782	(104,473)

\*DII investments include MFs Investments, MFs investment data updated till 25th Feb

## Indian Benchmark Indices: Tracking Performance

### Absolute Returns: A Snapshot of Indices Performance(%)

Benchmark	Feb, 25	YTD
Sensex	-5.55	-6.32
Nifty 50	-5.89	-6.43
Nifty Midcap 150	-10.58	-16.04
Nifty Smallcap 250	-12.66	-22.01

Source: NSDL, SEBI, NSE

## Mapping FPI Investments: Sector-wise Insights in Indian Equities

### ❖ FPIs Exit Key Sectors: Heavy Sell-Off Continues

- **Financial Services: The Biggest Casualty!** - FPIs aggressively sold ₹6,991 Cr in February, making it the most offloaded sector. The YTD outflows surged to ₹31,940 Cr, reflecting deep concerns over banking and financial stability.
- **FPI Sell-Off Hits FMCG, Auto, Capital Goods, Construction & Power** - Foreign investors continued their selling spree across major sectors. **FMCG** faced ₹6,904 Cr outflows in February, totaling ₹12,332 Cr YTD, while **Capital Goods** lost ₹4,464 Cr, with YTD exits at ₹10,161 Cr. **Auto stocks** saw ₹3,969 Cr outflows in February, reaching ₹9,792 Cr YTD, and **Construction** lost ₹3,351 Cr, totaling ₹6,230 Cr YTD. The **Power sector also struggled**, with ₹3,086 Cr exits in February, pushing YTD losses to ₹7,284 Cr.

### ❖ FPIs Bet Big on Telecom & Chemicals

- Foreign investors remained bullish on **Telecommunication**, investing ₹7,998 Cr in February, bringing **YTD inflows to ₹8,142 Cr**, making it the top sector of choice. **Chemicals** also attracted steady interest, with ₹429 Cr inflows in February, pushing total YTD investments to ₹784 Cr.
- Meanwhile, **Information Technology** received ₹805 Cr in February, and **Textiles & Media** continued to see moderate investments, with YTD inflows at ₹635 Cr and ₹202 Cr, respectively.

Sector-Wise FPI Equity Purchases in February	
Sector	Amount (Cr)
Telecommunication	7,998
Information Technology	805
Chemicals	429
Services	183
Textiles	33
Media, Entertainment & Publication	22

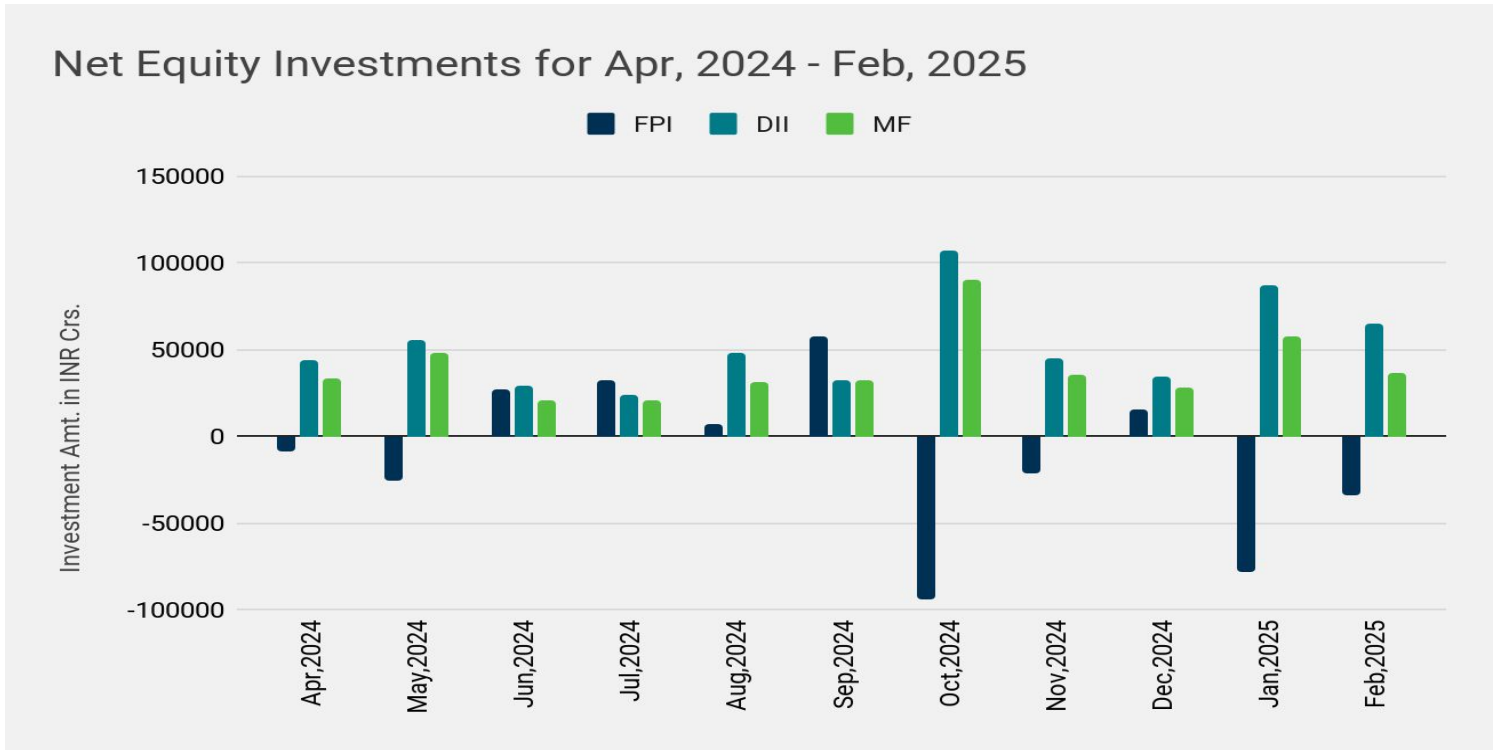
Sector-Wise FPI Equity Sales in February	
Sector	Amount (Cr)
Financial Services	(6,991)
Fast Moving Consumer Goods	(6,904)
Capital Goods	(4,464)
Automobile and Auto Components	(3,969)
Construction Materials	(3,844)
Oil, Gas & Consumable Fuels	(3,377)
Construction	(3,351)
Power	(3,086)

Sector-Wise FPI Equity Purchases from Jan-Feb,25	
Sector	Amount (Cr)
Telecommunication	8,142
Chemicals	784
Textiles	635
Media, Entertainment & Publication	202

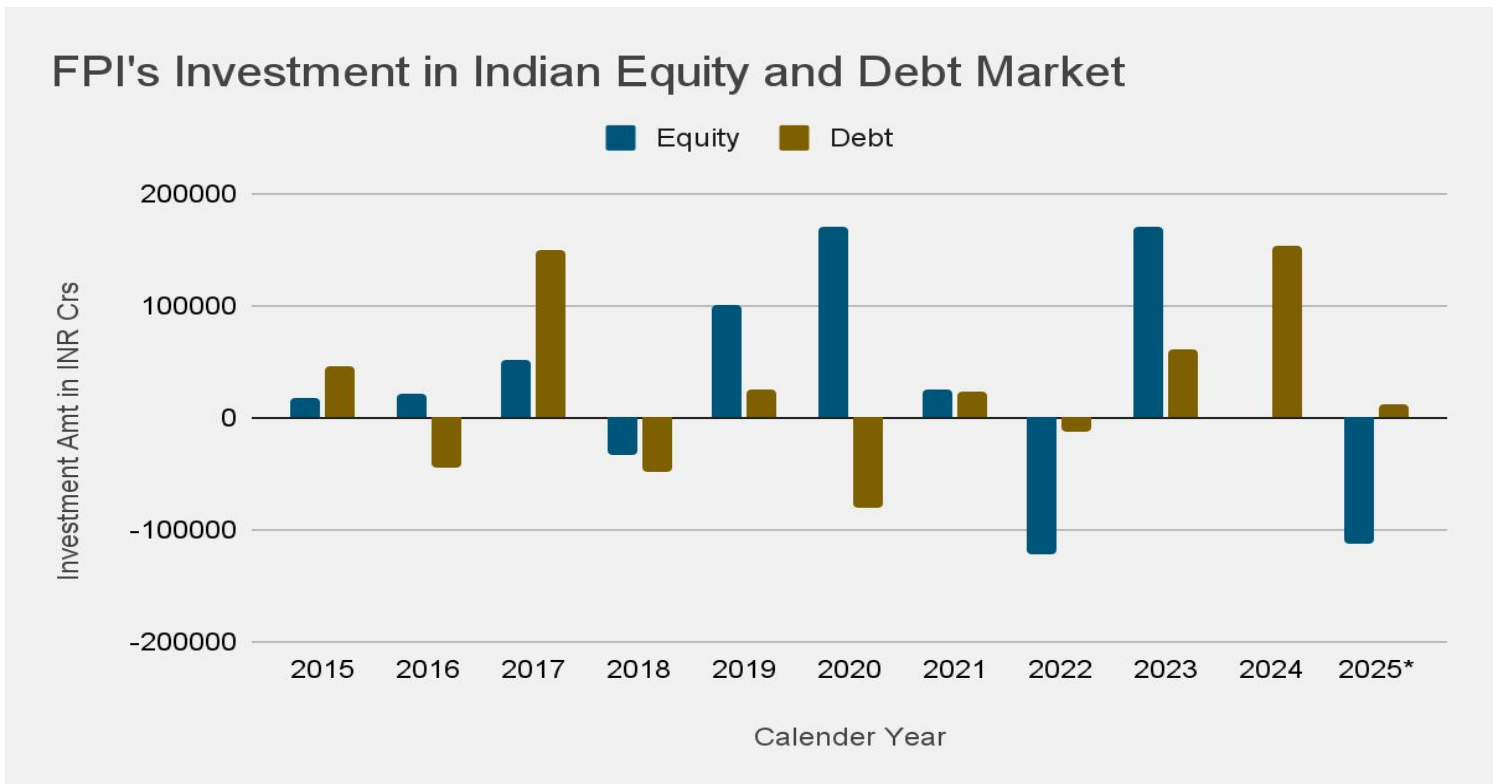
Sector-Wise FPI Equity Sales from Jan-Feb,25	
Sector	Amount (Cr)
Financial Services	(31,940)
Fast Moving Consumer Goods	(12,332)
Consumer Services	(11,204)
Capital Goods	(10,161)
Automobile and Auto Components	(9,792)
Power	(7,284)
Construction	(6,230)
Consumer Durables	(6,090)

\*All data is updated as of 28th February. DII investments include MF investments.

## Equity Investment Breakdown by Participant



## FII's Strategic Investments in Equity and Debt Markets



\*All data is updated as of 28th February. DII investments include MF investments.

Source: NSDL, SEBI