

Fortnightly market review – 1st–15th October 2026

October market pulse: fortnightly investment insights

October market pulse: fortnightly investment insights

FPI net equity, 1st–15th October –₹47,955 Cr CY2026 till 15th October: –₹3,08,257 Cr	FPI net debt, 1st–15th October ₹2,067 Cr CY2026 till 15th October: ₹62,328 Cr	DII net equity, 1st–15th October ₹51,829 Cr CY2026 till 15th October: ₹6,82,199 Cr	MF net equity, 1st–13th October ₹38,489 Cr CY2026 till 13th October: ₹4,55,397 Cr
--	---	--	---

Tracking investments of market participants

Net investment, ₹ Cr

Market participants	1st–15th October 2026		CY2026 till 15th October	
	Equity	Debt	Equity	Debt
FPI	–47,955	2,067	–3,08,257	62,328
DII	51,829	–	6,82,199	–
*Mutual Funds	38,489	7,612	4,55,397	–5,91,244

DII investments include MF Investments. *MFs data updated till 13th October. Other data updated till 15th October. Source: NSDL, SEBI, NSE

FPI equity selling continues for third consecutive fortnight

- FPI Equity Outflows Intensify:** FPIs sold ₹47,955 Cr of Indian equities during 1st–15th October 2026, marking their **third consecutive fortnight of selling**. The outflows were concentrated in the **secondary market**, with heavy selling of ₹50,479 Cr, while FPIs continued buying in the **primary market/IPOs** with net investments of ₹2,524 Cr. This highlights sustained foreign investor interest in new issuances despite aggressive selling in the secondary market.
- FPI Debt Inflows Return After Four Consecutive Selling Fortnights:** FPIs invested ₹2,067 Cr in Indian debt securities during the first half of October, ending **four consecutive fortnights of selling**. Debt-General Limit recorded net buying of ₹3,377 Cr, while Debt-VRR and Debt-FAR witnessed net selling of ₹559 Cr and ₹751 Cr, respectively. The reversal, primarily driven by strong inflows into the Debt-General category, signals a tentative improvement in foreign investor appetite for Indian fixed-income securities following sustained outflows.
- FPI Equity Outflows Cross ₹3 Lakh Cr in CY2026:** Persistent selling pushed cumulative FPI equity outflows to ₹3,08,257 Cr in CY2026 till 15th October, reflecting continued foreign investor caution towards Indian equities.

However, cumulative FPI debt investments remained positive at ₹62,328 Cr, indicating relatively better foreign participation in fixed-income markets.

Domestic institutions continue to provide strong market support

- **DII Buying Remains Robust:** DIIs invested ₹51,829 Cr in equities during 1st–15th October 2026, marking the highest fortnightly buying in the past four months and more than offsetting FPI equity outflows of ₹47,955 Cr during the same period. Cumulative DII equity purchases reached ₹6,82,199 Cr in CY2026, reinforcing the critical role of domestic institutional liquidity in supporting Indian equity markets.

Mutual fund equity buying remains strong

- **MFs Sustain Strong Equity Inflows:** Mutual funds purchased ₹38,489 Cr of equities during 1st–13th October 2026, marking the highest fortnightly buying in the past four months and contributing significantly to domestic institutional support. Cumulative mutual fund equity investments reached ₹4,55,397 Cr in CY2026, highlighting sustained domestic participation despite persistent foreign selling.

Fortnightly investment insights

Absolute returns: a snapshot of index performance

Absolute returns, %

Benchmark	First half of October	YTD 2026
Sensex	+2.53	−12.80
Nifty 50	+1.67	−11.99
Nifty Midcap 150	−0.51	−2.34
Nifty Smallcap 250	−0.96	+5.65

Source: NSE

Mapping FPI investments: sector-wise insights in Indian equities

FPIs intensify sectoral selling in October; IT leads buying while financials, FMCG & healthcare face heavy outflows

FPI buying: information technology leads amid widespread sectoral selling

- During 1st–15th October 2026, FPI buying remained highly selective, with Information Technology attracting the highest inflows of ₹2,599 Cr, despite persistent foreign selling across broader markets. FPIs also purchased Services worth ₹262 Cr, Media, Entertainment & Publication ₹252 Cr, Diversified ₹43 Cr and Chemicals ₹41 Cr. The buying in IT indicates selective foreign interest even as the sector remains in cumulative outflow territory for CY2026.

FPI selling: financials and FMCG lead outflows; healthcare faces sharp reversal

- Financial Services recorded the highest outflow of ₹8,634 Cr, followed closely by FMCG at ₹8,172 Cr and Automobiles at ₹6,533 Cr. Notably, Healthcare witnessed heavy selling of ₹5,497 Cr, contrasting with its strong buy-

ing trend during earlier fortnights. FPIs also sold **Telecommunication ₹3,928 Cr** and **Capital Goods ₹3,886 Cr**, while **Metals & Mining** and **Oil & Gas** faced additional selling pressure, highlighting broad-based foreign investor caution.

▲ Sector-wise FPI equity purchases: 1st–15th October 2026 (₹ Cr)

Sector	Amount
IT	2,599
Services	262
Media, Entertainment & Publication	252
Diversified	43
Chemicals	41

Source: NSDL

▼ Sector-wise FPI equity sales: 1st–15th October 2026 (₹ Cr)

Sector	Amount
Financial Services	–8,634
FMCG	–8,172
Automobiles	–6,533
Healthcare	–5,497
Telecommunication	–3,928
Capital Goods	–3,886
Metals & Mining	–3,693
Oil & Gas	–3,680

Source: NSDL

CY2026 FPI flow snapshot till 15th October: financials remain the biggest drag; metals, services & capital goods lead buying

- On the sell side, **Financial Services** remained the largest FPI drag with cumulative outflows of ₹1,23,436 Cr, followed by **Automobile & Auto Components** at ₹45,088 Cr, **Oil, Gas & Consumable Fuels** at ₹41,196 Cr, **FMCG** at ₹40,887 Cr, **Telecommunication** at ₹35,473 Cr and **Information Technology** at ₹25,185 Cr. **Healthcare** ₹10,632 Cr and **Construction Materials** ₹8,858 Cr also remained in cumulative outflow territory.
- On the buy side, FPIs continued to favour **Metals & Mining** with cumulative inflows of ₹12,869 Cr, closely followed by **Services** at ₹12,841 Cr and **Capital Goods** at ₹10,138 Cr. **Consumer Durables** attracted ₹4,607 Cr, while buying in **Diversified** ₹132 Cr and **Utilities** ₹101 Cr remained marginal, reflecting concentrated foreign investment in select sectors.

▲ Sector-wise FPI equity purchases: Jan–Oct 2026* (₹ Cr)

Sector	Amount
Metals & Mining	12,869
Services	12,841
Capital Goods	10,138
Consumer Durables	4,607
Diversified	132
Utilities	101

Source: NSDL

▼ Sector-wise FPI equity sales: Jan–Oct 2026* (₹ Cr)

Sector	Amount
Financial Services	–1,23,436
Automobiles	–45,088
Oil, Gas & Consumable Fuels	–41,196
FMCG	–40,887
Telecommunication	–35,473
IT	–25,185
Healthcare	–10,632
Construction Materials	–8,858

*All data considered till 15th October. Source: NSDL

Tracking FPI AUC in Indian markets

FPI AUC declines marginally in October; IT & financials gain while healthcare and automobiles drag

- Foreign Portfolio Investors' Assets Under Custody (AUC) declined to ₹73.47 lakh crore as of 15th October 2026 from ₹73.67 lakh crore at September-end, a fall of ₹20,162 Cr. The decline was primarily driven by equities, where AUC fell by ₹22,785 Cr to ₹65.94 lakh crore, reflecting the combined impact of persistent FPI selling and changes in equity market valuations during the fortnight.
- On the debt side, AUC showed a mixed but improving trend, with Debt General increasing by ₹2,291 Cr, Corporate Bonds by ₹1,836 Cr and Debt VRR by ₹395 Cr, while Debt FAR declined by ₹801 Cr. Others increased by ₹738 Cr, indicating relatively stable foreign holdings outside equities despite continued equity outflows.
- Sectorally, IT recorded the largest increase in FPI equity AUC at ₹39,497 Cr, followed by Financial Services ₹34,643 Cr and Telecommunication ₹11,508 Cr. Conversely, Healthcare witnessed the largest decline of ₹22,927 Cr, followed by Automobiles ₹20,702 Cr and Capital Goods ₹10,878 Cr. Notably, Financial Services AUC increased despite substantial FPI selling, highlighting the influence of market valuations on foreign portfolio holdings.

Assets under custody (AUC) of FPIs

₹ Cr

Segment	*Oct-26	Sep-26	Change
Equity	65,94,378	66,17,163	-22,785
Debt General	2,03,476	2,01,185	+2,291
Debt VRR	1,52,842	1,52,447	+395
**Corporate Bonds	2,76,486	2,74,650	+1,836
Debt FAR	3,23,967	3,24,768	-801
Others	72,087	71,349	+738
Total	73,46,750	73,66,912	-20,162

**Corporate bond figures are already included within Debt General and Debt VRR; they are shown separately only for category-wise reporting.

*All data is updated till 15th October, 2026. Source: NSDL

Key sectoral breakdown of FPI equity AUC

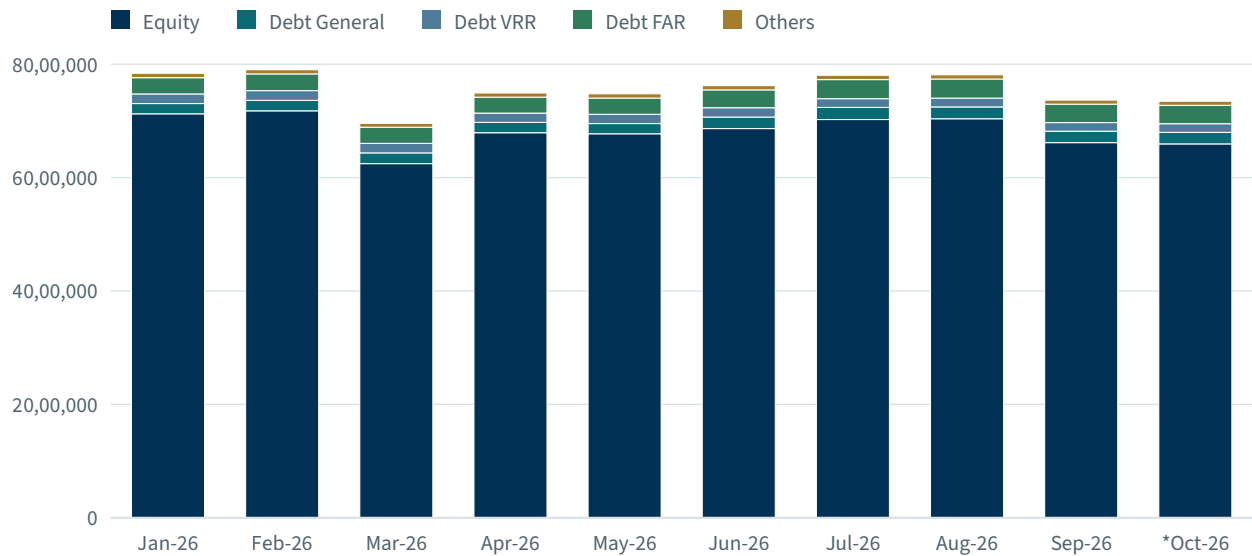
₹ Cr

Sector	*Oct-26	Sep-26	Change
Financial Services	20,35,663	20,01,020	+34,643
Healthcare	5,04,679	5,27,606	-22,927
Automobiles	4,77,593	4,98,295	-20,702
Capital Goods	4,76,822	4,87,700	-10,878
Oil & Gas	4,29,974	4,28,324	+1,650
IT	3,98,397	3,58,900	+39,497
Telecom	3,43,057	3,31,549	+11,508

Source: NSDL

Equities drive the fall in FPI AUC in the first half of October

Assets under custody by segment, ₹ Cr; the last bar is as of 15th October 2026

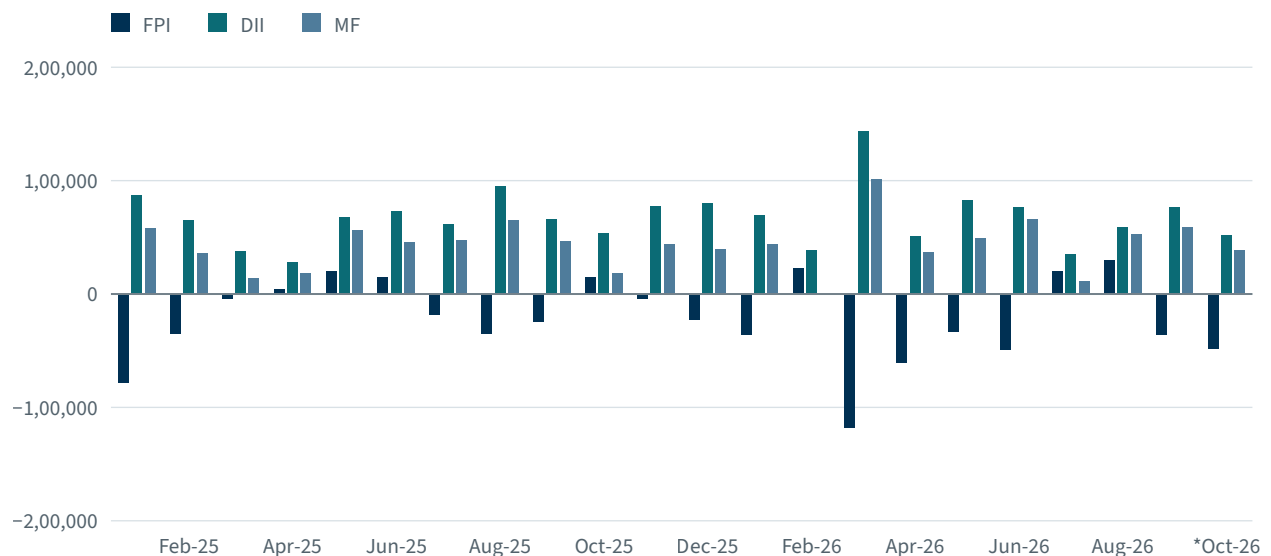


Source: NSDL, SEBI

Equity investment breakdown by participant

Net equity investment by market participants

Monthly net equity investment, ₹ Cr, Jan-25–*Till 15th Oct

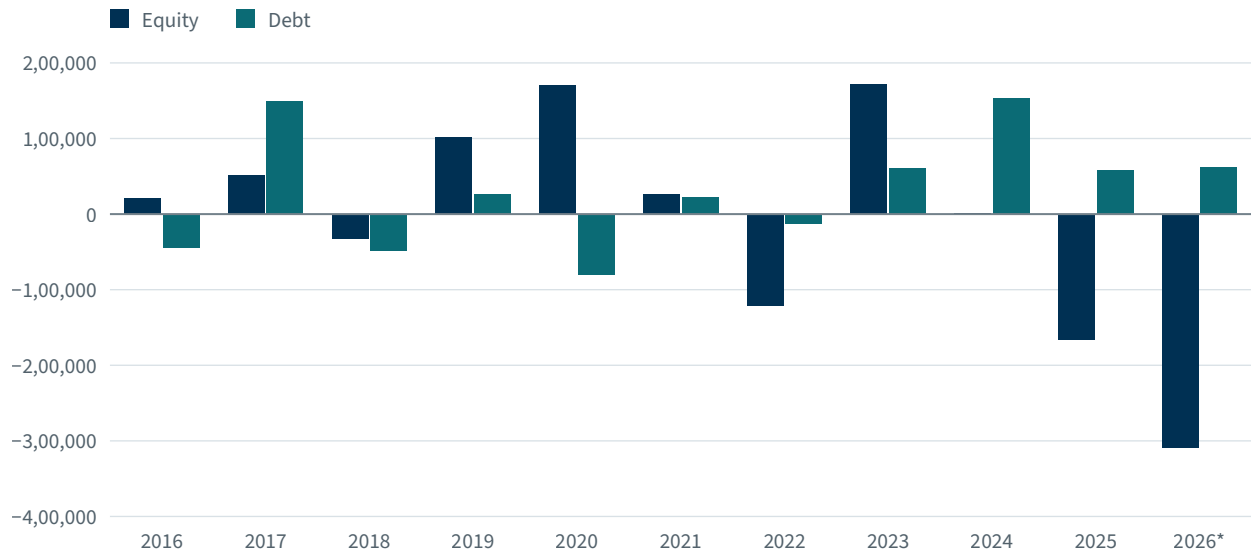


*MFs data is updated till 13th October. Other data is updated till October, 2026. DII investments include MF investments. Source: NSDL, SEBI

FPI investment in Indian equity and debt markets

FPI net investment in Indian equity and debt by calendar year

Net investment by calendar year, ₹ Cr



*Data updated till 15th October 2026. Source: NSDL, SEBI

Disclaimer: This report and any recommendation contained herein may not be applicable to the specific investment objectives of the recipient of this report. This should not be used in substitution for the exercise of independent judgment. The information contained in this document has been obtained from sources believed reliable but we do not represent that it is accurate or complete.