FPI INVESTMENT | UPDATES | MAY 2026

FPI Outflows Moderate in April 2026

Data as of April 2026

APR 2026 NET EQUITY OUTFLOW

Rs 608.5bn

vs Rs 1,177.7bn in March 2026

FINANCIAL SERVICES DRAG

Rs 308.6bn

Largest sector outflow, 2nd consecutive month

YTD CY26 TOTAL OUTFLOW

Rs 1,919.7bn

Cumulative net equity outflows, CY26

FPI INVESTMENT | MONTHLY UPDATE

FPI Outflows Moderate in April 2026

Headline Flow: April 2026

FPIs recorded net equity outflows of Rs 608.50 bn in April 2026, moderating sharply from Rs 1,177.74 bn in March 2026.

Selling Remains Broad-Based

Foreign equity flows remained in outflow territory for the month, with selling spread broadly across most sectors of the market.

Financial Services: Largest Drag

Financial Services registered outflows of Rs 308.56 bn in April, remaining the single largest sector drag for the second consecutive month.

Bright Spots: Inflow Sectors

Power & Utilities led inflows at Rs 55.49 bn; Capital Goods attracted Rs 43.39 bn - both recording positive flows for the second consecutive month.

YTD CY26 Net Equity Flow: Rs -1,919.73 bn

Cumulative FPI equity outflows for calendar year 2026 stand at Rs 1,919.73 bn through April. Financial Services accounts for Rs 916.85 bn of YTD outflows, followed by IT & Services at Rs 288.78 bn and Consumer Services at Rs 195.96 bn.

Net Effect: April 2026 outflows of Rs 608.50 bn represent a meaningful moderation from March, but foreign equity flows remain in negative territory - the cumulative YTD drain of Rs 1,919.73 bn underscores sustained broad-based FPI selling in CY26.

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Sectors Under Selling Pressure - April 2026

Consumer Services: Rs 77.70 bn Outflow

Selling accelerated sharply in April, recording its highest monthly outflow in the past 12 months, up from Rs 21.41 bn in March 2026.

Healthcare & IT: Sustained Pressure

Healthcare posted outflows of Rs 69.26 bn and IT & Services Rs 51.65 bn, both continuing their multi-month outflow trend in April.

Oil, Gas & Fuels: Steepest Outflow

Outflows rose to Rs 67.03 bn in April from Rs 41.29 bn in March, marking the sector's steepest monthly outflow in over a year.

Autos, FMCG & Media: Continued Selling

Automobile & Auto Ancillary: Rs 54.79 bn; FMCG: Rs 32.05 bn; Media & Telecom: Rs 46.08 bn; Real Estate: Rs 21.23 bn - all posted sustained outflows.

Financial Services: Dominant Drag at Rs 308.56 bn

Financial Services remained the largest drag on overall FPI flows for the second consecutive month with net outflows of Rs 308.56 bn in April. YTD CY26 outflows for this sector total Rs 916.85 bn - by far the heaviest sector-level drain in the year so far.

Key Takeaway: Eight of sixteen tracked sectors recorded outflows in April 2026. Financial Services, Consumer Services, Healthcare, and Oil & Gas were the four largest sources of FPI selling during the month.

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Sectors Turning Positive - April 2026

Power & Utilities: Rs 55.49 bn Inflow

Standout sector in April, reversing marginal outflows seen in March and recording its highest monthly inflow in the past year.

Capital Goods: Rs 43.39 bn Inflow

Continued to attract FPI interest for the second consecutive month, with inflows rising from Rs 31.48 bn in March to Rs 43.39 bn in April.

Metals & Mining: Rs 12.18 bn Inflow

Reversed prior month's outflows, turning positive in April with net inflows of Rs 12.18 bn, contributing to a YTD CY26 inflow of Rs 152.17 bn.

Construction, Diversified & Consumer Durables

Construction reversed to Rs 9.26 bn inflow; Diversified & Others sustained momentum at Rs 15.75 bn; Consumer Durables was nearly flat at Rs 0.80 bn.

Inflow Sectors: YTD CY26 Cumulative Positions

On a YTD CY26 basis, Metals & Mining leads inflows at Rs 152.17 bn, followed by Capital Goods at Rs 223.83 bn - the only two sectors with meaningful positive cumulative flows in CY26. Power & Utilities stands at Rs 78.39 bn and Diversified & Others at Rs 47.81 bn YTD.

Key Takeaway: Five sectors recorded net inflows in April 2026. Power & Utilities and Capital Goods were the most compelling inflow stories, with Capital Goods attracting foreign buying for the second consecutive month.

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YTD CY26 Sector-wise FPI Flow Scorecard

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Largest YTD Outflow Sectors

Financial Services: Rs -916.85 bn; IT & Services: Rs -288.78 bn; Consumer Services: Rs -195.96 bn - together accounting for over Rs 1.4 trn of YTD CY26 outflows.

Other Material YTD Outflow Sectors

Automobile: Rs -179.85 bn; FMCG: Rs -180.72 bn; Healthcare: Rs -180.55 bn; Media & Telecom: Rs -169.92 bn; Real Estate: Rs -87.37 bn.

YTD Inflow Leaders

Capital Goods: Rs 223.83 bn; Metals & Mining: Rs 152.17 bn; Power & Utilities: Rs 78.39 bn; Diversified & Others: Rs 47.81 bn - the four sectors with positive YTD flows.

Monthly Trend: Outflows Moderating

April outflows of Rs 608.50 bn were roughly half of March's Rs 1,177.74 bn, indicating a meaningful step-down in selling intensity, though outflow territory persisted.

Total FPI Equity Net Flow: CY26 YTD Rs -1,919.73 bn

Cumulative FPI equity outflows through April 2026 stand at Rs 1,919.73 bn. Of 16 tracked sectors, 12 recorded net outflows on a YTD basis. Only four sectors - Capital Goods, Metals & Mining, Power & Utilities, and Diversified & Others - have attracted net positive FPI equity flows year-to-date in CY26.

Our View: The halving of monthly outflows from March to April is an encouraging directional shift, but the Rs 1,919.73 bn YTD drain, concentrated overwhelmingly in Financials and rate sensitive sectors, signals that FPI conviction in India remains fragile. A sustained reversal will require either a meaningful macro catalyst or a visible de-escalation in global risk-off sentiment.

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