



MUTUAL FUND

# FII VOLATILITY, DII STABILITY

DII's Are Emerging as India's Structural Market Anchor

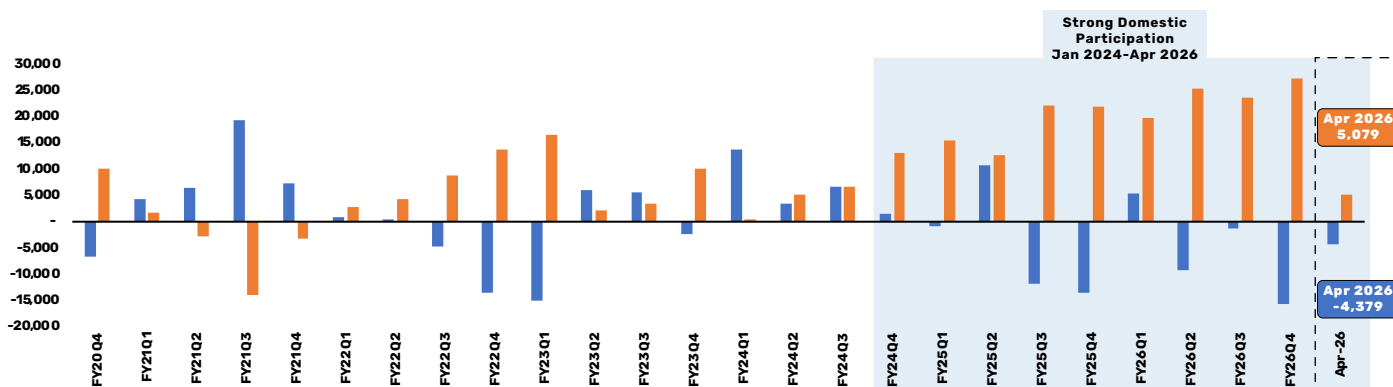
EDITION 01

India's equity markets are witnessing a structural shift in participation dynamics. FII flows are cyclical and volatile, while DII flows show a steady upward trend, cushioning markets during periods of foreign outflows.



## FII vs DII NET EQUITY FLOWS - MONTHLY JAN 2020 TO APR 2026

■ FII Equity Flows ■ DII Equity Flows



Source: Bloomberg | All values in USD Million | Data as on 30<sup>th</sup> April 2026



## KEY INSIGHTS

- 1. DII PARTICIPATION IS STEADILY STRENGTHENING**  
 DII flows have shown a clear upward trend over the last decade, supported by rising SIP inflows, mutual fund growth and broader retail participation.
- 2. FII FLOWS REMAIN CYCLICAL & SENSITIVE**  
 FII flows are influenced by global liquidity, interest rates, USD strength and risk sentiment. Despite near term volatility, India's fundamentals remain strong, which may support a revival in FII flows over time.
- 3. DOMESTIC CUSHION BUILDS MARKET RESILIENCE**  
 Strong and consistent DII buying has helped absorb foreign selling pressure and provided a cushion against uncertain global periods in recent times.



## THE STRUCTURAL SHIFT IN NUMBERS

DII EQUITY FLOWS (12M Rolling Sum)

**\$97,464 mil**

Apr 2026

Near all-time high

FII EQUITY FLOWS (12M Rolling Sum)

**-\$26,695 mil**

Apr 2026

Volatile & cyclical

SIP INFLOWS

**₹31,115 cr**

Apr 2026

18% y-o-y growth

Recent DII participation has risen to decade-high levels, offsetting FII outflows.

Source: Internal Analysis, Bloomberg | Data as on 30<sup>th</sup> April 2026 | FII = Foreign Institutional Investors, DII = Domestic Institutional Investors

Name of MF - Bajaj Finserv Mutual Fund | Registration no. - MF/078/23/04

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.