



Jul-Sep'25 Earnings Preview

October 8, 2025

Exhibit 1: PL Universe

Companies	Rating	CMP (Rs)	TP (Rs)
HDFC AMC	BUY	5,559	6,000
NAM India	BUY	875	900
UTI AMC	BUY	1,332	1,400

Source: PL

Good quarter owing to healthy equity growth

Equity QAAuM for the industry is likely to see healthy growth of 7-8% QoQ and 13% YoY in Q2FY26 due to higher net flows. Equity/debt mix in Aug'25 industry MAAuM was 54.1%/16.7%. Equity flows saw an uptick in Jul'25/Aug'25; excl. NFOs net equity flows were Rs858bn (Rs779bn in Q1FY26).

We expect AMCs in our coverage to see equity QAAuM growth of 7.4% QoQ and 13.2% YoY. Equity QAAuM for HDFC/NAM could grow by 7.6%/8.8% QoQ and 14.2%/16.8% YoY respectively. Core PAT for our coverage AMCs could grow by 3.2% QoQ/16.8%YoY. Owing to run-up in equity markets from Mar-Jun'25 and pick-up in net equity flows from May'25 we upgrade FY26E industry equity CLAuM by ~4%. Hence for HDFCAM/NAM we upgrade core PAT by 5.4%/4.2% for FY26E and 4.5%/2.9% for FY27E.

- **Equity QAAuM to rebound QoQ led by NAM and HDFC AMC:** Coverage AMCs would see QAAuM increase of 6.2% QoQ and 16% YoY to Rs19.2trn; HDFC AMC/NAM/UTI could grow by ~6.4%/7.1%/4.3% QoQ. Equity QAAuM for HDFC/NAM/UTI could be up by 7.6%/8.8%/4.3% to Rs5.4/3.0/1.3trn.
- **Revenue yields may fall sequentially:** Yield compression may happen due to negative yield impact due to telescopic pricing as equity QAAuM has increased QoQ. We see revenue for our coverage AMCs to increase by 4.0% QoQ/10.9% YoY to Rs20.3bn.
- **Opex to increase QoQ:** We expect opex to rise 3.8% QoQ led by an increase in staff cost (+5.8% QoQ) and other opex (+1.5% QoQ). Due to ESOP charge, HDFC AMC is likely to see a higher rise in staff costs (+15.0% QoQ) as against NAM and UTI.
- **Core profitability to slightly decline QoQ:** Rise in revenue would be partially offset by a tad higher opex which could impact profitability. Hence core income yields could fall to 28.0bps from 28.6bps in Q1FY26. Further, other income could witness a slowdown due to lower MTM gains in equity.
- **Slight downtick in core PAT yields:** Tax rate for coverage AMCs is expected to remain stable QoQ at 24.6%. Hence, core PAT yields might see a downtick to 21.1bps from 21.7bps in Q1FY26 due to lower revenue yields.
- **Increase in target prices:** As we roll forward to Sep'27 and as we upgrade FY26/27E equity CLAuM growth for the industry our multiple and target price increase for coverage AMCs is as follows:
 - we tweak multiple for HDFCAM to 40x from 42x earlier and increase TP Rs6,000 from Rs5,700
 - we change multiple for NAM to 34x from 35x and raise TP from Rs860 to Rs900
 - for UTIAM, we maintain multiple at 16x but raise TP to Rs1,400 from Rs1,300

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Exhibit 2: Recommendation for PL coverage universe

Coverage Universe	CMP (Rs)	M Cap (Rs B)	New Rating	Old Rating	New PT (Rs)	Old PT (Rs)	Upside (%)	P/core EPS (x)				Core PAT (bps)			
								FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
HDFC AMC	5,559	1,189	BUY	BUY	6,000	5700	7.8%	31.5	44.4	39.1	34.7	27.3	27.5	26.7	25.8
NAM India	875	557	BUY	BUY	900	860	2.9%	28.7	39.9	35.0	32.6	19.7	19.2	18.5	17.6
UTI AMC	1,332	170	BUY	BUY	1,400	1300	5.4%	15.3	18.9	15.5	12.8	14.6	15.3	15.3	15.0

Source: Company, PL ACC=Accumulate / UR=Under Review

Exhibit 3: Q2FY26 AMCs Results Preview

Rs Million	Revenue	QoQ	YoY	Opex	QoQ	YoY	Core PAT	QoQ	YoY
HDFC AMC	10,070	4.1%	13.5%	2,324	8.4%	16.7%	5,810	1.7%	25.7%
NAM India	6,335	4.4%	10.9%	2,337	2.2%	13.4%	3,019	5.8%	11.6%
UTI AMC	3,907	3.0%	4.7%	2,252	1.2%	10.2%	1,274	4.4%	-3.6%
Total	20,312	4.0%	10.9%	6,913	3.8%	13.4%	10,103	3.2%	16.8%

Rs Billion	QAAuM	QoQ	YoY	Equity QAAuM	QoQ	YoY	Core RoAAuM	QoQ	YoY
HDFC AMC	8,814	6.4%	16.1%	5,378	7.6%	14.2%	26.4bps	-1.2bps	2.0bps
NAM India	6,565	7.1%	19.5%	3,014	8.8%	16.8%	18.4bps	-0.2bps	-1.3bps
UTI AMC	3,784	4.3%	10.1%	1,332	4.3%	3.2%	13.5bps	0.0bps	-1.9bps
Total	19,164	6.2%	16.0%	9,725	7.5%	13.3%	21.1bps	-0.6bps	0.1bps

Source: Company, PL

Exhibit 4: Q2FY26 Result Preview

Company Name		Q2FY26E	Q2FY25	YoY gr. (%)	Q1FY26	QoQ gr. (%)	Remark
HDFC AMC	Revenue (Rs mn)	10,070	8,872	13.5	9,678	4.1	
	Yield (%)	0.46	0.47	-1.1bps	0.47	-1.0bps	Overall QAAuM might increase by 6.4%
	Opex (Rs mn)	2,324	1,991	16.7	2,144	8.4	QoQ/+16.1% YoY. Yields may fall
	Opex (%)	0.11	0.10	0.1bps	0.10	0.2bps	marginally due to telescopic pricing which could be partially offset by increase in eq+bal share.
	Core Income (Rs mn)	7,746	6,881	12.6	7,534	2.8	
	Operating Yield (%)	0.35	0.36	-1.1bps	0.36	-1.2bps	
	PAT (Rs mn)	6,372	5,769	10.5	7,479	-14.8	Opex as a % of QAAUM might be slightly up to 11bps.
	Core PAT (Rs mn)	5,810	4,623	25.7	5,714	1.7	
	AAuM (Rs bn)	8,814	7,590	16.1	8,285	6.4	ROAAuM might decline by 7.2bps..
ROAAuM (%)	0.29	0.30	-1.5bps	0.36	-7.2bps		
NAM-India	Revenue (Rs mn)	6,335	5,713	10.9	6,066	4.4	
	Yield (%)	0.39	0.42	-3.0bps	0.40	-1.0bps	Overall QAAuM might grow by 7.1%
	Opex (Rs mn)	2,337	2,060	13.4	2,287	2.2	QoQ/+19.5% YoY, Yields may fall
	Opex (%)	0.14	0.15	-0.8bps	0.15	-0.7bps	marginally due to telescopic pricing which could be partially offset by increase in eq+bal share.
	Core Income (Rs mn)	3,999	3,653	9.5	3,779	5.8	
	Operating Yield (%)	0.24	0.27	-2.2bps	0.25	-0.3bps	
	PAT (Rs mn)	3,321	3,600	-7.7	3,957	-16.1	Opex as a % of QAAuM could decline slightly QoQ.
	Core PAT (Rs mn)	3,019	2,705	11.6	2,854	5.8	
	AAuM (Rs bn)	6,565	5,493	19.5	6,127	7.1	ROAAuM might decline by 5.6bps.
ROAAuM (%)	0.20	0.26	-6.0bps	0.26	-5.6bps		
UTI AMC	Revenue (Rs mn)	3,906	3,730	4.7	3,793	3.0	
	Yield (%)	0.41	0.43	-2.1bps	0.42	-0.5bps	
	Opex (Rs mn)	2,252	2,044	10.2	2,226	1.2	We expect revenue to grow by 3.0% QoQ. Yields may fall slightly sequentially due to decline in share of eq+bal in QAAUM mix.
	Opex (%)	0.24	0.24	0.0bps	0.25	-0.7bps	
	Core Income (Rs mn)	1,654	1,686	-1.9	1,567	5.6	
	Operating Yield (%)	0.17	0.20	-2.1bps	0.17	0.2bps	Operating yields could improve marginally by 0.2bps QoQ;
	PAT (Rs mn)	1,582	2,631	-39.9	2,539	-37.7	
	Core PAT (Rs mn)	1,274	1,321	-3.6	1,220	4.4	ROAAuM might decline by 11.3bps due to lower other income..
	AAuM (Rs bn)	3,784	3,437	10.1	3,628	4.3	
ROAAuM (%)	0.17	0.31	-13.9bps	0.28	-11.3bps		

Source: Company, PL

Exhibit 5: Change in Estimates

	Rating		Target Price			Revenue (Rs bn)						Opex (Rs bn)						Core PAT (Rs bn)					
						FY26E			FY27E			FY26E			FY27E			FY26E			FY27E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
HDFC AMC	BUY	BUY	6,000	5,700	5.3%	41.4	39.6	4.6%	46.1	44.2	4.3%	9.1	8.9	1.8%	10.0	9.7	3.6%	24.6	23.3	5.4%	27.4	26.2	4.5%
NAM India	BUY	BUY	900	860	4.7%	26.5	25.9	2.2%	29.6	29.3	1.1%	9.5	9.6	-1.0%	10.4	10.6	-2.1%	12.9	12.4	4.1%	14.6	14.2	2.9%
UTI AMC	BUY	BUY	1,400	1,300	7.7%	15.9	16.1	-0.7%	17.6	18.0	-2.4%	8.7	8.8	-1.1%	9.3	9.5	-2.4%	5.7	5.7	-0.4%	6.5	6.6	-2.5%

Source: Company, PL C=Current / P=Previous / Acc=Accumulate

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Accumulate	1,925	1,728
2	Axis Bank	BUY	1,375	1,187
3	Bank of Baroda	BUY	270	262
4	Can Fin Homes	BUY	875	813
5	City Union Bank	BUY	245	219
6	DCB Bank	BUY	155	132
7	Federal Bank	BUY	220	199
8	HDFC Asset Management Company	BUY	5,700	5,357
9	HDFC Bank	BUY	1,075	983
10	ICICI Bank	BUY	1,730	1,376
11	IndusInd Bank	Hold	780	749
12	Kotak Mahindra Bank	BUY	2,350	2,127
13	LIC Housing Finance	BUY	725	591
14	Nippon Life India Asset Management	BUY	860	794
15	State Bank of India	BUY	960	865
16	Union Bank of India	BUY	150	139
17	UTI Asset Management Company	BUY	1,300	1,329

PL's Recommendation Nomenclature

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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