

Oct-Dec'25 Earnings Preview

January 8, 2026

Top Picks

ICICI AMC

HDFC AMC

Good quarter owing to healthy equity growth

Equity QAAuM for the industry is likely to see a growth of 5% QoQ and 15.7% YoY in Q3FY26 due to net flows and MTM. Equity/debt mix in Nov'25 industry MAAuM was 54.4%/16.1%. Pace of equity flows slowed down marginally in Oct/Nov'25; excl. NFO net equity flows were Rs647bn (Rs1,259bn in Q2FY26). We expect coverage AMCs (ex-ICICIAMC) to see equity QAAuM growth of 4.9% QoQ/15.7% YoY. Equity QAAuM for HDFC/NAM could grow by 5.9%/5.2% QoQ and 18.3%/18.5% YoY respectively. Due to labor code impact, core PAT growth could be lower by 6.8% QoQ. Owing to run-up in equity markets from Oct-Dec'25, we slightly upgrade FY26E industry equity CLAuM. Hence for HDFCAM/NAM we raise core PAT by 4%/3% for FY26E and 4%/1% for FY27E.

- **Equity QAAuM to rebound QoQ led by HDFC AMC and NAM:** Coverage AMCs would see QAAuM increase of 5.1% QoQ and 17.7% YoY to Rs21.4trn; HDFC AMC/NAM could grow by 4.9%/6.8% QoQ. Equity QAAuM for HDFC/NAM could be up by 5.9%/5.2% to Rs5.7/3.2trn.
- **Revenue yields may fall QoQ:** Yields may fall due to yield impact due to telescopic pricing as equity QAAuM has increased QoQ. We see revenue for coverage AMCs to increase by 3.8% QoQ/12.9% YoY to Rs22.6bn.
- **Opex to increase QoQ:** Due to VRS scheme in place, UTIAMC is likely to see a spike in staff costs (+60.0% QoQ) as against NAM and HDFC. Excluding this, we expect opex to rise ~6% QoQ led by an increase in staff cost on account of the new labor code implementation
- **Core profitability to decline QoQ:** Rise in revenue would be offset by higher opex (mainly UTI). Hence core income yield could fall to 25.2bps from 27.3bps in Q2FY26. For HDFCAM/NAM/CRAMC core income yields could fall by 0.5-0.6bp QoQ. Other income could see uptick due to higher MTM gains in equity.
- **Slight downtick in core PAT yields:** Tax rate for coverage AMCs is expected to inch up QoQ at 23.4%. Hence, core PAT yields might see a downtick to 19.3bps from 21.8bps in Q2FY26.
- **ICICIAMC Q3FY26 preview:** Equity QAAuM growth would be best in class at 7.3% QoQ to Rs6.1trn. Core income growth would be 5.0% QoQ to Rs10.45bn or 39bps of MF QAAuM. Our FY26 earnings could be upgraded due to opex.
- **Change in target prices:** Due to change in CLAuM estimates for industry, performance of AMCs and ICICIAMC listing, there is a fall in our TPs as follows:
 - For HDFCAM we reduce multiple to 37.5x from 41x earlier and reduce TP to Rs2,950 from Rs3,087.5. Retain 'BUY'.
 - We maintain multiple and TP for NAM at 34x and Rs930. Retain BUY.
 - For UTIAM, we trim multiple to 14x from at 16x and reduce TP to Rs1,250 from Rs1,400.
 - We reduce multiple slightly for CRAMC to 24x and trim TP to Rs325.

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Exhibit 1: Recommendation for PL coverage universe

Coverage Universe	CMP (Rs)	MCap (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
Can Rob	311	62	BUY	BUY	325	350	4.4%	29.1	31.2	25.2	21.4	15.6	14.5	14.6	14.4
HDFC AMC	2,631	1,127	BUY	BUY	2,950	3088	12.1%	31.2	41.8	35.7	31.4	27.3	27.4	26.5	25.6
ICICI AMC	2,696	1332	BUY	BUY	3,000	3,000	11.3%	42.7	42.2	35.6	30.9	29.1	28.5	27.7	27.0
NAM India	893	572	BUY	BUY	930	930	4.2%	28.5	40.5	34.5	31.6	19.7	19.0	18.3	17.0
UTI AMC	1,135	146	Acc	Acc	1,250	1400	10.2%	20.3	19.6	13.0	10.4	14.6	11.4	13.6	13.4

Source: Company, PL Acc=Accumulate

Exhibit 2: Q3FY26 AMCs Results Preview

Rs Million	Revenue	QoQ	YoY	Opex	QoQ	YoY	Core PAT	QoQ	YoY
Can Rob	1,054	1.4%	-0.1%	441	5.0%	36.1%	460	0.7%	-15.5%
HDFC AMC	10,636	3.7%	13.8%	2,595	5.4%	38.7%	6,191	-3.2%	8.5%
ICICI AMC	13,827	5.6%	-	3,371	7.1%	-	7,863	5.1%	-
NAM India	6,922	5.2%	17.7%	2,546	6.4%	20.3%	3,326	5.0%	17.3%
UTI AMC	4,004	2.7%	6.7%	3,549	37.9%	78.1%	351	-67.2%	-74.6%
Total	36,443	4.5%	81.9%	12,501	13.7%	98.3%	18,191	-2.0%	73.8%
Rs Billion	QAAuM	QoQ	YoY	Equity QAAuM	QoQ	YoY	Core RoAAuM	QoQ	YoY
Can Rob	1,223	2.1%	12.8%	1,116	2.6%	9.5%	15.1bps	-0.2bps	-5.1bps
HDFC AMC	9,249	4.9%	17.5%	5,694	5.9%	18.3%	26.8bps	-2.2bps	-2.2bps
ICICI AMC	10,764	6.1%	-	6,113	7.3%	-	29.2bps	-0.3bps	-
NAM India	7,010	6.8%	23.0%	3,173	5.2%	18.5%	19.0bps	-0.3bps	-0.9bps
UTI AMC	3,938	3.4%	11.3%	1,356	1.8%	5.3%	3.6bps	-7.7bps	-12.1bps
Total	32,183	5.4%	76.9%	17,452	5.7%	78.1%	22.6bps	-1.7bps	-0.4bps

Source: Company, PL

Exhibit 3: Q3FY26 Result Preview

Company Name		Q3FY26E	Q3FY25	YoY gr. (%)	Q2FY26	QoQ gr. (%)	Remark
Can Rob AMC	Revenue (Rs mn)	1,054	1,056	-0.1	1,040	1.4	
	Yield (%)	0.35	0.39	-4.5bps	0.35	-0.2bps	Overall QAAuM might grow by 2.1%
	Opex (Rs mn)	441	324	36.1	420	5.0	QoQ/+12.8% YoY, Yields may fall marginally due to telescopic pricing which may be offset by increase eq+bal share.
	Opex (%)	0.14	0.12	2.5bps	0.14	0.4bps	
	Core Income (Rs mn)	614	732	-16.2	620	-1.0	
	Operating Yield (%)	0.20	0.27	-6.9bps	0.21	-0.6bps	Opex as a % of QAAuM could increase marginally QoQ.
	PAT (Rs mn)	760	478	58.9	487	56.1	
	Core PAT (Rs mn)	460	545	-15.5	457	0.7	
	AAuM (Rs bn)	1,223	1,083	12.8	1,197	2.1	ROAAuM might remain flat QoQ.
	ROAAuM (%)	0.15	0.20	-5.1bps	0.15	-0.2bps	
HDFC AMC	Revenue (Rs mn)	10,636	9,344	13.8	10,260	3.7	
	Yield (%)	0.46	0.47	-1.5bps	0.47	-0.6bps	Overall QAAuM might increase by 6.9%
	Opex (Rs mn)	2,595	1,872	38.7	2,463	5.4	QoQ/+22% YoY. Yields may fall marginally due to telescopic pricing which could be partially offset by increase in eq+bal share.
	Opex (%)	0.11	0.10	1.7bps	0.11	0.0bps	
	Core Income (Rs mn)	8,041	7,472	7.6	7,797	3.1	
	Operating Yield (%)	0.35	0.38	-3.2bps	0.35	-0.6bps	Opex as a % of QAAuM might be flat QoQ.
	PAT (Rs mn)	7,269	6,415	13.3	7,181	1.2	
	Core PAT (Rs mn)	6,191	5,706	8.5	6,394	-3.2	
	AAuM (Rs bn)	4,045	3,318	21.9	3,783	6.9	ROAAuM might decline by 1.1bps.
	ROAAuM (%)	0.31	0.33	-1.1bps	0.33	-1.1bps	
ICICI AMC	Revenue (Rs mn)	13,827	-	-	13,099	5.6	
	Yield (%)	0.47	-	-	0.47	-0.3bps	Overall QAAuM might increase by 6.1%
	Opex (Rs mn)	3,371	-	-	3,146	7.1	QoQ. Yields may fall marginally due to 0.1bps telescopic pricing which could be partially offset by increase in eq+bal share.
	Opex (%)	0.13	-	-	0.12	5.1	
	Core Income (Rs mn)	10,456	-	-	9,954	5.1	
	Operating Yield (%)	0.39	-	-	0.39	-0.4bps	Opex as a % of QAAuM might be flat QoQ.
	PAT (Rs mn)	8,615	-	-	8,325	3.5	
	Core PAT (Rs mn)	7,863	-	-	7,483	5.1	
	AAuM (Rs bn)	10,764	-	-	10,149	6.1	ROAAuM might decline marginally.
	ROAAuM (%)	0.29	-	-	0.29	-0.3bps	
NAM	Revenue (Rs mn)	6,922	5,879	17.7	6,581	5.2	
	Yield (%)	0.40	0.41	-1.8bps	0.40	-0.6bps	Overall QAAuM might grow by 6.8%
	Opex (Rs mn)	2,546	2,116	20.3	2,392	6.4	QoQ/+23% YoY, Yields may fall marginally due to telescopic pricing and decrease in eq+bal share.
	Opex (%)	0.15	0.15	-0.3bps	0.15	0.0bps	
	Core Income (Rs mn)	4,376	3,763	16.3	4,189	4.5	
	Operating Yield (%)	0.25	0.26	-1.4bps	0.26	-0.5bps	Opex as a % of QAAuM could remain flat QoQ.
	PAT (Rs mn)	4,086	2,953	38.4	3,443	18.7	
	Core PAT (Rs mn)	3,326	2,836	17.3	3,166	5.0	
	AAuM (Rs bn)	7,010	5,699	23.0	6,566	6.8	ROAAuM might increase by 2.3ps.
	ROAAuM (%)	0.23	0.21	2.6bps	0.21	2.3bps	
UTI AMC	Revenue (Rs mn)	4,004	3,754	6.7	3,900	2.7	
	Yield (%)	0.41	0.42	-1.8bps	0.41	-0.3bps	We expect revenue to grow by 2.7% QoQ. Yields may fall slightly sequentially due to decline in share of eq+bal in QAAuM mix.
	Opex (Rs mn)	3,549	1,993	78.1	2,573	37.9	
	Opex (%)	0.36	0.23	13.5bps	0.27	9.0bps	
	Core Income (Rs mn)	455	1,761	-74.1	1,327	-65.7	
	Operating Yield (%)	0.05	0.20	-15.3bps	0.14	-9.3bps	Operating yields could go downby 9.3bps QoQ;
	PAT (Rs mn)	1,044	1,736	-39.9	1,322	-21.1	
	Core PAT (Rs mn)	351	1,382	-74.6	1,069	-67.2	ROAAuM might decline by 3.3bps.
	AAuM (Rs bn)	3,938	3,539	11.3	3,810	3.4	
	ROAAuM (%)	0.11	0.20	-9.0bps	0.14	-3.3bps	

Source: Company, PL

Exhibit 4: Change in Estimates

	Rating		Target Price			Revenue (Rs bn)						Opex (Rs bn)						Core PAT (Rs bn)					
						FY27E			FY28E			FY27E			FY28E			FY27E			FY28E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
Can Rob	BUY	BUY	325	350	-7.1%	5.0	5.0	1.2%	5.9	5.9	0.3%	2.1	2.0	1.0%	2.4	2.4	1.0%	2.2	2.2	1.3%	2.6	2.6	-0.1%
HDFC AMC	BUY	BUY	2,950	3,088	-4.5%	48.1	46.2	3.9%	53.5	51.1	4.7%	10.4	10.0	4.0%	11.6	10.9	6.1%	28.6	27.5	3.9%	31.9	30.5	4.3%
ICICI AMC	BUY	BUY	3,000	3,000	0.0%	67.3	67.3	0.0%	76.9	76.9	0.0%	20.2	20.2	0.0%	23.1	23.1	0.0%	35.4	35.4	0.0%	40.4	40.4	0.0%
NAM India	BUY	BUY	930	930	0.0%	30.6	29.6	3.5%	33.5	32.4	3.5%	10.8	10.4	4.1%	12.1	11.3	7.1%	15.1	14.6	3.1%	16.3	16.1	1.5%
UTI AMC	Acc	Acc	1,250	1,400	-10.7%	17.6	17.2	2.5%	19.4	18.4	5.6%	9.7	9.2	5.4%	10.5	9.8	7.1%	6.2	6.2	-0.8%	7.0	6.7	3.8%

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

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	BUY	1,425	1,170
2	Bank of Baroda	BUY	300	278
3	Canara Robeco Asset Management Company	BUY	350	317
4	City Union Bank	BUY	265	236
5	DCB Bank	BUY	155	132
6	Federal Bank	BUY	250	227
7	HDFC Asset Management Company	BUY	6,175	5,764
8	HDFC Bank	BUY	1,150	1,003
9	ICICI Bank	BUY	1,800	1,437
10	ICICI Prudential Asset Management Company	BUY	3,000	2,165
11	IndusInd Bank	Hold	840	751
12	Kotak Mahindra Bank	BUY	2,480	2,187
13	Nippon Life India Asset Management	BUY	930	875
14	State Bank of India	BUY	1,100	958
15	Union Bank of India	BUY	160	142
16	UTI Asset Management Company	Accumulate	1,400	1,339

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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