

Domestic stake in NSE firms hits all-time high

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THE HOLDING OF domestic investors in companies listed on the NSE hit an all-time high for the quarter ended June, even as the share of foreign portfolio investors (FPIs) slumped to a 10-year low.

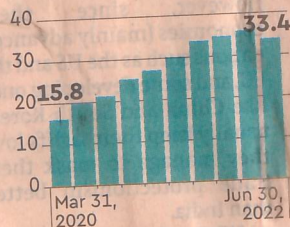
The share of domestic institutional investors, combined with that of individual investors, reached 23.53% as on June 30, 2022, 19 basis points higher than the previous quarter, as DIIs pumped in ₹1.28 trillion during the quarter, data from primeinfobase.com show.

The share of FPIs in NSE firms slumped 96 bps to 19.20% during the same period on the back of outflows to the tune of ₹1.1 trillion during the quarter. The FPI share for the quarter ended March 2015

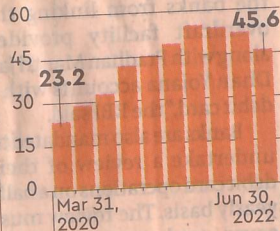
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DIIs have emerged as a strong counterforce to FPIs in the past few years.

Total value of DII holdings (₹ trn)



Total value of FPI holdings (₹ trn)



For NSE-listed companies
Source: primeinfobase.com

was 23.3%, while the combined share of DIIs and individual investors was 18.47%.

"This further showcases the rise of domestic investors and the huge counter-balancing role they have played to foreign investors in the Indian

markets," Pranav Haldea, managing director, PRIME Database Group, said.

The value of FPI holdings slipped 12.3% to ₹45.6 trillion as on June 30, 2022.

Continued on Page 2

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FPIs pulled out ₹69,476 crore from the financial services and information technology sectors during the quarter while investing ₹5,087 crore in services & healthcare.

The share of domestic mutual funds in companies listed on the NSE rose for the fourth quarter running and reached a two-year high of 7.95% as on June 30, 2022, up 20 bps from the previous

quarter. In value terms though, the holding of domestic MFs went down by 5.52% to ₹18.88 trillion as on June 30, 2022, from ₹19.99 trillion as on March 31, 2022.

Sensex and Nifty declined by 9.48% and 9.65%, respectively, during this period.

Share of insurance companies rose to 5.15% at the end of June, up from 5% as on March 31, 2022. The value of

insurers' holdings declined 5% to ₹12.24 trillion during the quarter. LIC commands a 76% share of insurers' equity investments. The share of DIIs as a whole increased to 14.06% for the June quarter, a gain of 35 bps q-o-q. In value terms, DII holding was down 5.5% to ₹33.4 trillion.

The share of retail investors — defined as individuals with up to ₹2 lakh shareholding in a company —

in NSE firms declined marginally to 7.4% in the June quarter. The value of retail holding reduced 8.2% to ₹17.58 trillion.

The share of high net worth individuals in companies listed on the NSE declined to 2.08% as on June 30, 2022, from 2.21% in the previous quarter.

As such, the combined retail and HNI share slid 16 bps to 9.47% in Q1.