

FINANCIALS, IT, FMCG TOP FPI SELL-OFF LIST

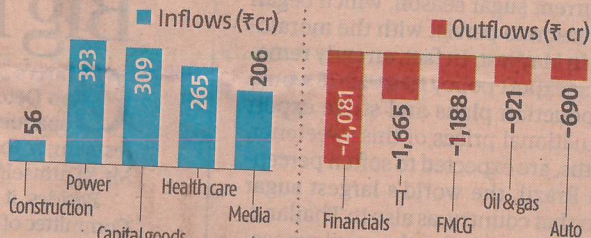
Financials, information technology (IT) and fast-moving consumer goods (FMCG) stocks accounted for most of the sell-off by foreign portfolio investors (FPIs) during the first fortnight of October.

Overseas funds dumped ₹4,081 crore shares of financial services sector firms, while IT shares of ₹1,665 crore were sold, according to primeinfobase.com. FPIs sold FMCG stocks worth ₹1,188 crore.

However, FPIs have the highest sectoral allocation to financial stocks at 32.12 per cent. Analysts said that the rise in inflation and yields is negative for finance companies as they have to keep higher provisions for their mark-to-market bonds, which could eat into

OUT OF FAVOUR

FPIs have sold shares worth ₹7,457 crore during the first fortnight of this month



Note: Data for the period between Oct 1, 2022 and Oct 15, 2022 Source: primeinfobase.com

their profits. IT stocks comprise 10 per cent of the assets under consideration (AUC) of foreign investors as on October 15. But analysts said the selling in IT stocks has bottomed out and there might be value buying in the next fortnight.

During the first half of October, FPIs bought shares of construction companies (₹565 crore), power stocks

(₹323 crore), and capital goods stocks (₹309 crore). Analysts said the buying of power stocks and selling in FMCG signifies the tilt towards beta stocks at the cost of defensives. The shift in favour of beta stocks picked up towards the end of last fortnight and is likely to gather momentum going forward, said analysts.

SUNDAR SETHURAMAN