

Indian investors hit hard by US tech rout

ENS ECONOMIC BUREAU

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THE RECENT rout in the share price of Facebook parent's Meta Platforms on Thursday and the estimated \$1-trillion loss in the market cap of big US tech giants this week have hit Indian investors quite hard.

Worse still, most of these stocks were already down be-

tween 30% and 70% since the beginning of the year. The latest crash would have put further pressure on the investors holding these stocks.

According to data from primemfdatabase.com, Indian mutual funds held stocks worth a little more than ₹1,100 crore in Meta at the end of September 2022. In total, the schemes had over ₹12,300 crore invested in top tech companies like Meta,

Netflix, Alphabet, Amazon and Microsoft. These holdings would have taken a significant beating in the recent crash.

For example: Meta, alone, is down over 30% in the past month while Alphabet is down around 8%.

Several schemes have invested a substantial portion of their corpus in the technology stocks given their high weighting in indices such as Nasdaq 100

and NYSE FANG. Tech stocks account for over 25% weighting in the S&P 500 index as well.

That's not all. Indians sent \$19.6 billion abroad in FY22 as per the RBI data, of which investment in equity/debt comprised \$747 million. Of this, \$300 million would have made its way into stocks and ETFs, with 40% or more being invested into technology stocks, industry estimates suggest.

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