

FPIs warm up to finance, FMCG stocks in December

Rising credit growth, falling NPAs responsible for the pivot

The stocks of financial services and fast-moving consumer goods (FMCG) companies accounted for the highest foreign portfolio investor (FPI) buying

SECTORAL FLOWS

Top five investment positive sectors

Netflows (₹ crore)

Financial services	2,806
Fast-moving consumer goods	1,370
Consumer services	974
Metal & mining	277
Power	177

Top five investment negative sectors

Textile	-134
Automotive & auto components	-224
Oil, gas, and consumable fuels	-554
Chemical	-620
Information technology	-2,265

Source: PRIME Infobase

during the second fortnight of December last year.

FPIs bought finance stocks worth ₹2,806 crore, and FMCG shares worth ₹1,370 crore, according to data collated by PRIME Infobase.

Consumer services (₹974 crore), metal and mining (₹277 crore), and power (₹177 crore) were the other sectors FPIs parked their money in the last two weeks of December 2022.

Rising credit growth and falling non-performing assets are attributed as reasons for the bullishness towards finance stocks.

FMCG stocks are considered defensive bets whenever there is global financial turmoil.

Alternatively, FPIs dumped information and technology stocks worth ₹2,265 crore, and chemical stocks worth ₹620 crore.

As of December 31, 2022, the highest sectoral allocation was to financial services at 32.95 per cent, from 32.69 per cent on December 15, 2022, followed by oil, gas, and consumable fuels at 11.44 per cent.

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