

FPI flows rained on financial stocks in July

Foreign portfolio investors (FPIs) increased wager on financial services, capital goods, information technology (IT), auto and construction companies during the second half of July. FPIs invested ₹4,464 crore in financial services companies, ₹3,211 crore in capital goods and ₹1,631 crore in IT stocks, according to data collated by Primeinfobase. They also bought shares worth ₹1,609 crore in auto and auto components and ₹1,520 in construction stocks.

"Monsoons have improved. And there are reports about moderation in food prices. There is also the expectation that rate hikes may not happen in India. Moreover, the credit growth and asset quality remain healthy," said Chokkalingam G, founder of Equinomics Research & Advisory.

With regards to capital goods,

Chokkalingam said that the companies benefit from the rising capex by both the government and private sector. He added that there had been some value buying in some heavyweights on IT.

Meanwhile, chemical stocks saw selling worth ₹783 crore, followed by construction materials (₹194 crore) and forest materials (₹20 crore). Financial services stocks had the highest FPI allocation in July, at 33.26 per cent from 29.93 per cent at the beginning of July. IT stocks were second with 9.8 per cent, followed by

energy stocks at 9.3 per cent.

SUNDAR SETHURAMAN

Top five investment-positive sectors

Sector	Net investment (₹ crore)
Financial services	4,464
Capital goods	3,211
Information & Technology	1,631
Automobiles and auto components	1,609
Construction	1,520

Top five investment-negative sectors

Sector	Net investment (₹ crore)
Chemicals	-783
Construction materials	-194
Forest materials	-20
Diversified	-12
Utilities	-8

Source: primeinfobase.com

