

# FPI MOVES SWING STOCK PRICE PENDULUM

Stocks in which foreign portfolio investors (FPIs) increased their holdings rallied the most, compared to stocks where other classes of investors such as retail, insurance, and mutual funds raised their stakes.

According to an analysis by Primeinfobase.com, FPIs increased their shareholding in 687 National Stock Exchange-listed companies during the three months ending in June 2023.

The average stock price gain for these companies was nearly 30 per cent during the quarter, compared to a 13 per cent gain in the Nifty 500. Meanwhile, the average stock price gain for the 908 companies where retail shareholders increased their stakes was about 21 per cent. The lowest growth was observed in the 50 stocks where Life Insurance Corporation of India raised its stake by just 12 per cent. In the case of 885 companies where retail investors pruned their holdings, stock prices rose by 28 per cent. Simultaneously, in the case of 608 stocks where FPIs trimmed their exposure, stock prices rose by 21 per cent.

The comparison of shareholding and price changes highlights that overseas investors have the most significant impact on stock prices. Between April and June, FPIs infused nearly ₹1.1 trillion into domestic stocks.

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## MOVERS AND SHAKERS

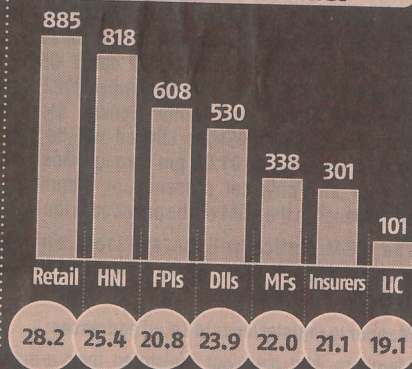
### FIRMS WHERE RETAIL INVESTORS PARRED THEIR HOLDINGS OUTPERFORMED

■ No. of companies ● Average change (%)

#### INCREASE IN HOLDINGS



#### DECREASE IN HOLDINGS



Note: Increase, decrease and, average change in share price for the quarter ended June 2023  
Source: Primeinfobase.com