

# FPIs' India Assets Top \$700 b With Robust Inflows in 2023

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**Mumbai:** Equity AUM (assets under management) of foreign portfolio investors has crossed the \$700 billion mark for the first time. In the first fortnight of December, FPIs' equity portfolio value was at a record \$723 billion (₹60.19 lakh crore).

During the fortnight, FPIs invested \$5.2 billion — a multi-year high fortnightly investments. The previous high for FPI AUM was \$686 billion in November 2021. However, the share of FPIs in India's total market capitalisation dropped to 17.6% compared with the 29% during the previous AUM peak in November 2021.

Total FPI inflow at \$20.2 billion in 2023 so far is the highest in four years. It is the fourth instance when FPIs have poured in more than \$20 billion in Indian equities in a year. The country received the largest inflow among the emerging markets in the current year.

Other leading emerging markets such as Brazil, South Korea, and China have reported inflows of \$8 billion, \$8.1 billion, and \$6.7 billion, respectively, in 2023 so far, according to Bloomberg data.

For Indian equities, the financial services sector received one-third of the total inflow in 2023 so far, followed by capital goods (28%) and automobiles (20%) from overseas investors, while outflows were majorly seen in sectors including oil and gas, metals, and information technology.

Analysts said financial services, which includes lenders, attracted high foreign investor interest because the sector has the highest weightage in the indices.

The growth in FPI AUM in India was driven by sectors including construction, construction material, capital goods and realty,

which together grew by 73% on-year while the total foreign portfolio investors' AUM grew 24%.

The weight of the infrastructure stocks in the FPI portfolio hit a record high of 10.3% in the first fortnight of December, a year-on-year gain of 319 basis points. The weight of sectors including financial services, automobiles, and FMCG too reached a record high. Together, they accounted for 45% of the total FPI portfolio.

Healthcare and automobiles sectors were among the other sectors that received foreign investments while outflow was highest from the oil & gas, media, and chemical sectors. Healthcare and automobiles received flows worth ₹3,449 crore and ₹3,309 crore respectively while the 'others' category received ₹4,089 crore.

## THE BIG PULL



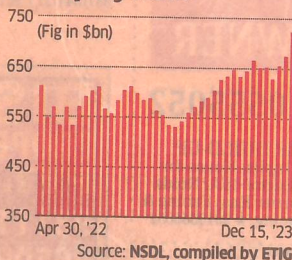
**So far in 2023, India received the largest inflow among the emerging markets**

Capital goods, consumer services, and telecommunication sectors witnessed inflows of over ₹2,500 crore.

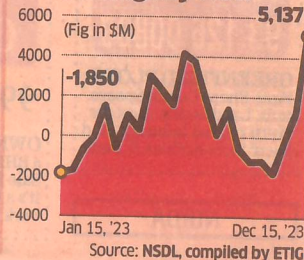
Overseas investors were sellers to the tune of ₹5,528 crore across seven sectors. The media and chemicals sectors witnessed outflows worth ₹1,211 crore and ₹120 crore respectively.

Foreign investors sold shares worth ₹103 crore in the realty sector, after buying ₹1,112 crore in November. The shift in sentiment comes after FPIs invested ₹3,530 crore in the sector for the period between January to November.

## FPI Equity AUM



## FPI Fortnightly Flow



## Infrastructure Play AUM



## Sectoral FPI Investment

Net Inflow	Dec 1-15	Nov, 2023	Jan-Nov	2022
Financial Services	22,891	-3,993	23,732	-61,177
Others	4,089	6,053	14,916	4,357
Healthcare	3,449	1,493	8,696	14,181
Auto & Components	3,309	410	25,745	-483
Capital Goods	2,989	3,572	38,833	5,317
Consumer Services	2,850	4,370	14,022	2,988
Telecommunication	2,675	828	3,118	5,349
Net Outflow				
Oil, Gas & Fuels	-3,954	328	-22,270	-22,247
Media, Entertainment	-1,211	-696	-3,075	-2,920
Chemicals	-120	-95	-2,514	2,366
Realty	-103	1,112	3,530	-2,657
Textiles	-85	-72	-952	-145
Forest Materials	-36	-68	211	935
Diversified	-19	-42	-350	491

(Fig in Cr)

Source:primeinfobase.com