# FPIs JETTISON FMCG, AUTO SHARES IN MARCH VOYAGE

**FMCG sells short on hope; auto stocks rev up for profit pullback**

**Foreign portfolio investors** (FPIs) were sellers of fast-moving consumer goods (FMCG), automotive (auto), and financial stocks during the second half of March.

FMCG stocks saw selling worth ₹4,939 crore, followed by auto (₹2,085 crore), financial services (₹1,900 crore), and consumer durables (₹1,175 crore), according to data collated by PRIME Infobase.

FPIs also sold oil and gas stocks worth roughly ₹1,169 crore.

Experts said that the selling in FMCG stocks was due to a pessimistic outlook, while the selling in auto stocks was attributed to profit-taking. "There is concern that a harsh summer will negatively impact agricrops, leading to a decline in farmer incomes and rural spending. As for auto stocks, there's a perception that they are fully valued, with limited potential for positive surprises. Until there is positive news on monsoons, FMCG stocks will likely remain under stress," said Deepak Jasani, head of retail research at HDFC Securities.

Meanwhile, telecommunications stocks saw buying worth ₹1,319 crore, followed by capital goods (₹951 crore), metals and mining (₹931 crore), chemical (₹868 crore), and realty (₹846 crore).

"The visibility of revenue growth and profitability remains high in capital goods stocks despite high volatility. FPIs appear interested in Bharti Airtel, whose average revenue per user has improved," added Jasani. Overall, FPIs were net sellers of ₹5,613 crore in the second fortnight of March. The highest sectoral allocation of FPIs at the end of March was in financial services, at 28.9 per cent. However, the overall allocation to financial services has reduced from 29.2 per cent. The allocation to oil and gas stocks rose from 9.24 per cent to 9.4 per cent.

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## SECTORAL SCORE

**HIGH NOTES & LOW NOTES:**
**FPIs' March tune-in (₹ crore)**

**Hits**

| Sector | Flows |
|---|---|
| Telecommunications | 1,319 |
| Capital goods | 951 |
| Metals | 931 |
| Chemical | 868 |
| Realty | 846 |

**Misses**

| Sector | Flows |
|---|---|
| FMCG | -4,939 |
| Automotive | -2,085 |
| Financial | -1,900 |
| Consumer durables | -1,175 |
| Oil and gas | -1,169 |

Flow data for March 16-31
FMCG: Fast-moving consumer goods
Source: *primeinfobase.com*