

# Telecom rings in highest FPI flows in May

The last fortnight of May saw foreign portfolio investors (FPIs) inject ₹6,989 crore into the domestic equities, driven by optimism around the India-Pakistan ceasefire, hopes of a potential United States (US) trade deal and a surge in block deals.

According to the data from Prime Infobase, FPIs invested ₹7,052 crore in telecom, mostly due to the rising subscriber base, and potential tariff hikes.

Stocks in the services and capital goods space attracted investments of ₹6,210 crore and ₹3,094 crore, respectively.

"The telecom sector is a growth story both in terms of subscriber base and potential for tariff hikes," Chokkalingam G, founder, Equinomics said.

Conversely, FPIs off-loaded stocks in the information technology (IT) worth ₹2,725 crore amid US-related uncertainty.

"The medium-to-long-term outlook in IT is weak, with dollar revenue growth in low single digits," pointed out Chokkalingam.

Other sectors facing selling pressure included healthcare, power, consumer services and auto.

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## Flow chart

### Sectors with highest inflows & outflows

#### Net inflows (₹ cr)

Telecom	7,052
Services	6,210
Capital goods	3,094
FMCG	1,872
Chemicals	475

#### Net outflows (₹ cr)

IT	-2,725
Health care	-2,008
Power	-1,774
Consumer services	-1,731
Auto & auto parts	-1,509

Note: Data for period between May 16 and 31  
Sources: NSDL, Primeinfobase.com

