

# Market marionette FPIs pull strings on consumer, power

**Timed tugs tilt discretionary sectors, letting defensive and capital-heavy names take the lead**

Foreign portfolio investors (FPIs) were net sellers of Indian equities to the tune of ₹9,761 crore in the first fortnight of September, with consumer services and power stocks bearing the brunt of outflows. Data from Prime Infobase shows FPIs withdrew ₹3,246 crore from consumer services. This sector covers areas tied to discretionary spending, including hospitality, entertainment, and retail. Experts say FPIs often scale back exposure to these segments during periods of macroeconomic uncertainty.

Other sectors that saw the highest FPI withdrawals were power (₹2,107 crore), followed by information technology (IT) at ₹2,014 crore, real estate at ₹1,927 crore, and healthcare at ₹1,601 crore.

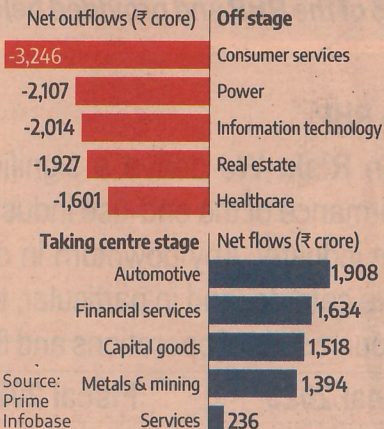
Analysts link the selloff in power stocks to stretched valuations. In IT, concerns over tepid growth and buyback announcements prompted FPIs to trim their positions. "Even without tariffs, IT revenue growth is unlikely to exceed 2-4 per cent. Infosys' buyback announcement sparked speculation that others may follow, triggering buying in tech stocks. FPIs are using this as an exit point because short- to medium-term prospects remain limited," said Chokalingam G, founder of Equinomics.

The automotive (auto) and auto components sector attracted the highest inflows at ₹1,908 crore, driven by optimism over goods and services tax rate rationalisation. FPIs also increased allocations in financial services (₹1,634 crore), capital goods (₹1,518 crore), and metals and mining (₹1,394 crore). Financial services continue to hold the



## FPIs conduct early September moves

**Riskier sectors stumble under the footlights while resilient names steal the spotlight**



largest share in FPI portfolios at 30.95 per cent, followed by auto at 7.9 per cent. IT remains the third-largest holding at 7.24 per cent.

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