

RETAIL HOLDING in NSE companies surges to a record; FPI ownership falls to 9-year low

Aam Investor Lifts Holding to New High Even as FPIs Exit

Local Outlook Bullish

FPI Share by Value (%)



Retail & HNI Share by Value (%)



Source: primeinfobase.com

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Mumbai: The value of individual investors' holding in Indian companies listed on the NSE hit another record high in October-December. The increase in their holdings has come at a time when foreign investors have been cutting their stakes here. During the December quarter, the value of foreigners' holding fell to a nine-year low, declining for the fifth straight quarter.

The share of retail investors and high net worth individuals (HNIs) in the NSE listed companies reached an all-time high of 9.58% in the December quarter compared to 9.25% in the September 2021 quarter and 8.29% before Covid, showed a data compiled by Prime Infobase.

The share of foreign portfolio investors' (FPI) stake in domestic

stocks declined to 20.74% in the December quarter. FPIs held a nearly 23.5% stake in NSE-listed companies at the end of March 2015. FPIs booked profits mainly in stocks such as Reliance Industries, HDFC Bank, Axis Bank, HDFC, Kotak Bank, and HUL, among others, in the December quarter.

Indian benchmarks underperformed most of the emerging and developed markets in the December quarter due to consistent selling by FPIs. The Nifty lost 1% during the period compared to the 1% to 15% gains in most other markets.

HNIs' stake in terms of value in companies listed on the NSE rose to 2.26% as of December 31, 2021, from 2.12% on September 30, 2021.

The share of individual investors in total turnover at NSE increased from 38.8% in 2019-20 to 44.7% in April-October 2021, according to the Economic Survey 2021-22.