



F P I

Stocks dance to FPI tunes; retail investors out of sync















Stock prices aligned better with foreign portfolio investors (FPIs) than individual investors during the December quarter. The 766 NSE-listed companies in which the FPIs hiked their stakes gained an average of 1.9 per cent during the three months, whereas in 871 companies in which overseas funds pruned their holdings dropped 8.2 per cent, according to data compiled by Prime Infobase. Retail investors, on the

other hand, were out of step as 1,081 companies in which they hiked stakes fell an average 7 per cent, while 895 companies in which they cut their stakes, gained an average of 3 per cent. Interestingly, 589, 294 and 71 companies where mutual funds, insurance companies, and LIC hiked their stake fell an average 4 per cent, 5 per cent, and 12 per cent, respectively.

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WHO MOVES THE MARKET?

Different classes of investors and how their activity influences stock prices

	No. of companies where holding increased	Average stock price change during the quarter (%)	No. of companies where holding decreased	Average stock price change during the quarter (%)
FPIs	766	1.87 	871	-8.19 
DIIIs	685	-3.44 	554	-3.83 
MFs	589	-4.14 	382	-4.77 
Insurance cos	294	-5.33 	400	-4.18 
LIC	71	-11.87 	98	-5.54 
Retail	1,081	-6.8 	895	3.03 
HNIs	809	-1.42 	941	-2.76 

Increase, decrease in holdings and average stock price change are for three months period ended December 2024

Source: Prime Infobase