

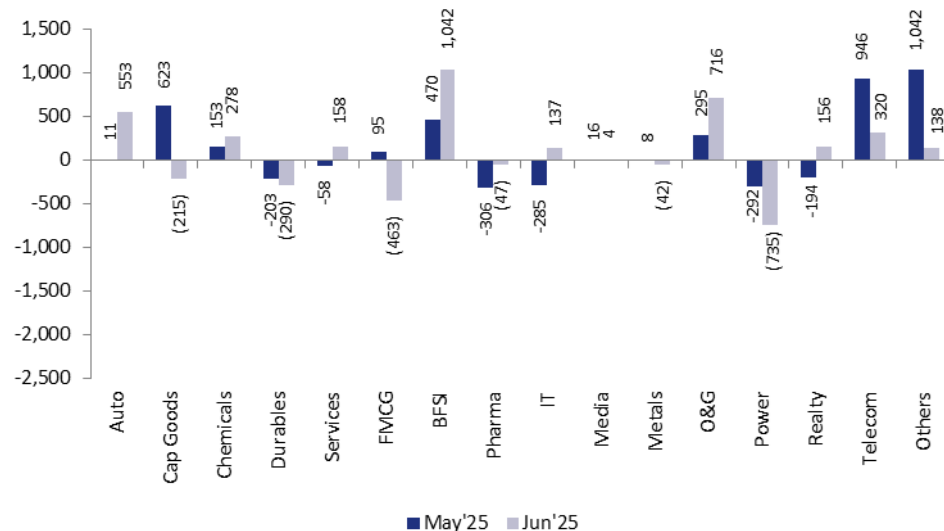
# Strategy

## FII Monthly Flow Tracker – June'25

In Jun'25 both FIIs and DIIs were net buyers in the Indian equity market (with buying of USD 2.4bn and USD 8.5bn respectively). Sectors which witnessed the highest FII inflows included BFSI (USD 1,042mn), Oil & Gas (USD 716mn), Auto (USD 553mn), Telecom (USD 320mn) and Chemicals (USD 278mn), while those which saw the highest outflows included Power (USD 735mn), FMCG (USD 463mn), Durables (USD 290mn) and Cap Goods (USD 215mn).

- **FIIs turned net buyers as the month went on:** In Jun'25, FIIs were net buyers to the tune of INR 204.2bn (USD 2.4bn) while the Nifty rose 3.1% MoM, after a 1.7% rise in May'25. This marks the fourth consecutive month of FII buying after a long selling spree. Until 16th June, FIIs were net sellers, offloading equities to the tune of USD 0.4bn. They turned net buyers post that, and purchased Indian equities to the tune of USD 2.7bn over the rest of the month.
- **Power, FMCG, Durables and Cap Goods saw the largest FII outflows:** Sectors that saw the highest outflows Power (USD 735mn), FMCG (USD 463mn), Durables (USD 290mn), Cap Goods (USD 215mn), Pharma (USD 47mn) and Metals (USD 42mn).
- **BFSI, O&G, Auto, Telecom and Chemicals saw FII inflows:** BFSI saw inflows of USD 1,042mn in Jun'25, followed by Oil & Gas at USD 716mn, Auto at USD 553mn, Telecom at USD 320mn and Chemicals at USD 278mn.
- **Top 5 sectoral holdings remain unchanged, while shareholding in O&G rises marginally:** BFSI, IT, Oil & Gas, Auto and Pharma remained the top 5 sectors wherein FIIs held equities in India. These 5 sectors in themselves add ~60% of FII assets in India. Of these, we saw a marginal sequential uptrend in O&G, while BFSI saw a marginal decrease. IT, Auto and Pharma remained flat. As a % of FII AUC in India, BFSI remained the highest at 31.6%, declining marginally from 31.7% in May'25. FIIs continued to remain net buyers of BFSI equities. IT services (the second highest) stood at 8.2%, remaining flat sequentially. FIIs turned net buyers of IT Services equities in Jun'25.

**FII net flows for the month of Jun'25 and May'25 split by sector (USD mn)**



Source: NSDL, JM Financial

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**Nifty Valuation table (JMFL Estimates)**

Particulars	FY25	FY26E	FY27E
Nifty Index	25,461	25,461	25,461
EPS (INR)	1,044	1,124	1,287
YoY (%)	2.7	11.1	14.4
BPS (INR)	6,865	7,476	8,176
YoY (%)	5.5	9.0	9.5
PE (x)	24.4	22.6	19.8
PB (x)	3.7	3.4	3.1
ROE (%)	15.1	15.7	16.4

Source: Company, JM Financial

**Nifty Valuation table (Bloomberg Estimates)**

Particulars	FY25	FY26E	FY27E
Nifty Index	25,461	25,461	25,461
EPS (INR)	1,044	1,155	1,330
YoY (%)	2.7	10.6	15.2
PE (x)	24.4	22.0	19.1
ROE (%)	15.1	15.4	15.5

Source: Company, JM Financial

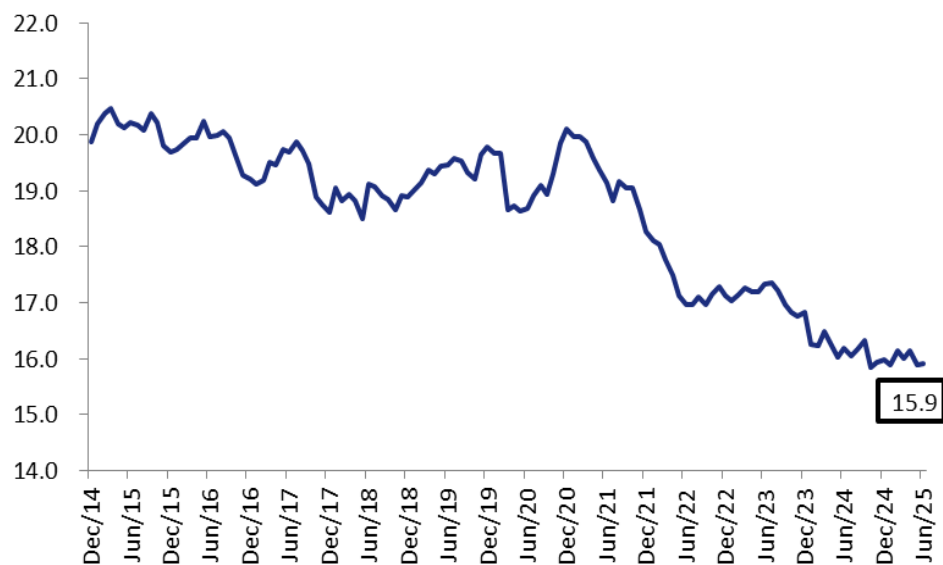
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FII shareholding in Indian equities was 15.9% as of Jun'25, which was broadly flat compared to May'25. As of end-Jun'25, FII Equity Assets under Custody (AUC) stood at INR 74.2trln, 4.1% higher than INR 71.2trln as of May'25.

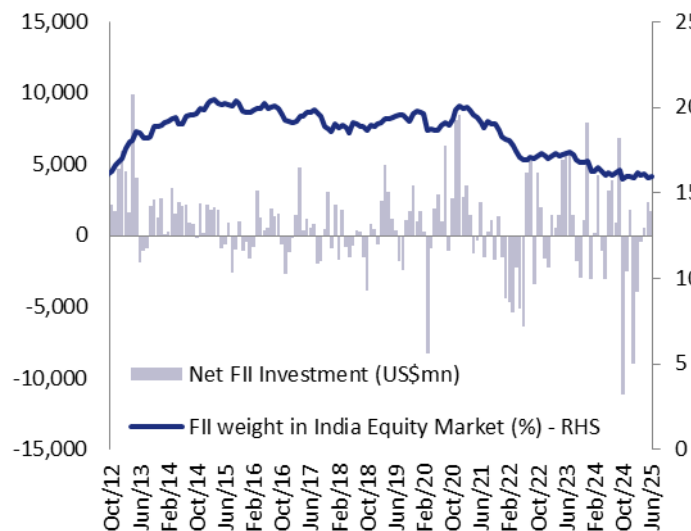
**Exhibit 1. FII ownership of Indian equities**

FII ownership as a % of total Indian equities over the years has fallen from 20.2% in Jun'15 to 15.9% in Jun'25.



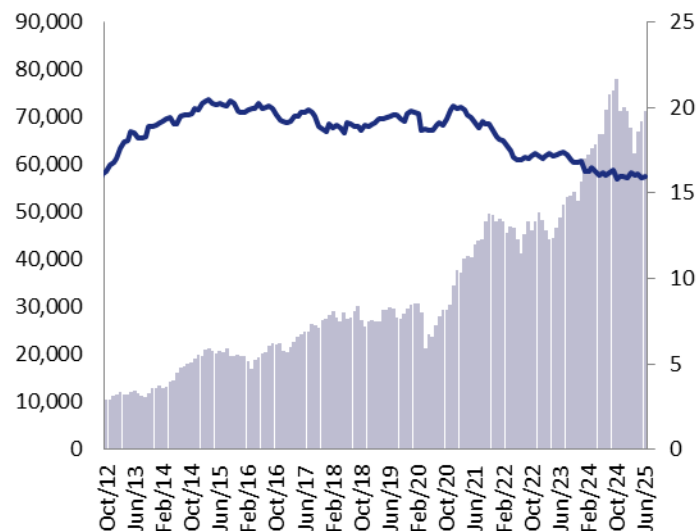
Source: NSDL, CEIC, JM Financial

**Exhibit 2. Monthly FII net flows (USD mn) vs. ownership (%)**



Source: NSDL, CEIC, JM Financial

**Exhibit 3. AUC (INR bn) vs. ownership (%), RHS**



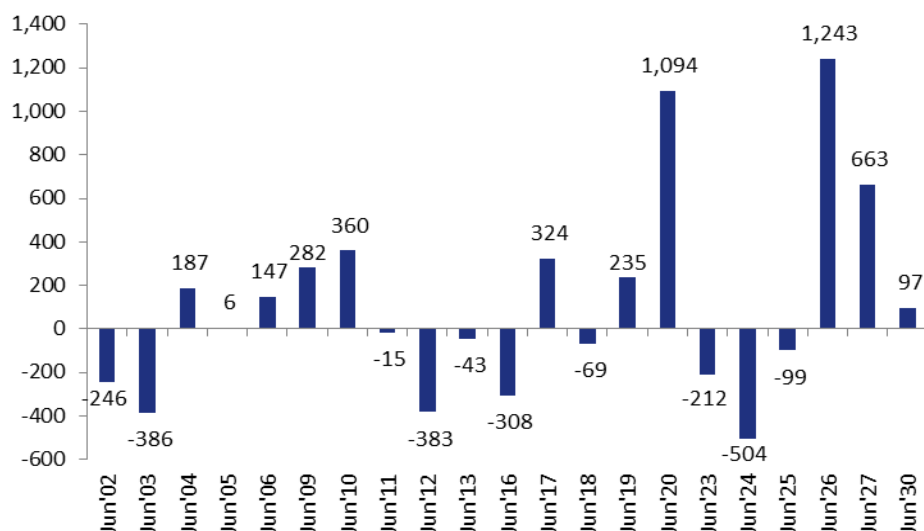
Source: NSDL, CEIC, JM Financial

**Exhibit 4. Monthly FI net flows**

Month	FI Activity (INR bn)	DII Activity (INR bn)	Nifty levels	% change in Nifty
Jun'24	259.4	286.3	24,011	6.60%
Jul'24	279.6	234.9	24,951	3.90%
Aug'24	116.8	482.8	25,236	1.10%
Sep'24	497.9	318.6	25,811	2.30%
Oct'24	-919.3	1,072.5	24,205	-6.20%
Nov'24	-182.6	444.8	24,131	-0.30%
Dec'24	110.9	342	23,645	-2.00%
Jan'25	-726.7	865.9	23,508	-0.60%
Feb'25	-465.9	648.5	22,125	-5.90%
Mar'25	80.5	375.9	23,500	6.21%
Apr'25	44.0	282.3	24,334	3.54%
May'25	146.8	676.4	24,751	1.71%
Jun'25	204.2	726.7	25,527	3.14%

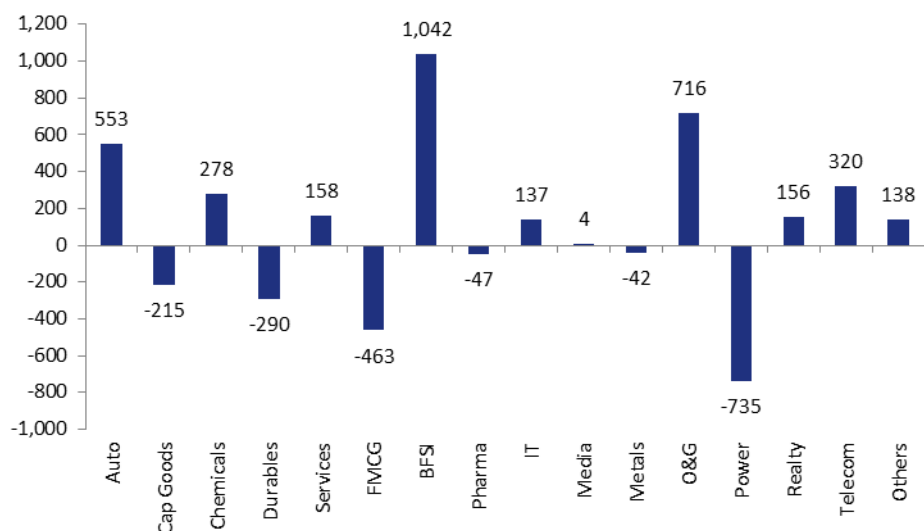
Source: NSDL, AMFI, JM Financial. Note: Nifty50 levels for a period are as of end of that month

In Jun'25, FIIs were net buyers to the tune of INR 204.2bn (USD 2.4bn) while the Nifty rose 3.1% MoM, after a 1.7% rise in May'25. This marks the fourth consecutive month of FI buying after a long selling spree.

**Exhibit 5. FI net flows for the month of Jun'25 (Jun'25, USD mn)**

Source: NSDL, JM Financial

Until 16<sup>th</sup> June, FIIs were net sellers, offloading equities to the tune of USD 0.4bn. They turned net buyers post that, and purchased Indian equities to the tune of USD 2.7bn over the rest of the month.

**Exhibit 6. FI net flows for the month of Jun'25 split by sector (Jun'25, USD mn)**

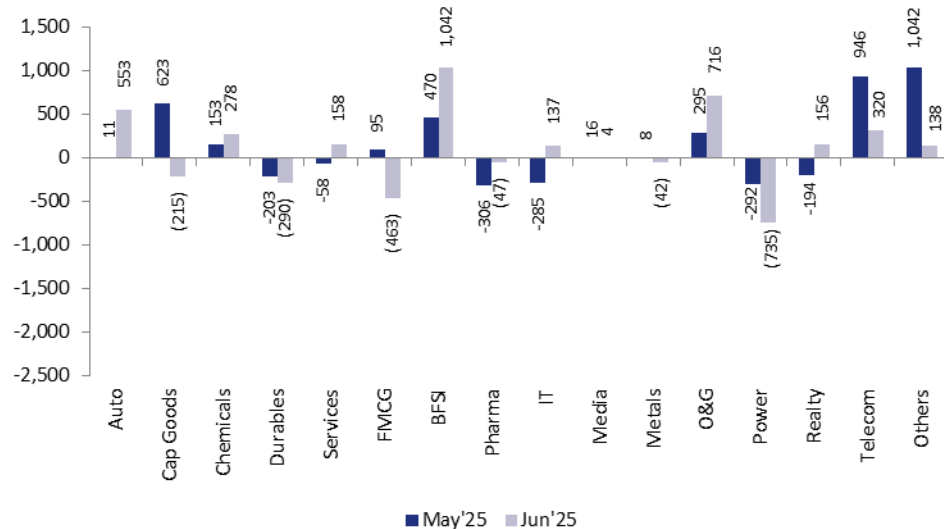
Source: NSDL, JM Financial

Sectors that saw the highest outflows included Power (USD 735mn), FMCG (USD 463mn), Durables (USD 290mn) and Cap Goods (USD 215mn)

BFSI saw inflows of USD 1,042mn in Jun'25, followed by Oil & Gas at USD 716mn, Auto at USD 553mn, Telecom at USD 320mn and Chemicals at USD 278mn.

Services (USD 158mn), Realty (USD 156mn), IT (USD 137mn) and Media (USD 4mn) also saw inflows.

Exhibit 7. Comparing sectoral FI flows (May'25 vs. Jun'25) (USD mn)



Source: NSDL, JM Financial

Sectors where FIIs turned buyers v/s net sellers in May'25: IT (+USD 137mn), Realty (+USD 156mn) and Services (+USD 158mn).

In Pharma, while FIIs remained sellers, the quantum of selling has reduced sharply.

In Power, FIIs remained sellers and the quantum of selling has increased sharply. A similar trend was seen in Durables

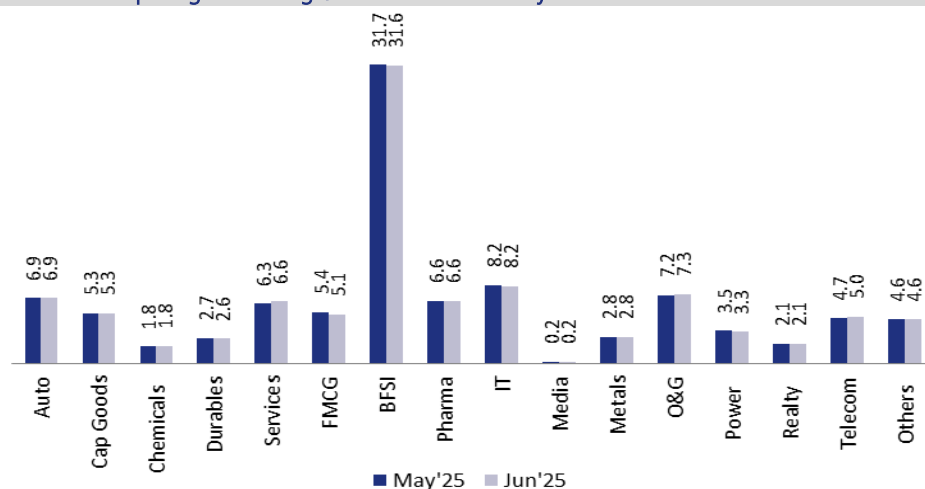
Vis-à-vis May'25, FIIs turned net sellers in Cap Goods (USD 215mn), FMCG (USD 463mn) and Metals (USD 42mn).

Exhibit 8. Sectoral FI outflows (USD mn, Jun'24 - Jun'25)

Month	Auto	Cap Goods	Chemical	Durables	Consumer Services	FMCG	BFSI	Pharma	IT	Media	Metals	O&G	Power	Realty	Telecom	Others
Jun-24	234	10	563	(110)	1,098	395	(117)	(3)	(358)	(315)	(299)	327	952	263	234	10
Jul-24	(61)	(22)	409	117	(913)	604	1,405	56	874	194	(454)	27	375	(64)	(61)	(22)
Aug-24	(2)	562	496	429	(1,430)	694	481	(23)	(450)	144	(136)	(139)	246	322	(2)	562
Sep-24	172	445	(351)	584	3,244	791	(145)	14	138	(77)	168	641	230	804	172	445
Oct-24	70	(341)	(1,054)	(1,378)	(3,109)	(7)	(344)	(1)	17	(2,550)	(180)	(165)	(321)	(246)	70	(341)
Nov-24	2	(1)	(18)	(167)	296	57	653	-	(143)	(1,581)	(94)	244	(601)	(285)	2	(1)
Dec-24	71	(106)	379	(327)	368	442	1,064	15	114	(1,270)	(218)	562	44	835	71	(106)
Jan-25	41	(439)	(964)	(627)	(2,882)	(505)	(747)	20	(275)	(182)	(485)	(115)	16	(538)	41	(439)
Feb-25	50	(263)	(328)	(793)	(803)	(166)	93	3	(133)	(388)	(354)	(137)	917	(701)	50	(263)
Mar-25	(327)	(32)	57	(174)	(353)	(643)	1,675	15	(973)	51	219	(397)	(24)	68	360	74
Apr'25	(375)	(6)	103	(6)	212	343	2,169	(84)	(1,777)	13	(398)	(40)	106	(84)	544	(194)
May'25	11	623	153	(203)	(58)	95	470	(306)	(285)	16	8	295	(292)	(194)	946	1,042
Jun'25	553	(215)	278	(290)	158	(463)	1,042	(47)	137	4	(42)	716	(735)	156	320	138

Source: NSDL, JM Financial

Exhibit 9. Comparing FI holding % of total AUC in key sectors



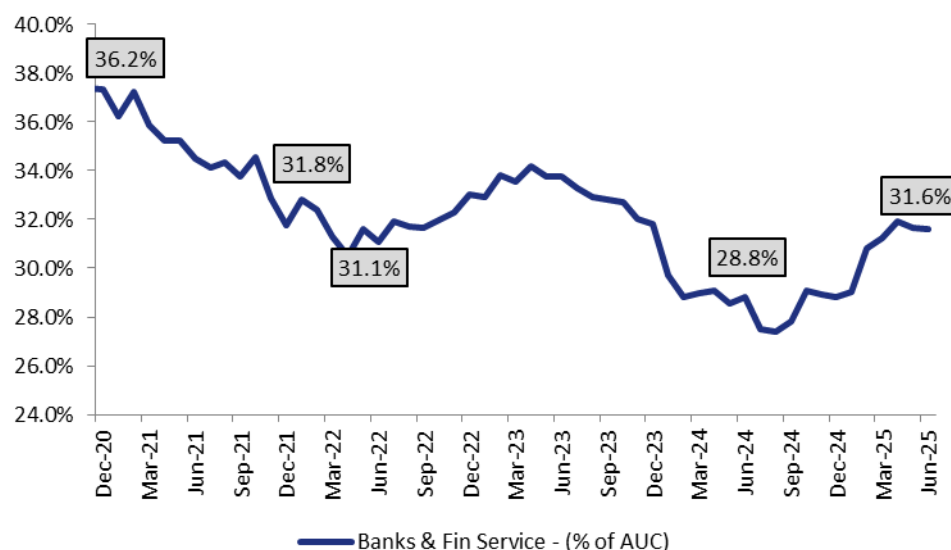
Source: NSDL, JM Financial

BFSI, IT, Oil & Gas, Auto and Pharma remained the top 5 sectors wherein FIIs held equities in India.

These 5 sectors in themselves add ~60% of FI assets in India.

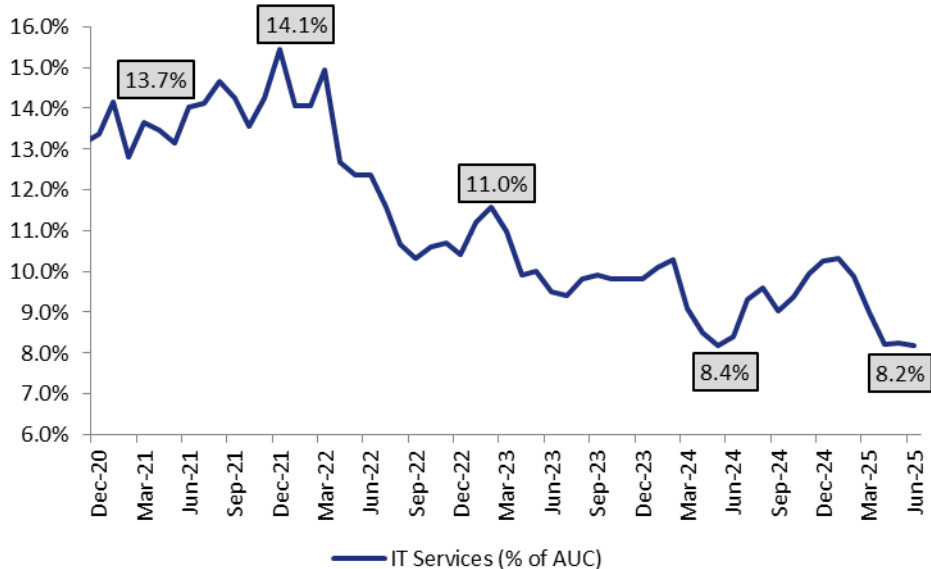
Of these, we saw a marginal sequential uptrend in O&G, while BFSI saw a marginal decrease. IT, Auto and Pharma remained flat.

Exhibit 10. Comparing FII holding in BFSI as a % of total AUC



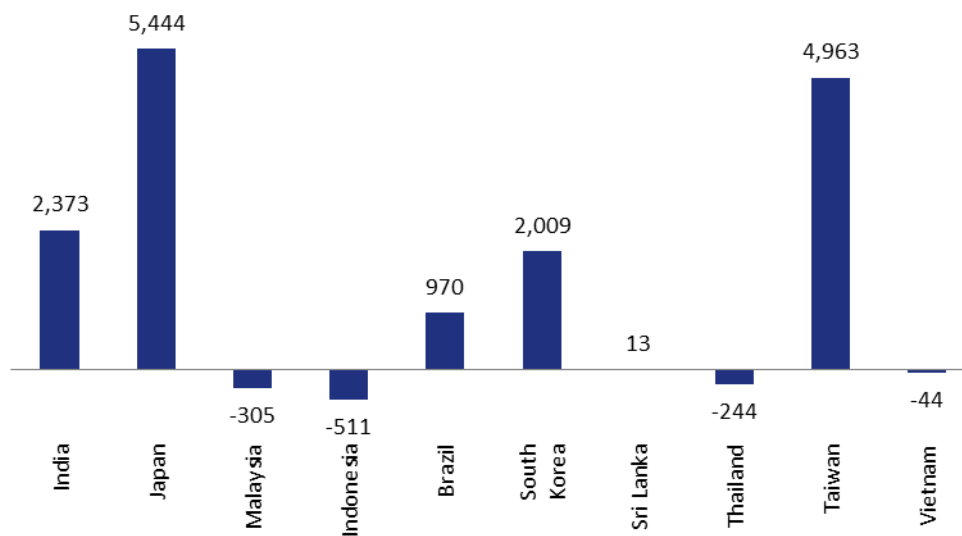
Source: NSDL, JM Financial

Exhibit 11. Comparing FII holding in IT as a % of total AUC



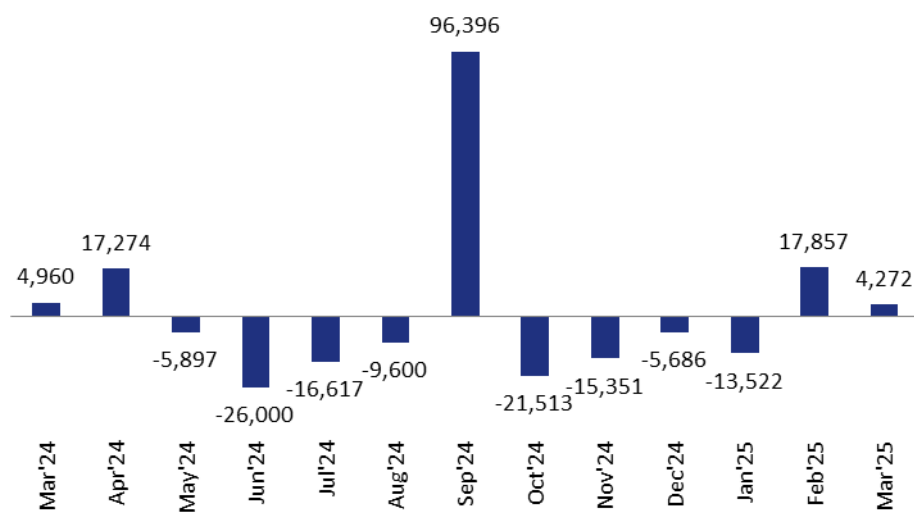
Source: NSDL, JM Financial

Exhibit 12. Jun'25 FII net flows for select nations (USD mn)



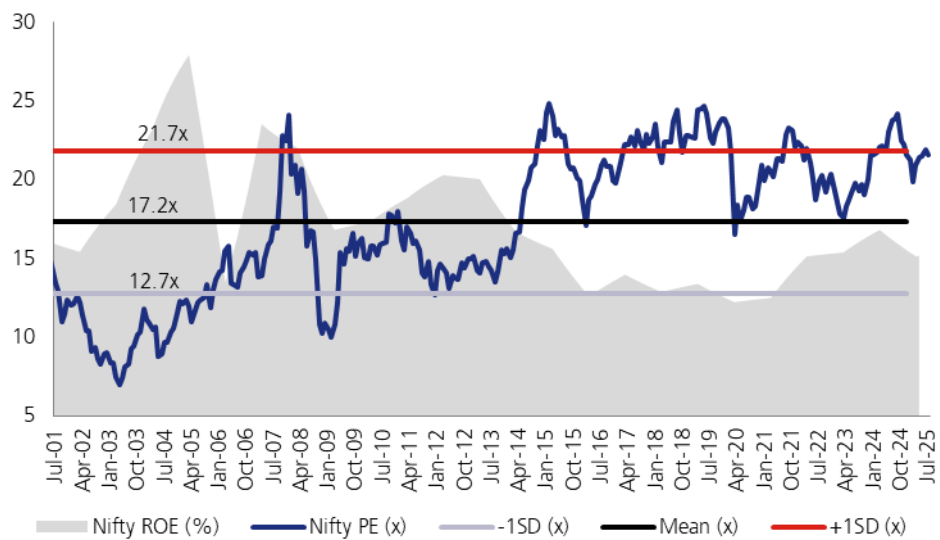
Source: Bloomberg, JM Financial

Exhibit 13. Monthly FII flows for China (USD mn)



Source: Bloomberg, JM Financial

Exhibit 14. Nifty 1-yr forward P/E and RoE chart (JMFL estimates)



Source: Bloomberg, JM Financial

## APPENDIX I

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