

Strategy

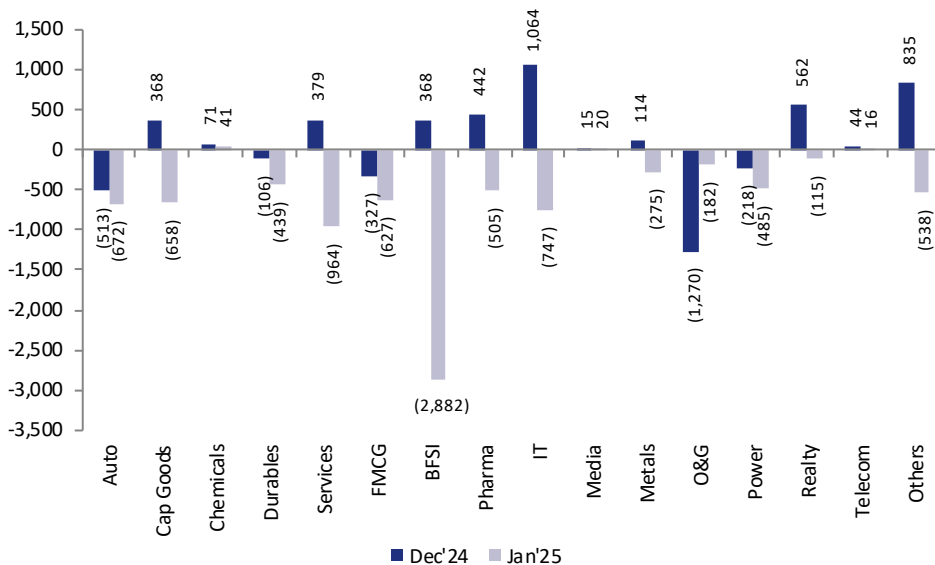
FII Monthly Flow Tracker – January 2025



In Jan'25, FIIs offloaded INR 723bn (USD 8.4bn) worth of stock, continuing their selling streak after a break in Dec'24 (inflows of INR 11bn/ USD 1.3bn). Unlike Nov'24 and Dec'24, both of which were a tale of two halves, Jan'25 witnessed FII selling on 22 out of 23 trading days in the month. Since Oct'24, when FII started extensively selling stock, they have sold a total of INR 1.7trln/ USD 20bn worth of stock. In Jan'25, they remained net sellers in virtually all sectors barring chemicals, media and telecom, which saw negligible inflows of USD 41mn, USD 20mn and USD 16mn respectively.

- **FIIs were sellers for 22 out of 23 trading days in Jan'25:** In Jan'25, FIIs offloaded INR 723bn (USD 8.4bn) worth of stock. Unlike Nov'24 and Dec'24, both of which were a tale of two halves, Jan'25 witnessed FII selling on 22 out of 23 trading days in the month. FII shareholding in Indian equities was 16.0% as of Jan'25, which was similar to what was witnessed in Oct'24; a 12-year low. As of end-Jan'25, FII Equity Assets under Custody (AUC) stood at INR 67.7trln, 5% lower than INR 71.1trln as of Dec'24.
- **BFSI, IT and Auto saw the largest FII outflows:** Sectors that saw the highest outflows included BFSI and IT of USD 2.8bn and USD 747mn respectively, both of which had witnessed inflows in Dec'24. Oil and Gas (5th consecutive month) and autos (6th consecutive month) also witnessed selling of USD 182mn and USD 672mn respectively.
- **Chemicals, media, and telecom saw FII inflows:** Chemicals, media, and telecom saw negligible inflows of USD 41mn, USD 20mn and USD 16mn respectively.

FII net flows for the month of Dec'24 and Jan'25 split by sector (USD mn)



Source: NSDL, JM Financial

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Nifty valuation table

Particulars	FY24	FY25E	FY26E
Nifty Index	23,603	23,603	23,603
EPS (INR)	985	1,022	1,208.9
YoY (%)	24.1	3.8	18.3
BPS (INR)	6,850	7,122	7,971
YoY (%)	(5.8)	4.0	11.9
PE (x)	24.0	23.1	19.5
PB (x)	3.4	3.3	3.0
ROE (%)	16.8	14.9	16.0

Source: Bloomberg, JM Financial

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FII shareholding in Indian equities was 16.0% as of Jan'25, slightly lower sequentially and flat vs. Oct'24, which was a 12-year low. However, it remains lower YoY (16.3% in Jan'24). As of end-Jan'25, FII Equity Assets under Custody (AUC) stood at INR 67.7trln, 5% lower than INR 71.1trln as of Dec'24.

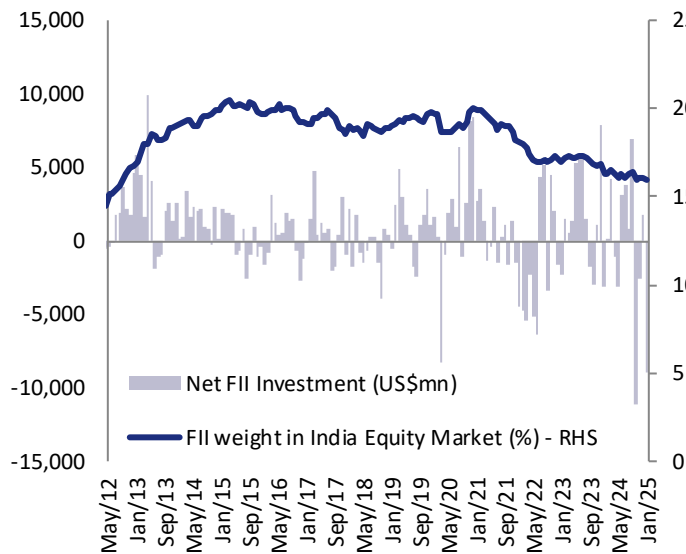
Exhibit 1. FII ownership of Indian equities

FII ownership as a % of total Indian equities has fallen from 20.2% in Jan'15 to 16.0% in Jan'25; slightly lower than 16.1% in Dec'24



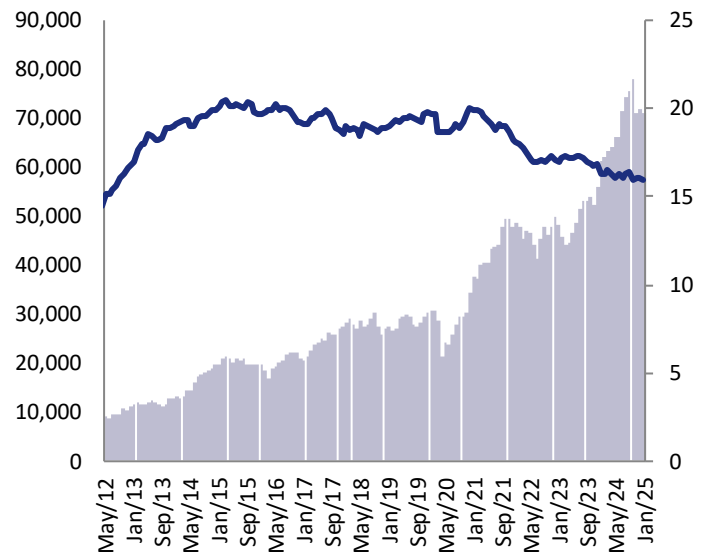
Source: NSDL, CEIC, JM Financial

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

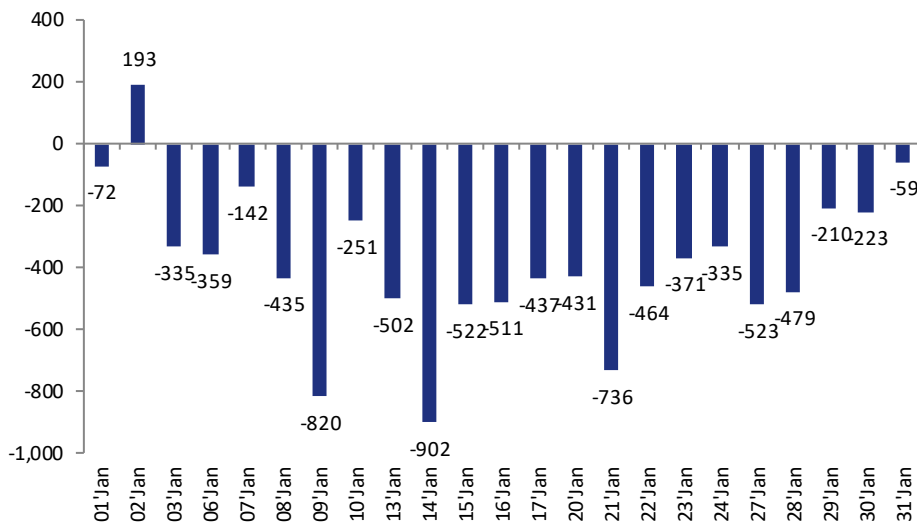
Exhibit 4. FI net flows in FY25 so far

Month	FI Activity (INR bn)	DII Activity (INR bn)	Nifty levels	% change in Nifty
Apr'24	-91.8	441.9	22,605	1.2%
May'24	-252.6	557.3	22,531	-0.3%
Jun'24	259.4	286.3	24,011	6.6%
Jul'24	279.6	234.9	24,951	3.9%
Aug'24	116.8	482.8	25,236	1.1%
Sep'24	497.9	318.6	25,811	2.3%
Oct'24	-919.3	1,072.5	24,205	-6.2%
Nov'24	-182.6	444.8	24,131	-0.3%
Dec'24	110.9	342.0	23,645	-2.0%
Jan'25	-726.7	865.9	23,508	-0.6%

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

In Jan'25, FIs offloaded INR 723bn (USD 8.4bn) worth of stock and the Nifty fell ~1% MoM

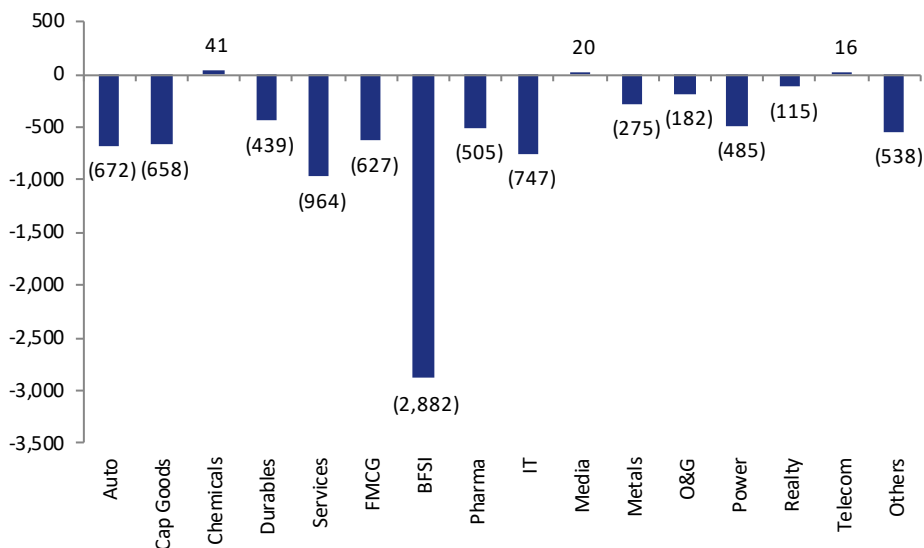
Exhibit 5. FI net flows for the month of Jan'25 (Jan'25, USD mn)



Source: NSDL, JM Financial

Unlike Nov'24 and Dec'24, both of which were a tale of two halves, Jan'25 witnessed FI selling on 22 out of 23 trading days in the month.

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



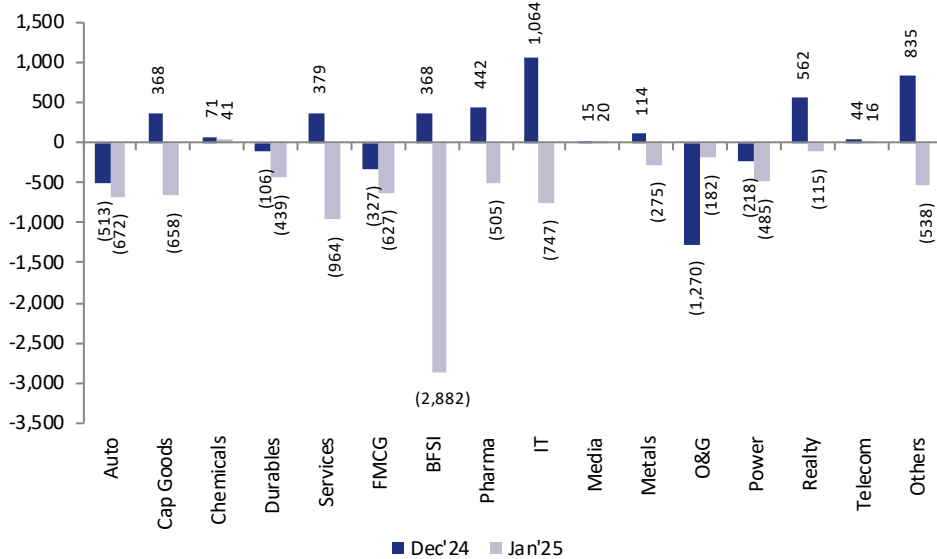
Source: NSDL, JM Financial

Sectors that saw the highest outflows included BFSI and IT of USD 2.8bn and USD 747mn respectively, both of which had witnessed inflows in Dec'24.

Oil and Gas (for the 5th consecutive month) and autos (for the 6th consecutive month) witnessed selling to the tune of USD 182mn and USD 672mn respectively

Chemicals, media, and telecom saw negligible inflows of USD 41mn, USD 20mn and USD 16mn respectively

Exhibit 7. Comparing sectoral FI flows (Dec'24 vs. Jan'25) (USD mn)



From net buyers in Dec'24, FI turned net sellers in Capital Goods, BFSI, Pharma, IT, and Realty in Jan'25

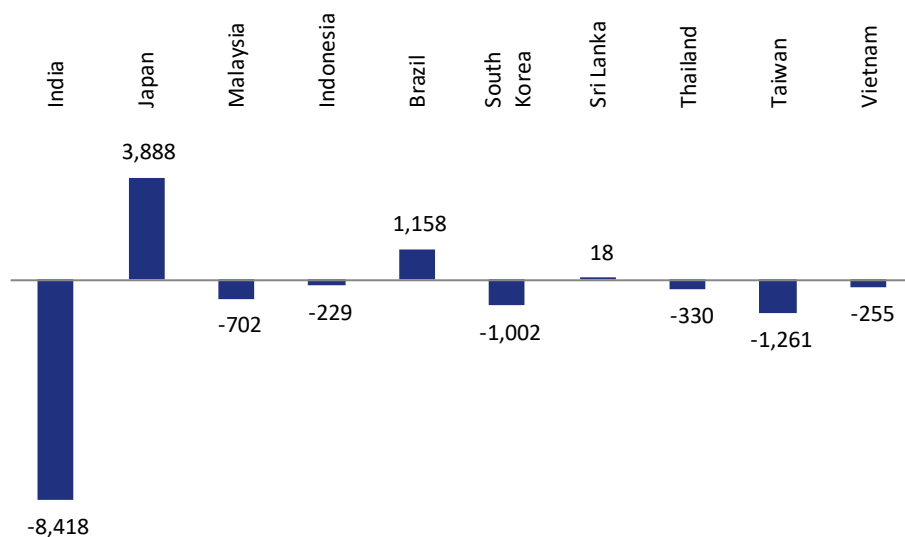
Source: NSDL, JM Financial

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

Month	Auto	Cap Goods	Chemicals	Durables	Consumer Services	FMCG	BFSI	Pharma	IT	Media	Metals	O&G	Power	Realty	Telecom	Others
Jan'24	(250)	83	(136)	(127)	110	(319)	(3,612)	(44)	540	(210)	(196)	418	309	5	319	12
Feb'24	668	471	(95)	134	908	(539)	(1,203)	626	264	(61)	(82)	(427)	(180)	172	(474)	4
Mar'24	196	456	109	(161)	560	756	419	(115)	(200)	(17)	145	(274)	6	588	960	810
Apr'24	134	435	93	(208)	159	(948)	(1,118)	(85)	(1,146)	(6)	(29)	(284)	517	(5)	991	462
May'24	(484)	723	57	(91)	331	(501)	(1,027)	20	(694)	(17)	(114)	(666)	(365)	162	132	(530)
Jun'24	208	335	234	10	563	(110)	1,098	395	(117)	(3)	(358)	(315)	(299)	327	952	263
Jul'24	735	589	(61)	(22)	409	117	(913)	604	1,405	56	874	194	(454)	27	375	(64)
Aug'24	(283)	(37)	(2)	562	496	429	(1,430)	694	481	(23)	(450)	144	(136)	(139)	246	322
Sep'24	(251)	477	172	445	(351)	584	3,244	791	(145)	14	138	(77)	168	641	230	804
Oct'24	(1,242)	(331)	70	(341)	(1,054)	(1,378)	(3,109)	(7)	(344)	(1)	17	(2,550)	(180)	(165)	(321)	(246)
Nov'24	(884)	(38)	2	(1)	(18)	(167)	296	57	653	-	(143)	(1,581)	(94)	244	(601)	(285)
Dec'24	(513)	368	71	(106)	379	(327)	368	442	1,064	15	114	(1,270)	(218)	562	44	835
Jan'25	(672)	(658)	41	(439)	(964)	(627)	(2,882)	(505)	(747)	20	(275)	(182)	(485)	(115)	16	(538)

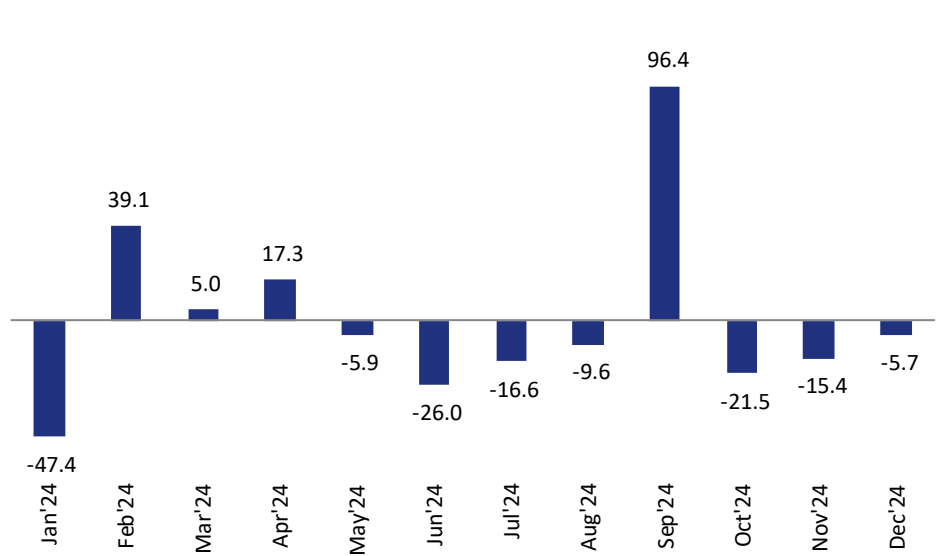
Source: NSDL, JM Financial

Exhibit 9. Jan'25 FII net flows for select nations (USD mn)



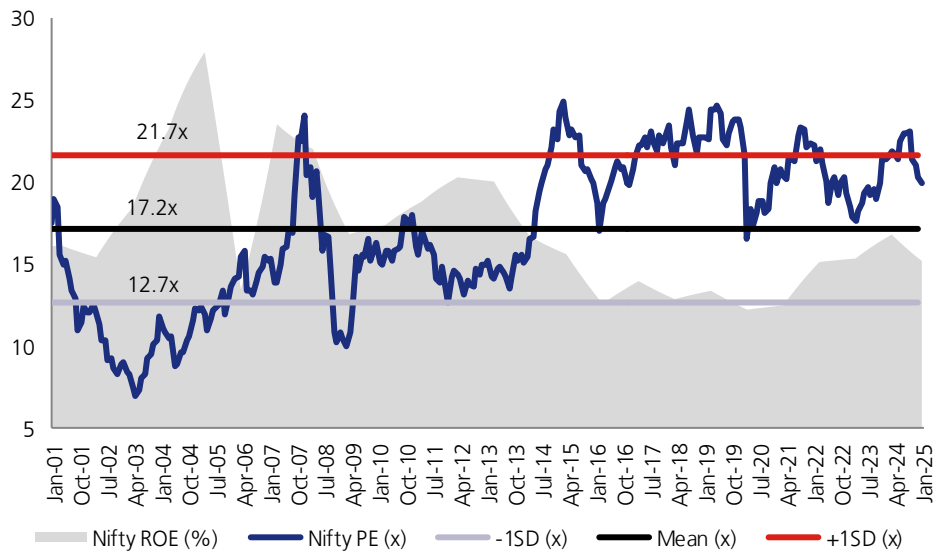
Source: Bloomberg, JM Financial.

Exhibit 10. CY24 monthly FII flows for China (USD bn)



Source: Bloomberg, JM Financial.

Exhibit 11. Nifty 1-yr forward P/E and RoE chart



Source: Bloomberg, JM Financial

APPENDIX I

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