Twitter Thread by Abhishek Murarka ■■



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Let's understand FII and DII flows (or institutional flows) in India with data. A short thread■.

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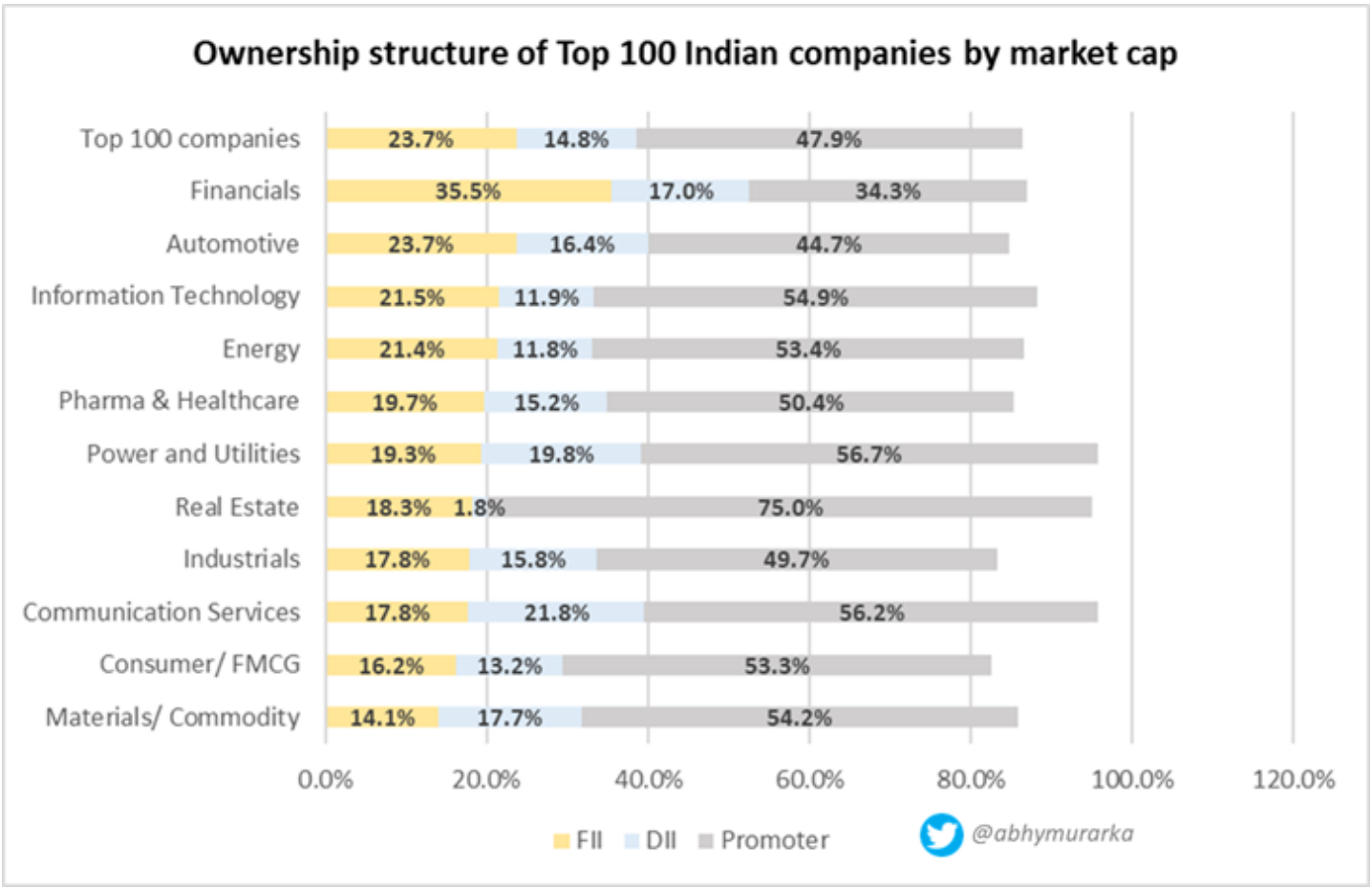
Market cap of listed universe: ~INR 180 TN (lakh crore)
Top 100 companies by market cap: 146 TN (~80%)
Ownership for Top 100 (FII/DII/ Prom): 24%/15%/48%
Highest FII share: Banking & Financials (36%)
Lowest FII share: Materials & commodities (14%)

Sector wise ownership ■



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Ownership structure of Top 100 companies at December 2020 is shared below (sorted in descending order of FII). Notice that companies with high FII holding are more susceptible to direction of FII flows.

List sorted by market cap here: https://t.co/wVUgGOMMEn

S. No	Company Name	Market Cap	FII %	DII %	Promoter %	S. No	Company Name	Market Cap	FII %	DII %	Promoter %	S. No	Company Name	Market Cap	FII %	DII %	Promoter %
1	HDFC	4,56,678	72.0%	7.1%	0.0%	34	Adani Green Ene	1,86,352	22.8%	0.3%	74.9%	67	JSW Steel	1,06,515	13.3%	6.8%	44.1%
2	IndusInd Bank	78,246	54.9%	16.2%	14.7%	35	TML-D	38,748	22.3%	28.7%	7.7%	68	L&T Infotech	71,296	13.3%	4.6%	74.3%
3	Apollo Hospital	40,844	51.7%	11.1%	30.8%	36	Cipla	61,331	22.1%	18.0%	36.7%	69	Chola Invest.	45,323	13.2%	27.4%	51.6%
4	Axis Bank	2,22,478	51.0%	23.5%	13.9%	37	Asian Paints	2,31,205	21.1%	7.1%	52.8%	70	Bajaj Auto	1,05,513	13.1%	9.1%	53.7%
5	ICICI Bank	4,05,574	47.5%	42.9%	0.0%	38	Larsen	1,98,201	21.1%	33.8%	0.0%	71	Grasim	92,926	13.0%	18.4%	41.4%
6	Kotak Mahindra Bank	3,62,954	45.1%	12.9%	26.0%	39	Divis Labs	89,467	20.4%	16.9%	52.0%	72	Nestle	1,58,549	12.8%	7.8%	62.8%
7	Info Edge	59,482	40.5%	11.4%	38.5%	40	Adani Total Gas	81,089	20.3%	0.8%	74.8%	73	Gland	41,800	12.7%	10.8%	58.4%
8	Jubilant Food	37,848	39.4%	13.1%	41.9%	41	Adani Enterpris	97,817	20.3%	1.2%	74.9%	74	NTPC	1,05,209	12.3%	33.6%	51.1%
9	HDFC Bank	8,25,025	39.4%	21.7%	26.0%	42	Adani Trans	84,421	19.9%	2.6%	74.9%	75	Sun Pharma	1,38,826	12.2%	20.8%	54.5%
10	Tech Mahindra	95,776	39.1%	13.5%	35.8%	43	United Spirits	38,981	19.0%	9.8%	56.8%	76	Shree Cements	97,245	12.2%	11.1%	62.6%
11	M&M	1,05,684	37.9%	28.2%	19.4%	44	Lupin	45,612	19.0%	21.1%	46.9%	77	Torrent Pharma	40,784	12.0%	8.1%	71.3%
12	Hero Motocorp	62,319	35.9%	20.0%	34.8%	45	Titan Company	1,30,300	18.6%	11.2%	52.9%	78	BPCL	93,939	11.6%	20.9%	53.0%
13	UPL	47,803	35.4%	16.6%	27.9%	46	Dabur India	92,710	18.5%	5.9%	67.9%	79	Berger Paints	70,268	11.5%	3.7%	75.0%
14	Bandhan Bank	55,735	35.2%	4.4%	40.0%	47	DLF	71,140	18.3%	1.8%	75.0%	80	Pidilite Ind	89,036	11.4%	8.2%	70.2%
15	Infosys	5,73,208	32.3%	23.8%	13.0%	48	Ambuja Cements	56,273	18.1%	11.5%	63.3%	81	Avenue Supermar	1,91,868	10.1%	6.7%	75.0%
16	Dr Reddys Labs	71,086	29.1%	14.7%	26.7%	49	Bharti Airtel	2,89,281	17.8%	21.8%	56.2%	82	State Bank of India	3,31,192	9.8%	25.1%	57.6%
17	Eicher Motors	72,799	28.9%	9.5%	49.2%	50	Adani Ports	1,39,449	17.8%	15.8%	63.7%	83	HDFC AMC	61,188	9.1%	5.6%	73.9%
18	Piramal Enter	42,581	28.6%	10.5%	46.1%	51	Britannia	83,489	17.7%	10.7%	50.6%	84	Bajaj Finserv	1,50,270	8.8%	6.1%	60.8%
19	ICICI Lombard	65,299	28.4%	12.5%	51.9%	52	Biocon	47,502	17.7%	6.0%	60.7%	85	Wipro	2,24,945	8.5%	6.1%	74.0%
20	SBI Life Insura	90,726	27.0%	5.9%	60.7%	53	Interglobe Avi	64,028	17.3%	5.6%	74.9%	86	ONGC	1,38,823	7.7%	17.7%	60.4%
21	Godrej Consumer	68,813	26.8%	3.1%	63.2%	54	Tata Steel	82,572	16.9%	26.1%	34.4%	87	Coal India	84,152	6.5%	22.2%	66.1%
22	Power Grid Corp	1,20,510	26.7%	15.5%	51.3%	55	UltraTechCement	1,92,466	16.8%	14.2%	60.0%	88	SBI Cards	93,305	5.8%	3.9%	69.4%
23	INDUS TOWERS	70,742	26.6%	2.8%	69.9%	56	Colgate	42,941	16.6%	10.4%	51.0%	89	IOC	92,965	5.8%	13.7%	51.5%
24	TATA Cons. Prod	55,344	25.7%	13.6%	34.7%	57	ICICI Prudentia	61,754	16.3%	4.7%	73.5%	90	Cadila Health	43,555	5.2%	11.7%	74.9%
25	Reliance	13,41,805	25.2%	13.1%	50.5%	58	Motherson Sumi	66,838	16.1%	14.3%	61.7%	91	Bosch	42,868	4.6%	15.7%	70.5%
26	Aurobindo Pharm	48,243	25.0%	12.6%	51.9%	59	Vedanta	82,578	16.1%	13.2%	55.1%	92	NMDC	39,080	4.5%	20.5%	69.7%
27	HCL Tech	2,60,715	24.9%	10.3%	60.3%	60	TCS	11,49,449	15.9%	7.8%	72.1%	93	Bank of Baroda	38,139	4.3%	11.3%	71.6%
28	HDFC Life	1,39,114	24.9%	7.1%	58.9%	61	GAIL	62,375	15.6%	28.2%	52.1%	94	Siemens	65,724	4.2%	10.6%	75.0%
29	Havells India	65,368	24.4%	8.6%	59.5%	62	Tata Motors	1,02,581	15.6%	12.7%	42.4%	95	PNB	40,287	3.8%	10.0%	76.9%
30	Marico	51,008	24.2%	10.0%	59.6%	63	Muthoot Finance	49,404	15.1%	7.0%	73.4%	96	P and G	41,912	2.5%	13.5%	70.6%
31	Bajaj Finance	3,28,525	23.9%	9.1%	56.1%	64	HUL	5,43,560	14.9%	10.7%	61.9%	97	Hind Zinc	1,19,788	1.1%	32.1%	64.9%
32	Maruti Suzuki	2,14,838	23.1%	15.7%	56.4%	65	Bajaj Holdings	37,922	14.5%	3.3%	50.0%	98	IDBI Bank	40,160	0.3%	2.9%	94.7%
33	Hindalco	75,298	22.8%	22.1%	34.7%	66	ITC	2,74,589	13.3%	42.9%	0.0%	99	General Insuran	38,465	0.2%	11.8%	85.8%

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Over last 2 years and especially post the March 20 crash, India has been the cynosure of FIIs emerging market play. We are seeing the first sign of break now in March given macro cues.

Note: March data till 14th (Source: CLSA)

Emerging market FII equity flows

	India	Indonesia	Taiwan	Brazil	South Africa	Thailand	Malaysia	Philippines	South Korea
Apr-19	3,053	3,740	1,597	(201)	(266)	107	(342)	194	2,252
May-19	1,150	(514)	(3,726)	(1,040)	(561)	114	(489)	(270)	(2,548)
Jun-19	374	776	1,091	(63)	172	1,505	33	(139)	287
Jul-19	(1,804)	(20)	(616)	(1,731)	(993)	653	(20)	81	1,620
Aug-19	(2,492)	(651)	(2,785)	(2,723)	(1,611)	(1,762)	(620)	(226)	(2,142)
Sep-19	1,077	(519)	2,532	118	(251)	(381)	(133)	(143)	(872)
Oct-19	1,739	(269)	4,094	(2,329)	(1,470)	(258)	(116)	73	(208)
Nov-19	3,535	(493)	1,961	(2,115)	(1,072)	(255)	(370)	(259)	(3,025)
Dec-19	1,034	571	1,058	(1,280)	(421)	(811)	(292)	(173)	1,024
Jan-20	1,708	1	(751)	(4,592)	(520)	(562)	(33)	(164)	(165)
Feb-20	265	(340)	(4,659)	(4,798)	(504)	(627)	(469)	(179)	(3,000)
Mar-20	(8,348)	(375)	(12,077)	(5,039)	(1,016)	(2,450)	(1,288)	(303)	(10,544)
Apr-20	(904)	(560)	818	(900)	(300)	(1,439)	(612)	(325)	(3,964)
May-20	1,929	552	(5,051)	(1,286)	(652)	(984)	(690)	(166)	(3,302)
Jun-20	2,890	(318)	3,269	86	(551)	(737)	(698)	(190)	(705)
Jul-20	1,018	(264)	269	(1,596)	(607)	(323)	(601)	(124)	725
Aug-20	6,294	(581)	(2,183)	(58)	(1,302)	(887)	(356)	(261)	(2,295)
Sep-20	(1,052)	(1,049)	(1,425)	(459)	(898)	(738)	(476)	(306)	(990)
Oct-20	2,661	(252)	(609)	517	(1,048)	(701)	(161)	(156)	(434)
Nov-20	8,132	245	4,507	6,162	(1,049)	1,081	(251)	(169)	5,205
Dec-20	8,420	(279)	2,285	3,845	1,039	82	(147)	(171)	(614)
Jan-21	2,658	775	(3,389)	4,405	197	(365)	(208)	(273)	(5,254)
Feb-21	3,539	258	(3,224)	(1,225)	(1,039)	(621)	(215)	(191)	(1,781)
Mar-21-MTD	(75)	(122)	(2,810)	(149)	(115)	241	147	(316)	752
12M Flows (Mar'20 to Feb'21)	**27,236**	**(1,848)**	**(16,809)**	**4,451**	**(7,226)**	**(8,083)**	**(5,702)**	**(2,633)**	**(23,953)**

Source: Bloomberg, CLSA. Note: Green colour implies inflows, while red colour implies outflows.

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Here is how the FII flows in India stack up across sectors. Largest flows in Banks followed by Consumer discretionary. (Source: CLSA)

FII flows in India by sector (US$m)

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	12M Flows
Banks	(147)	(202)	(1,857)	162	(430)	919	(186)	1,227	(33)	822	2,579	1,431	(536)	3,896
NBFC	(27)	18	(1,054)	(306)	(512)	1,548	34	94	(289)	416	1,433	1,251	308	2,941
Information Technology	295	32	(826)	(170)	(201)	(182)	270	6	86	593	(105)	476	295	274
Consumer Discretionary	83	(82)	(746)	(353)	38	447	326	568	(98)	386	1,033	1,537	462	3,518
Energy	413	187	(1,306)	174	695	81	567	109	163	(117)	149	45	88	835
Consumer Staples	(248)	(409)	(475)	385	2,006	(319)	(105)	(113)	(335)	199	435	665	135	2,069
Materials	(174)	(224)	(634)	(293)	(116)	(7)	(113)	117	(201)	(22)	784	1,006	445	742
Health care	(35)	(160)	(252)	(212)	51	58	171	176	125	(24)	681	703	284	1,601
Industrials	(43)	(271)	(517)	(65)	15	218	(94)	149	99	187	684	661	684	1,750
Communication Services	290	105	(121)	(40)	618	(682)	(229)	48	(759)	(63)	125	(22)	360	(660)
Utilities	(125)	61	(166)	(122)	(129)	(292)	(76)	43	(56)	23	225	153	242	(94)
Real Estate	4	(40)	(32)	(13)	5	31	(23)	48	(37)	(18)	(58)	48	(37)	(126)
Others	1,405	1,251	(295)	(56)	(110)	1,070	476	3,822	283	279	167	466	(72)	7,281
Total	**1,691**	**266**	**(8,281)**	**(909)**	**1,930**	**2,890**	**1,018**	**6,294**	**(1,052)**	**2,661**	**8,132**	**8,420**	**2,658**	**24,027**

Source: National Securities Depository Limited, CLSA. Note: Green colour implies inflows while red colour implies outflows.

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Let me take your attention back to Tweet 2. Consumer & FMCG had the second lowest FII allocation. There are signs of change there.

Check FII holding across key FMCG/ Consumer companies over 2 years. See that change in Dec quarter? Marked out few names. One for the ITC bulls.

% FII Ownership trends – Consumer/ FMCG

	Dec'18	Mar'19	Jun'19	Sept'19	Dec'19	Mar'20	Jun'20	Sept'20	Dec'20
ITC	17.0	17.0	16.8	15.6	15.2	14.7	14.6	13.0	13.3
HUL	12.0	11.8	12.1	12.4	12.3	12.1	14.8	14.5	14.9
Dabur	18.2	18.2	17.8	17.6	17.5	17.4	17.6	18.1	18.5
Godrej Consumer	27.7	27.5	28.0	27.8	27.7	26.3	26.8	26.8	26.8
Colgate India	13.9	15.4	15.1	15.5	16.5	16.2	15.3	15.7	16.6
Marico	26.4	26.6	25.7	24.9	23.8	22.7	23.7	23.7	24.2
Nestle India	12.4	12.6	13.0	12.6	12.1	11.8	12.1	11.5	12.8
Britannia	16.3	15.8	15.7	15.2	15.8	14.7	14.7	16.0	17.7
United Spirits	23.1	22.6	22.3	22.4	22.4	20.5	19.7	18.8	19.0
Asian Paints	15.7	16.3	16.7	17.0	17.2	17.2	18.2	19.8	21.1
Titan	18.5	19.2	19.6	18.8	18.3	17.7	17.6	18.1	18.6
Jubilant Foodworks	39.4	38.8	35.9	34.5	32.7	30.9	36.2	37.9	39.4
Avenue Supermarts	5.9	5.9	5.5	6.0	6.2	9.6	10.4	10.3	10.1
Zee Entertainment	41.5	45.0	47.1	48.7	67.4	68.3	67.3	66.2	65.8
Havells	26.5	27.3	27.0	26.3	25.9	23.0	22.0	22.2	24.4
Crompton	32.1	30.5	28.3	28.1	30.9	30.5	29.9	30.3	34.3
Pidilite	11.4	11.7	11.5	11.1	11.3	11.5	11.2	10.9	11.4

% DII Ownership trend – Consumer/ FMCG

	Dec'18	Mar'19	Jun'19	Sept'19	Dec'19	Mar'20	Jun'20	Sept'20	Dec'20
ITC	39.8	39.4	39.8	40.6	40.7	40.8	39.2	39.6	38.9
HUL	7.4	7.0	6.9	6.7	6.7	6.6	8.2	7.7	7.5
Dabur	6.9	6.6	7.0	7.7	7.6	7.5	7.4	6.8	5.9
Godrej Consumer	2.3	2.5	2.2	2.3	2.2	3.1	3.2	3.1	3.1
Colgate India	11.8	10.0	10.1	11.1	10.0	9.7	11.0	10.5	9.8
Marico	5.6	5.4	5.7	8.6	9.5	10.5	9.7	10.2	10.0
Nestle India	7.3	7.5	7.3	8.4	8.8	9.0	8.5	8.7	7.6
Britannia	12.5	11.9	12.8	13.3	13.3	13.1	12.4	11.2	10.5
United Spirits	4.8	5.1	5.4	6.0	5.9	7.3	7.5	7.2	7.8
Asian Paints	10.2	9.2	8.6	10.2	9.7	9.2	8.3	7.0	6.0
Titan	8.0	7.0	6.4	8.3	8.8	10.5	10.5	10.3	10.2
Jubilant Foodworks	6.8	9.9	12.4	16.8	18.8	20.0	15.3	14.1	12.3
Avenue Supermarts	2.9	3.0	3.3	4.3	4.4	6.2	5.7	5.8	6.5
Zee Entertainment	10.9	11.2	11.2	11.8	11.8	10.9	9.7	11.1	12.0
Havells	4.6	4.2	4.6	5.7	5.8	7.6	9.4	9.6	8.2
Crompton	20.6	22.7	23.5	23.8	29.7	28.3	30.6	29.3	32.8
Pidilite	7.8	7.5	7.7	8.4	7.9	7.5	7.7	8.3	7.9

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So who are these FIIs?

Large FIIs are mainly Sovereign Wealth funds, ETFs with total global assets in trillions of dollars. Emerging markets are approx. 10% allocation. Thus a small allocation change for India means huge inflows in $ terms.

List of largest FIIs in India■

Top FIIs in India	India holdings (INR Crores)	Count of holdings	Largest holdings in order of allocation (% of equity held)
BlackRock	2,17,700	362	Infosys (4.8%), Reliance (1.5%), ICICI Bank (2.5%), TCS (0.9%), HUL (1.3%), Axis Bank (2.6%), Bharti Airtel (1.7%), Bajaj Fin (1.4%), Tech M (4.6%), HDFC (1%), Asian Paints (1.9%), etc
Capital Group / American Funds	1,69,090	77	Reliance (3.0%), Kotak (9.1%), HDFC Bank (2.9%), HDFC Life (4.9%), HDFC (1.1%), ICICI Bank (1.1%), Axis Bank (1.9%), Embassy REIT (12.3%), ITC (1.4%), Airtel (1.0%), IndusInd (3.3%)
Fidelity Investments	1,34,800	184	Reliance (2.4%), HDFC Bank (2.8%), HDFC (2.4%), Axis Bank (2.7%), Infosys (1.0%), TCS (0.5%), Kotak (1.4%), Bajaj Fin (1.0%), Power Grid (2.6%), STFC (8.4%), L&T (1.5%)
Vanguard	1,14,500	344	Reliance (2.4%), Infosys (2.3%), HDFC (2.7%), TCS (0.8%), HUL (1.0%), Bajaj Fin (1.4%), ICICI Bank (0.9%), Airtel (1.2%), L&T (1.4%), ITC (1.0%), Sun Pharma (1.7%), UltraTech (1.2%)
Norges Bank Investment Management	97,350	328	Reliance (0.7%), Infosys (1.1%), HDFC (1.0%), ICICI Bank (0.9%), Axis Bank (1.2%), TCS (0.2%), Airtel (0.7%), SBI (0.6%), UPL (3.7%), Tech M (1.9%), HCL Tech (0.6%), Divi's (1.6%)
Invesco	84,100	209	HDFC (3.7%), Kotak (3.5%), TCS (0.8%), HDFC Bank (0.7%), Infosys (0.8%), DLF (5.5%), Zee Ent (17.9%), Biocon (3.3%), Oberoi Realty(7.2%), ICICI (0.4%), Reliance (0.1%), M&M (1.5%)
GIC	97,100	60	Bajaj Fin (4.4%), HDFC (3.0%), Infosys (2.9%), Kotak (1.7%), Bandhan (7.8%), Airtel (1.3%), Power Grid (2.0%), Axis Bank (1.0%), Godrej Prop, SBI Cards, India Grid, M&M, Ambuja
Singapore Government	69,700	26	Reliance (1.3%), Infosys (1.6%), HDFC Bank (1.0%), HUL (1.0%), L&T (2.5%), TCS (0.4%), ITC (1.2%), Tata Motors (1.9%), Maruti (0.8%), Hindalco (1.9%), IndusInd (1.7%)
Dimensional Fund Advisors Ltd.	30,400	652	Reliance (0.5%), Infosys (0.3%), HDFC Bank (0.2%), HDFC (0.3%), TCS, Axis, TaMo, Airtel, M&M, Hindalco, Wipro, Vedanta, HUL, JSW Steel, HCL Tech, etc @abhymurarka
Goldman Sachs Asset Management	23,700	199	Infosys, ICICI, Divi's, HCL Tech, Info Edge, Reliance, Maruti, Airtel, Avenue Supermart, Kotak, HDFC Bank, L&T Infotech, ICICI Lombard, HUL, Axis, etc
ADIA	23,500	46	Infosys, ICICI Bank, HDFC, Hindalco, Bajaj Finserv, Tata Steel, LIC Housing (2.8%), ICICI Lombard, Aurobindo, REC (1.5%), Dixon, Zee Ent, STFC, United Spirits, Trent, etc

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Trivia: LIC, the largest DII, holds market value of INR 7.46 lakh crores (~4.2% of overall market cap of India). Equivalent of holdings of Top 5 FIIs in India.

Working on some data on small and midcap holdings of FIIs and increases therein. More on that later.

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Now this has taken some time and effort over the weekend. Show some love and RT if this helped.

Also, happy to take any questions around this topic of FII/ DII. Think I understand a bit after this exercise. Shoot.