

Consumer Durables, FMCG Likely to Do Well



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Ritu Gangrade Arora: The market is searching for its direction very much in a phase of consolidation which is not a surprise really. The volatility out of global turmoil continues as different countries are finding their own new normal -- be it the US or Europe . So we have a mix of different kinds of news flows. At home, in the earnings season, results that are already declared are in line or are slightly better than expectations which augurs well. I hope the companies that will declare results now will follow suit as well and meet expectations which is a very positive direction. If that is sustained in the next couple of quarters, I believe in the second half of this year we could see sustained positivity sustained and a rally in making.

We have discussed the internal challenges in terms of new entrants be it Patanjali or others, but by and large all FMCG have demonstrated good volume growth which is very positive. I would like to believe that with the good monsoon as well as OROP in particular and positivity coming back in general, it would be a sector that should do well. Not just FMCG, but consumer durables also probably will benefit from more money that people will have in their hands going forward. I would worry that there might be still a little stress in PSU banks and one will wait to see an improvement before one sticks one's neck out and I would like to continue to be underweight on public sector banks for now and continue to have investments in private sector banks.