

A LOOK AHEAD AT INDIA'S GENERAL ELECTION

Impact on the **STOCK MARKET**



BJP Manifestation VS Congress Manifestation

(Stocks in Win- Win situation)

As the environment of election has started in our country, market watchers often look for cues on how the results might sway sentiments.

Lok Sabha elections act as one of the key triggers which significantly impacts the market volatility based on corporate announcements, sentiment changes and results of pre-poll surveys. This year's general election has gained heightened prominence due to India's importance in geopolitics, position in emerging markets.

Both the parties are in force to communicate their roadmaps for the Economic growth.

Hence, here are the list of sectors as well as stocks that one might focus on irrespective of election results.

1. Railway sector:

The Indian railway sector has long been a central pillar of the nation's transport infrastructure, playing a vital role in the economy. Reflecting its significance, the Interim Budget for 2024-2025 earmarked an impressive Rs 2.55 lakh cr for the Indian Railways, marking a 5.8% increase from the previous year's budget.

Top Railway Stocks include

IRCTC, ConCor, IRFC, RVNL, RITES, Ircon International, Titagarh Wagons Ltd, Texmaco Rail & Engineeringg Ltd



2. Defence sector:



With the nation's heightened focus on bolstering its military capabilities, India has been the top user of Defence Technology. Investors regard defence stock India as a secure investment choice. This is because of their consistent demand, government support, and long-term contractual commitments.

Top Defence stocks include

Hindustan Aeronautics Ltd, Bharat Dynamics Ltd, Data Patterns (India) Ltd, Paras Defence And Space Technologies Ltd, Taneja Aerospace and Aviation Ltd

3. Automobile Stocks:

The increased demand for cars and motorcycles in India, rising disposable incomes, and government incentives for electric vehicles, are the driving factors behind this exponential growth. The auto sector stocks, with high price upside, are forecasted to deliver strong returns.

Top Auto Stocks:

Maruti Suzuki India Ltd, Tata Motors Ltd, Bajaj Auto Ltd, Mahindra & Mahindra Ltd, TVS Motors Ltd, Hero Motocorp Ltd, Bosch Ltd



4. Semiconductor Stocks:

As technology continues to evolve and digitalization becomes the norm, the demand for semiconductor products has increased rapidly. This has made semiconductor stocks a great investment option for investors.

Top Semiconductor stocks include:

Bharat Electronics Ltd, ABB India Ltd, Havells India Ltd, Polycab India Ltd, Bharat Heavy Electricals Ltd, Apar Industries Ltd.



5. Agriculture Sector:

Agriculture, the backbone of India's economy, has long been a source of sustenance and livelihood for millions. Beyond its traditional importance, agriculture has evolved into a promising investment avenue. Thus, today, we will explore the realm of agriculture stocks in India.

Top Argo Stocks:

UPL Ltd., PI industries Ltd, Coromandel International Ltd, Gujarat Narmada valley Fertilizers Chemicals Ltd, Kaveri seeds Co Ltd., Sumitomo Chemicals India Ltd.

6. Hospitality Sector (Tourism):

With the rise in disposable income and travel, the demand for hotels has been on the rise, making it a lucrative investment option. Investing in the best hotel stocks in NSE can offer diversification to your investment portfolio.

Top Hotels Stocks:

India Tourism Development Corp Ltd, TAJ GVK Hotels and Resorts Ltd, Oriental hotels Ltd, EIH Ltd, Mahindra Holidays and resorts Ltd, Lemon Tree hotels Ltd.



7. Insurance Sector:

The insurance industry in India is one of the largest in the world. Be it public or private sector players, both cater to the various market needs with products such as life insurance, health insurance, motor insurance, general insurance, ULIP, etc. Given the evergreen demand and consistent growth, retail investors often add insurance stocks to their investment portfolios.

Top Insurance Stocks:

SBI Life Insurance, HDFC Life Insurance, Star health Insurance, ICICI Prudential, Life Insurance Corporation Of India, Bajaj finserv Ltd, Max Financial Services Ltd.

8. Electric Vehicle Stocks:

In addition to having lower fuel costs (or none at all), electric vehicles emit significantly fewer emissions. Thus, this in turn, investing in electric vehicles also benefits the environment. With the Indian government's focus on electric mobility, the best EV stocks in India are slowly becoming the mainstream choice for investors.

Top EV Stocks:

HBL Power Systems Ltd, Olectra Greentech Ltd, JBM Auto Ltd, Hindustan Coppers Ltd, Greaves Cotton Ltd.



9. Textile Sector:

The Indian textile industry has a rich history that dates back to ancient times. Traders worldwide highly sought the high-quality cotton and silk fabrics that India produced. India's textile stocks and apparel industry are the largest sources of foreign exchange earnings and one of the leading textile stock segments.

Top textile stocks:

Vedant Fashion Ltd, Orbit Exports Ltd, Paras petrofils Ltd, Soma Textiles & Industries Ltd, Voith Paper Fabrics India Ltd.

10. Banking Sector:

The banking sector is an essential part of any economy and plays a critical role in the functioning of the stock market as well as the overall economy. Banking stocks in India are of great interest to investors due to their potential for long-term growth and steady dividend income.

Top Banking Stocks:

HDFC Bank Ltd, Kotak Mahindra bank Ltd, ICICI Bank Ltd, Bank Of Baroda Ltd, State Bank Of India, Indian Bank, Punjab National Bank, J&K Bank.



This paper has been prepared by Cokaco a virtual platform by NNM Nextgen advisory Pvt. Ltd. an investment banking firm based out of Mumbai providing a bouquet of financial services.

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