



“We remain positive on select growth opportunities in mid and small cap stocks,” Alok Singh of BOI-AXA Mutual Fund said.

Even as we see a rebound in the small and mid-cap stocks following [RBI](#)’s neutral stance in its monetary policy meeting, Alok Singh of BOI-AXA Investment Managers says that some correction in the space is always healthy, as it provides an opportunity to re-assess the portfolio. Giving his views on the near-medium term stock market outlook, he says that the stable macros data and Q4 results largely in line with market expectations allows him to remain positive. In an exclusive interview with Sushruth Sunder of FE Online; Alok Singh, CIO, BOI-AXA Investment Managers shares his insights on the stock market outlook, the RBI rate hike, IPOs and where he is finding value in the current market. Here are the edited excerpts.

### **What is your near-to-medium term view on the stock market outlook?**

The incremental Marco data has been stable and the Q4 results were more or less on expected lines, which allow us to remain positive on the market.

**There seems to be a rebound in mid-cap stocks in the last week. What is your view in the space?**

Some correction is always healthy. It gives an opportunity to reassess the stock and portfolio. We remain positive on select growth opportunities in mid and small cap stocks.

### **What is the implication of RBI rate hike for investors?**

We think that market was prepared for this rate hike, but market was happy to see that RBI maintained its neutral stance and hence reacted positively.

### **Where are you finding value in the current stock market?**

Though we follow bottom-up approach in investing, but we remain positive on consumer discretionary, industrials and select financial stocks.

### **We are seeing many reputed global voices cautioning of an upcoming emerging market crisis. Is there a big correction in the offing, given such worries?**

Most of this caution is because the dollar liquidity which was supporting the global market is slowly getting reduced and EM market may see some pressure because of this reversal. Having said that India remains the fastest growing economy and in India domestic investors are gradually replacing the FPI (Foreign Portfolio Investor) investors. Hence India may do better than many emerging markets.

### **How should investors tread given factors such as the upcoming elections, rising crude oil prices, interest rates etc.**

These things induce some amount of volatility to the market and one should use this to rejig the portfolio.

### **The IPO markets seem to have taken a breather. What are the upcoming IPOs which investors can look to invest?**

IPO market usually become inactive in volatile times so this time also its the same.

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