

# Business Standard

## Market returns rarely move in lockstep with monsoon rain, shows data

*Earnings, tariffs likely to be more keenly watched*

Sachin P Mampatta | **Mumbai**



premium

Monsoons play a limited role with global liquidity, earnings and economic growth in other sectors have a larger impact, according to experts. | File Image

A shortfall in monsoon rains has seldom translated into poor market returns, and abundant rainfall hasn't necessarily led to significant gains.

Data since 2005 show that the five years with the highest rainfall saw average market returns of 8.98 per cent, while the five driest years returned 25.7 per cent on average.

The India Meteorological Department on Tuesday forecast this year's monsoon rainfall at 106 per cent of the long-period average (LPA), with a broadly even distribution across much of the country. "...normal to above normal rainfall is very likely over most parts of the country except some areas of Northwest and East India and many areas of Northeast India where normal to below normal rainfall is very likely," it said.

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