

Monsoon expected to be below average

■ NIFTY Going forward, we expect the government to take the reforms process forward (especially in the monsoon session), which, we believe, will be a positive for the market. Monsoon is expected to be only marginally below long-term average and weakness in the global economy may keep commodity prices subdued. Based on longer-term averages, valuations have already corrected to reasonable levels. We remain selectively positive on stocks in sectors such as banking, IT, capital goods, infrastructure, FMCG, media and logistics. We have a cautious view on auto, metals and cement stocks.

D Kannan,
Managing director,
Kotak Securities