

News monitored for: JM Financial

Stock markets have already factored in return of NDA in 2024

IANS / New Delhi

Market participants, be it domestic or FIIs have already factored in return of the NDA in the upcoming general elections, JM Financial Institutional Securities said in a report.

Only uncertainty (if any) would be on the extent of majority (number of seats) with which it would win, the report said.

An assessment of Nifty's trend in past five elections during one year before and in election year indicate that Nifty is likely to move towards 20,500 by the end of FY24 while Nifty is expected to return 24 per cent return in FY25, it said.

We assessed Nifty's trend one year before general elections in the past five election years (FY96, FY04, FY09, FY14, FY19). On plotting the average of indexes of these years against current years Nifty, shows that markets have moved in sync with the average of past five election years.

Continuing on this trend, Nifty should move towards 20,500 levels by the end on FY24. Similar exercise was undertaken to gauge Nifty's trend in the year of election, for this we considered average of last five election years (FY00, FY05, FY10, FY15, FY20).

The average trend indicates an uptrend of 24 per cent in Nifty, the report said.