

Growth will come back strongly to stock market by June when GST benefits start trickling in: Vishal Kampani, MD of JM Financial

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On-going US-Israel and Iran conflict could dampen market sentiments globally, but India will sail through the storm



The stock market, which has been volatile over the last one year, will start seeing growth by June–July, said Vishal Kampani, Vice Chairman & Managing Director, JM Financial Ltd. “I believe that, in four to five months, by June–July, the market will be in better shape. Growth will pick up again,” he told *Fortune India* while discussing the recently launched JM Financial Hurun India Unlisted Gems 2026 list.

The GST cut will propel growth on a sustained basis; it is not just a one-time measure, he said. The benefits of the GST reduction will soon be visible and will stimulate consumption growth, he said. “Trade, tariff structures and export growth will also improve. The FTAs that have been signed will create significant opportunities for growth. All of that will start trickling in by June,” Kampani said. He added that the second half of this calendar year will be better than the first half.

Following the US-Israel military operation in Iran, the stock market in India fell sharply--- Nifty 50 fell about 4% in the last three trading sessions.

Companies looking to go for an IPO have been struggling over the last one year. Kampani said the volatility in the public markets is making it difficult to predict when they can go public and at what valuation. FPI selling is another concern. “Share issuers do not have strong pricing power due to the current FPI exits, and that is the biggest challenge,” he said.

“In many sectors, earnings growth is not seen as compelling compared to prevailing valuations. I don’t think it’s a bubble, and India is not in a bubble zone. Valuations are relatively expensive. In addition, geopolitics and tariffs have certainly created disruption. There is a risk of further escalation in the on-going conflict between US-Israel and Iran, which could dampen market sentiments globally. However clearly from a macroeconomic perspective, India is well placed to sail through this storm as currently Inflation, Fiscal situation and Domestic demand are comfortable.” he added. Kampani also said that India offers more growth compared to any other country.

By March 2027, some big IPOs are expected to hit the market, Kampani said. Big IPOs will draw out more capital, while smaller IPOs may have to wait during this period, he said.

He also noted that the rise of AI would affect the valuations of IT companies. “IT and some core businesses may face pressure due to the AI transition, while other sectors will gain efficiencies through AI,” he said.