

# Sensex Down 5% from Mount 29000, but 120 Stocks Touch New Peak

Stocks of cos with strong fundamentals, prospects of top line improvement rally

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**New Delhi:** The S&P BSE Sensex climbed Mount 29,000 in September and then retreated from there, but as many as 120 stocks on the S&P BSE500 index have hit all-time highs ahead of the festival season.

The S&P BSE Sensex closed at 29,045 on September 8 but it has lost more than 1,400 points since then to close at 27,673.60 on Friday.

However, stock-specific action was visible all over Dalal Street, with 55 stocks rising to fresh record highs in September and 65 stocks climbing to their respective all-time high levels in October. "The stock-specific rally in recent times was a function of two things: strong fundamentals of underlying companies combined with a better outlook for growth and expected improvement in top line driven by growth in consumption, particularly during the festive season," Nitasha Shankar, head of research, YES Securities, said. "The latter is particularly applicable to those companies benefitting from a revival in rural consumption, Seventh Pay Commission award and continuing traction in urban consumption."

Stocks that rose to fresh all-time highs in September include Bajaj Auto, Biocon, Britannia Industries, City Union Bank, Divi's Laboratories, Dr Lal Pathlabs, Eicher Motors, Hero MotoCorp, IDFC Bank, IndusInd Bank, PVR, Repco and UltraTech. Stocks that

## Rallying Point

Stock	All-time High (₹)
Minda Industries	368.1
Oberoi Realty	338.8
Sharda Cropchem	461.5
Adani Transmission	44.6
IOC	667.2
JK Cement	990.0
BPCL	683.3
Balkrishna Ind	1,200.0

rose to fresh all-time highs in October include Force Motors, Gruh Finance, Havells India, Aurobindo Pharma, Orient Cement, Ajanta Pharma, Vakrangee, Delta Corp, Dalmia Bharat, Shree Cement, Atul, Escorts and Jyoti Laboratories.

Midcap and smallcap stocks have been in action since the start of October. The S&P BSE Smallcap index rose over 2%, while S&P BSE Midcap index rose over 1% in the period.

"We have been seeing good stock-specific action in the past few months, as we have seen the broader market making a high in the first week of September, but midcaps have seen some outperformance over the broader market," Reliance Securities said.

Stock-specific action is likely to continue but the benchmark indices could remain under pressure for the rest of 2016.

The broader market momentum will continue as the second quarter earnings season kicks off in the second week of the month. However, there are bigger chances of a correction if global markets start heading south.