

SECTORAL PERFORMANCE ANALYSIS: EVIDENCE FROM INDIAN STOCK MARKET

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Abstract *The Indian equity market has reached the top five markets worldwide based on market capitalisation in the current year. In 2022, stock markets saw their first yearly fall in seven years. The likelihood of a swift recovery from this significant decline in the current year has been further diminished by rising interest rates and poorer growth forecasts. The study considers six significant sectors like information technology (IT), banking, auto, fast-moving consumer goods, pharma and consumer durables to analyse the performance in the post-COVID era. The study also attempts to analyse how the benchmark index (NIFTY 50) gets affected by these sectoral performances. Though some differences were seen in their one-year performance; one-way ANOVA indicated that these differences were not statistically significant. The banking and IT sectors had the most significant impact on the performance of the NIFTY 50. All the sectors included in the study have shown more or less similar performance. The study can give investors an idea of how different sectors have performed in post-COVID era.*

Keywords: NIFTY 50, Equity, Return, Index, Market Capitalisation

INTRODUCTION

In March 2022, the Indian equity market made its debut in the club of the top five markets based on market capitalisation. When compared to the UK (\$3.19 trillion), Saudi Arabia (\$3.18 trillion), and Canada (\$3.18 trillion) in the middle of March 2022, India's overall market worth is estimated to be around \$3.21 trillion.

In the current year only, the Indian equity market has climbed two positions despite a decline in market capitalisation of 7.4%. With market capitalisations of \$3.7 trillion and \$3.5 trillion, respectively, the equity markets of the UK and France were rated fifth and sixth at the start of the current year. However, there has been a significant shift in the rankings as a result of Russia's invasion of Ukraine, with European countries seeing the greatest loss of market capitalisation. Germany, which was formerly ranked among the top five equity markets globally, is currently in ninth place. Saudi Arabia, on the other hand, rose three spots, from 10th to 7th, in the same time frame. The nation, and in particular its largest company, Aramco, has benefited the most from the increased oil prices this year (Business Standard).

Stock markets have registered their first annual decline in seven years in 2022. With an increase in interest rates and weaker growth prospects have further reduced the chances

of a quick recovery from this sharp fall in the current year. Most central banks across the world have started increasing interest rates, resulting in hefty outflows from risky assets. The main reasons for the policy shift have been soaring inflation in India and around the world, with frayed supply chains further worsened by Russia's invasion of Ukraine (www.imf.org). The benchmark index BSE Sensex has already declined by nearly 7% so far this year and almost by 12% from the current year's high of 61,475.15 on 18th January 2022. It will take some time before this level of the index is reclaimed. But if this performance is compared with that of the MSCI all-country world index, it looks better. MSCI's all-country world index has declined by more than 16% for the current year. It has recently come very close to the bear market with a fall of more than 20%.

The equity market of India has recently overtaken that of the UK to join the top five clubs. The main reasons for this have been record-low interest rates and a retail investment boom. The higher growth potential for India and a vibrant technology sector that's seen a lot of new start-ups go public this year are proving to be favourable for the Indian economy on one side, while adverse sentiments towards Chinese equities on the other side are also drawing more investments. As far as the UK is concerned, there are still uncertainties related to Brexit affecting equity markets adversely. As a

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result, the Indian economy could attract a lot of investors to its domestic stock market with good long-term growth potential, and a stable political base is helping the cause. The S&P BSE Sensex, which is one of the key indexes of the Indian bourse BSE Ltd. has increased by more than 130% since its trough in March last year. This growth has been the most among major national benchmarks, as per Bloomberg. An annualised return of almost 15% in dollar terms has been earned over five years. This is more than double the 6% for the U.K.'s benchmark FTSE 100 Index. It is expected that the market capitalisation of the Indian stock market will rise to \$5 trillion by 2024, according to Goldman Sachs Group Inc. Further, many estimates suggest that almost \$400 billion of market value is likely to be added from new IPOs over the next 2–3 years (www.bloomberg.com). The following Fig. 1 shows the market capitalisation of the Indian stock market as compared to that of the UK stock market:

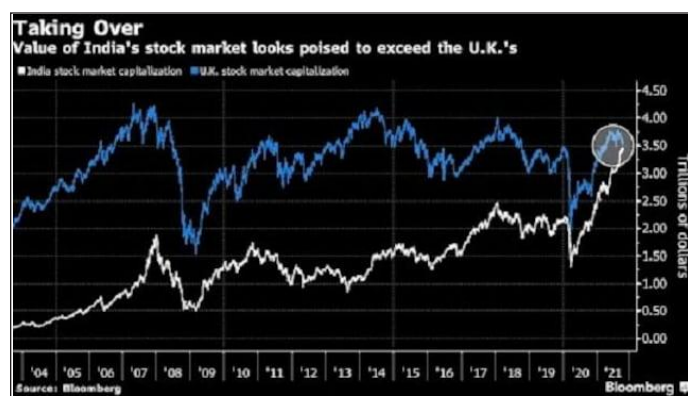


Fig. 1: Market Capitalisation of Indian Stock Market w.r.t UK Stock Market

In the context of this significant development, the study aims to examine how stocks in various sectors are performing in India. The top six sectors have been considered for analysing the performance over the last few years. An overview of the present state of these sectors, namely, automobile, banking, consumer durable, fast-moving consumer goods (FMCG), information technology (IT) and pharma sectors are presented below:

Automobile Sector

The enthusiasm surrounding new launches, greater semiconductor chip supply, an easing of commodities costs, and improved consumer confidence in rural areas have all contributed to a gradual improvement in month-over-month sales for most segments of the automobile industry. The sales performance remained positive on a year-over-year basis, except for the tractor market. Although the demand in metropolitan regions is still strong, things are steadily

getting better in the rural sector as well. Two-wheelers were still under pressure in June 2022. Reliance Securities, a retail brokerage firm, anticipates a steady improvement in industry volume over the next three to four months, supported by a favourable monsoon-led rural recovery and the start of the holiday season in Q2 FY23. It is anticipated to have continued robust retail demand in FY23. The ongoing geopolitical tensions surrounding the conflict between Russia and Ukraine have a detrimental effect on business conditions, which lowers consumer demand. The future of the auto industry would be supported by steady fuel costs and declining commodity prices.

Banking Sector

According to the central bank, the health of India's banking industry has significantly improved as a result of regulatory support measures and a slow but steady economic recovery from the epidemic, with the soured-debt ratio falling to a six-year low. Compared to its earlier forecast of 9.8% for the same time and 7.48% for the period ending in March 2021, the Reserve Bank of India stated that gross non-performing assets were at 5.9% of total loans by the end of March 2022. By March of the following year, the gross soured-loan ratio will decrease to 5.3% under the base case, which is supported by a substantial expansion of bank lending. A minor return to profitability is also being seen by the banks, with the capital-to-risk-weighted asset ratio being estimated at 16.7% for March.

FMCG Sector

Fast-moving consumer goods (FMCG) make up the fourth-largest economic sector in India, with domestic and personal care products accounting for half of its sales. More awareness, easier access, and changing lifestyles have been the main drivers of industry expansion. The urban market, which accounts for around 60% of total FMCG revenue in India, had a market size of about US\$ 29.4 billion in 2016–17. As a result, it was the largest contributor to total FMCG revenue. However, over the past few years, the FMCG market in rural India has grown faster than it has in urban India. 50% of all FMCG product sales occur in rapidly expanding semi-urban and rural areas.

The Indian retail industry is predicted to rise from US\$ 672 billion in 2016 to US\$ 1.1 trillion by 2020, with modern trade forecast to grow at a rate of 20% to 25% annually, which is likely to increase FMCG businesses' profits. Revenue for the FMCG sector reached US\$ 49 billion in 2016–17, and it is anticipated to increase by 9–9.5% in FY18, with the assumption that overall consumption expenditures will

increase from US\$ 1,469 billion in 2015 to US\$ 3,600 billion by 2020.

IT Sector

India's information technology (IT) sector has been crucial in helping the country gain international recognition. One of the key drivers of economic growth for the Indian economy has been the IT sector. The sector has made a big contribution to changing the perception of India from a bureaucratic economy with slow growth to one that is home to creative entrepreneurs and a major player in the provision of top-notch business services and technology solutions globally. The sector has assisted India's economic transition from an agricultural and rural to a knowledge-based economy. Gigabit-speed information access is now possible, thanks to information technology. It has had a significant impact on the lives of millions of impoverished, marginalised individuals who live in remote, rural areas. With the potential for e-government initiatives like e-health, e-education, e-agriculture, etc., the internet has undergone revolutionary transformations. Today, all it takes is a few mouse clicks to file income tax returns, apply for a passport online, or purchase a train ticket. India's IT potential is steadily moving in the direction of being globally competitive, enhancing defence capabilities, and addressing issues like energy and the environment, among other things.

According to a survey by research and consulting firm Gartner, Indian enterprises will spend an estimated US\$105.2 billion on IT in 2022, 5.5% more than they did in 2021. According to the analysis, despite the Omicron variant's possible effects, businesses will keep increasing their investments in technology. As the pandemic drives up demand for digitalisation at businesses around the world, India's IT sector is expected to grow at a rate of 15.5% in FY22, the quickest in over a decade, according to industry organisation Nasscom. The revenue growth is double that of the pre-pandemic FY20 and far greater than the 2.3% obtained in FY21, which was the first full fiscal year following the COVID-19 pandemic. The amount spent on IT globally increased by 9% to US\$ 1.9 trillion over that time. According to Nasscom, the domestic market would expand 10% to US\$ 49 billion, while exports are projected to grow 17.2% to US\$ 178 billion in FY22, or half of the total service exports. E-commerce sales will increase from US\$ 57 billion to US\$ 79 billion in FY22. The new-age digital services industry had a 25% increase in income and now accounts for over a third of the total US\$ 227 billion markets. Additionally, 16 lakh workers, or a third of the labour force, are digitally skilled.

LITERATURE REVIEW

The primary factors influencing stock prices in India were examined by Sen and Ray in 2003. Their research was focused on the stocks that made up the BSE index between 1988 and 2000. According to the empirical study, dividend payouts have a significant impact on stock prices. Additionally, they discovered that earnings per share had a negligible effect on stock prices. The study looked at one important element that affects the price of Indian stocks: dividend payout ratios.

Hartono (2004) investigated the connection between dividends and earnings and found that news of rising earnings followed news of falling dividends and had a significant positive effect on stock prices. Additionally, it has a very negative impact on equity pricing if excellent dividend information is followed by disappointing earnings information.

Al-Deehani (2003) looked into the factors affecting the share prices of businesses listed on the Kuwait Stock Exchange. According to the analysis, the share price is strongly correlated with past earnings per share, cash dividends per share, prior cash dividends per share, return on equity, price-to-book value ratio, prior cash flow per share and cash flow per share.

Agarwalla and Tuteja (2008) used the multi-variate Granger causality test within an error correction framework to examine the relationship between the share price index and the economic growth of India. They discovered that the causality ran from economic growth, as measured by industrial production, to the share price index and not the other way around, demonstrating that Indian stock markets are still demand-driven and industry-led.

Gay (2008) used exchange rates and oil prices as explanatory variables in a Box Jenkins ARIMA model to examine the relationship between stock prices and macroeconomic variables in the cases of Brazil, Russia, India, and China, four emerging economies and found non-significant results that suggest market inefficiency.

Singh (2010) used the Granger causality test to investigate the relationship between the macroeconomic factors of the Indian economy and the BSE Sensex, the stock market index. According to his research, the only variable that has a bilateral causal link with the BSE Sensex is the IIP. Despite having a one-way causal relationship with BSE Sensex, WPI had a good correlation with Sensex.

In 2009, Somoye et al. examined the variables affecting equity prices in the Nigerian stock market between 2005 and 2007. Using a simple linear regression model, they looked

at how the GDP, interest rate, dividend per share, and price of oil affected the price of stocks. Although they were not demonstrated to be significant share price predictors, the empirical results indicate a favourable association between stock prices and the variables dividend per share, earnings per share, and GDP. In 2011, Nirmala and Sanju looked into what factors affect share prices on the Indian stock market. The auto, healthcare and public sectors are the three areas on which the study primarily focuses from 2000 to 2009. They examined the effects of dividends, profitability, price-to-earnings ratio and leverage on share prices using the panel co-integration test and fully modified least squares. The results showed that the price-earnings ratio and dividends per share had a favourable effect on the share prices of all three sectors. The results also demonstrated a negative association between share prices for all three sectors and the debt-to-equity ratio as a key factor influencing share prices for each.

For the years 1993 to 2008, Sharma (2011) examined the empirical relationships between the prices of equity shares in various industry groups and several explanatory factors, including book value per share, dividend per share, earnings per share, price-earnings ratio, dividend yield, dividend payout, size in terms of sale, and net worth. The findings demonstrated that several Indian industrial groupings' stock prices are significantly influenced by several factors, including book value per share, dividends per share, and earnings per share.

Fundamental analysis of FMCG businesses listed on the BSE from 2006–2007 to 2011–2012 was conducted by Amsaveni and Gomathi (2013). They conducted economic, industry, and company analyses and found that while the gross domestic product, gross domestic capital formation savings, and balance of payments all saw negative growth during the study period, inflation, interest rates, exchange rates, foreign exchange reserves, agricultural production and government receipts and expenditures all experienced positive growth. In their study, Aravind and Ramaya (2015) used trend percentages and correlation to find that different speculative actions affect a company's share price. The study discovered that the EVA had no explanatory power on the share price of the chosen firm after looking at 30 companies listed on the BSE-SENSEX for six years, from 2008 to 2013. Inflation, currency rates, money supply, oil prices, and output were identified by Tripathi and Kumar (2015) as major predictors of stock return behaviour during and after the global recession. The study by Islam and Habib (2016) showed that only the exchange rate has a significant negative impact on stock returns.

The impacts of COVID-19 on the stock market and financial market have been the subject of numerous empirical studies in both developed and developing countries. The available

literature contained a variety of findings in this area. To stop the coronavirus from spreading, social distance policies were implemented on the four continents of North America, Africa, Asia, and Europe. Ozili and Arun (2020) did an empirical study on the consequences of these policies. According to the study, a lockout or 30-day social exclusion period is bad for the economy since it lowers stock prices. Azimili (2020) used quantile regression to analyse the effects of the coronavirus on the structure and degree of risk-return dependence in the United States. The findings indicate that the upper quantiles' level of reliance on market returns has increased since the COVID-19 outbreak, which has reduced the advantages of diversification. The author also looked at the relationship between GSIC and stock returns and found that it had an asymmetric pattern, with lower tails having a nearly 2-fold greater negative impact than upper tails.

The GARCH asymmetric power model was used in a study by Shehzad et al. (2020) to look into the nonlinear behaviour of the financial market returns in the US, Italy, Japan, and China. The analysis showed that COVID-19 harmed stock performance in the S&P 500. However, the Nasdaq composite index was hardly impacted. In the most seriously affected countries, Cepoi (2020), undertook an empirical analysis of the link between news about COVID-19 and stock market results. Using a panel quantile regression, this study found that the stock market displays asymmetric dependency on COVID-19-related information. COVID-19 lowers stock returns in Nigeria, according to research by Adenomon et al. (2022) using quadratic and exponential GARCH models with dummy variables. To enhance the financial industry, they recommended the implementation of a flexible exchange rate regime, incentives for regional firms, stable political conditions, and economic diversification.

In his research, Baker (2020) discovered that oil prices have fallen sharply by 70–80%. Compared to the financial crisis of 2008–2009, it is worse, given how heavily the economy depends on income from oil. This is a severe problem. The decline in oil prices, which is between 70 and 80%, is significantly more than the 20% exchange rate depreciation. The rising economy has been hardest hit by the third wave of the COVID-19 pandemic, according to Herrero (2020), which has led to a decline in commercial activity. This unforeseen shock makes people more risk-averse, which drives up the cost. Latin America is most affected due to its high reliance on outside funding. Exports have decreased as a result of the transportation restrictions. The tourism industry has been affected by restrictions on international travel, which has resulted in a decrease in earnings. A study on the South Korean stock market, another prominent nation among the rising economies, was conducted by Hyun-Jung (2020). His investigation revealed that the economy has seen ups and downs. The monthly exports exhibit a downward

trend in January, an uptick in February, and a subsequent downward trend in both March and June. Compared to the prior year, the nation's exports have decreased by 11.2 percentage points.

Topcu and Gulal (2020) have classified the effects of COVID-19 on emerging economy stock markets by region. According to their research, Asian developing markets have been hardest hit by the outbreak, while European emerging markets have been least affected. The developing market economies are experiencing a credit crunch or capital flows (Ahmed et al., 2020). The detrimental impact of COVID-19 on the commerce of emerging economies was highlighted by Goldberg and Reed in 2020. As a result, the interest rate on sovereign debt issued by emerging markets increased. Frankel (2020) examined the pandemic's economic impact on the developing economy. COVID-19's restrictions on export, tourist, and migrant worker remittances have decreased those economies' earnings. Through his investigation, Raja Ram (2020) discovered that COVID-19 crashes the entire worldwide market. The Indian stock market saw unusually high volatility following the collapse of the global financial system. The rebound of the Indian stock market is once again being impacted by a decline in foreign portfolio investments. The author has determined that COVID-19 is a "black swan" occurrence by examining the past of all unexpected incidents. He examines the rise and collapse of the Indian stock market and concludes that until there is a strong public health system, it is impossible to forecast when the economy will recover.

The Indian stock market's situation before and after COVID-19 has been compared by Ravi (2020). His research showed that transactions on the NSE and BSE reached high of 12,362 and 42,273, respectively at the beginning of January, before COVID-19, indicating positive stock market conditions. The stock market experienced dread following the COVID-19 outbreak, as the BSE Sensex and NSE Nifty both dropped by 38%. The result is a loss of the entire stock market of 27.31% since the year's commencement. Due to transportation limitations, the stock of various other industries, like hospitality, tourism, and entertainment, has decreased by more than 40%. The suffering caused by the lethal pandemic on the Indian stock market has been meticulously examined by Mandal (2020). Results show that the BSE Sensex saw the largest one-day decline of 13.2%, surpassing the infamous plunge of April 28, 1992. Nifty has also had a sharp decline of 29%, surpassing the catastrophe of 1992. Only the FMCG Company has demonstrated a favourable return due to individuals limiting their consumption to only necessary goods, while other businesses are experiencing a dramatic fall (Rakshit & Basistha, 2020).

The association between EVA and stock price was investigated by Zawna and Singh, 2020. For analysis purposes, 17 NSE-listed companies from six distinct sectors were selected in the study from 2007–2008 to 2016–2017. The study employed both single and multiple correlations and discovered weak correlations between the EVA and particular performance-related factors. According to the research of Mishra et al. (2021), this horrific calamity has had a detrimental impact on the Indian stock market. Every industry in the market is affected by this shock, but the leading businesses across all sectors are the ones who are most affected. The aberrant returns on and following the event day have revealed a downward tendency in the market. In contrast, the market started to return to normal as soon as the government began to announce assistance programmes after three or four days.

There is a wealth of literature on the effects of COVID-19 on numerous industries and sectors, including health, agriculture, industry, trade and commerce, but only a small number of studies have focused specifically on the effects of COVID-19 on developing market stock markets. The economy depends heavily on the stock market. The entire world is slowly coming out from under the impact of COVID-19. The central banks of different countries have started increasing rates, which have almost reached the pre-pandemic level across the globe. In the present context, it becomes very relevant to examine the stock market returns of key sectors for an emerging economy like India. This study attempts to analyse the returns and volatility of six key sectors in India and how the benchmark index, NIFTY 50 was impacted by the performance of these sectors.

OBJECTIVES

The objective of the study includes the following:

- To analyse the stock market performance of major sectors in India.
- To examine the impact of this sectoral performance on the movement of the NIFTY 50 index.
- To identify the significant factors for such performance in different sectors.

RESEARCH METHODOLOGY

To understand the performance of different sectors in India, the following methodology is used:

- *Sample:* The present study is descriptive and analytical. The study attempts to capture the stock market return and volatility of six key sectors in India, namely, IT, banking, auto, FMCG, pharma and consumer durable, which constitute the sample for the study. The

benchmark for the performance of these sectors is the NIFTY index.

- *Key Variable:* The variables that have been considered in the study are:
 - Nifty Bank Index
 - Nifty Auto Index
 - Nifty IT index
 - Nifty FMCG Index
 - Nifty Consumer Durable Index
 - Nifty Pharma Index
 - NIFTY 50
- *Time:* The period of study is from 1st July 2021 to 30th June 2022.
- *Source of Data:* The data on key variables is compiled from the NSE website.

Hypotheses of the Study

- H01: There is no significant difference between the stock market performance of different sectors and NIFTY 50 performance.
- H02: There is no significant effect of the performance of different sectors on the benchmark index, that is, NIFTY 50's performance.

Statistical Tools

The statistical tools that have been used in this study include the arithmetic mean, standard deviation, one-way analysis of variance and multiple regression analysis.

Limitations of the Study

The following are some of the limitations of the study:

- The study considers only the six most significant sectors in India.
- The study takes into account sectoral performance over a one-year period only.
- The rate of change in closing index values is taken as the measure of performance.

Data Analysis and Interpretation

Stock market performance in different sectors can be assessed mainly based on return and volatility. A specific sector is said to be performing better if it yields a significantly higher return and lower volatility. Table 1 gives an idea of both the return and volatility of the sample sectors:

Table 1: Annual Performance of Different Sectors

	Nifty Auto Index	Nifty Bank Index	Nifty Consumer Durable Index	Nifty FMCG Index	Nifty IT Index	Nifty Pharma Index	Nifty 50 Index
MEAN	0.05%	-0.01%	0.01%	0.02%	-0.01%	-0.06%	0.01%
S.D	1.47%	1.36%	1.36%	1.01%	1.50%	1.14%	1.08%
CV	31.008	237.2617	227.3842	48.8519	-289.1131	-18.1611	128.4032
CORRELATION with NIFTY 50	0.76	0.87	0.76	0.73	0.73	0.62	

The above table shows that the auto sector has given an average a daily return of 0.05%, which is the highest among the six sample sectors chosen for the study. The other two sectors, namely, FMCG and consumer durable have given an average daily positive return of 0.02% and 0.01%, respectively. The pharma sector has given the least return during the study period, with a negative annual return of 0.06%. The banking sector and IT sector have also given an average negative return of 0.01%. Based on return, the auto and FMCG sectors have outperformed the benchmark index, that is, NIFTY 50 whereas the pharma sector, banking sector and IT sector have been beaten by the benchmark index. Now, when it comes to volatility, the highest was observed

in the case of the IT sector followed by the auto sector. The least volatility was observed in the case of FMCG sectors. As far as volatility is concerned, all sectors except FMCG were more volatile compared to the benchmark index. For the NIFTY 50 benchmark, the variation in return of the banking sector, consumer durable sector and IT sector is significantly higher. As far as correlation is concerned, it is highly correlated in the case of the banking sector followed by the auto and consumer durable sector for the NIFTY 50.

Now, whether these differences in the average return of these sectors and benchmark index, are significant or not, can be observed with the help of the following one-way ANOVA table:

Table 2: One-Way ANOVA for Average Sectoral Returns

Source of Variation	SS	df	MS	F	F-Critical
Between Groups	0.000175	5	0.0000349	0.200959	2.220161158
Within Groups	0.256655	1476	0.000174		
Total	0.256829	1481			

Interpretation: As the calculated value (0.200959) is lower than the critical value (2.220161158) at a 5% level of significance, the null hypothesis is accepted and hence it can be concluded there is no significant difference found between the stock market performance of different sectors and NIFTY 50 performance. Though the sample data has shown a significant difference in the stock market performance of different sectors selected for the study, these differences are not statistically significant and hence cannot be generalised.

Regression Analysis Results

A regression model is developed to examine the impact of these sectoral performances on the benchmark index. In the model, the return of the NIFTY 50 is taken as a dependent variable, and other sectoral returns are taken as independent variables.

Table 3: Model Summary

Model	Dependent Variable	R-Value	R Square	Adjusted R Square	F Statistics	Significance Level
1	Nifty_50_Index	0.9740	0.9490	0.9480	744.5730	0.0000*

*Model is significant at the 0.05 level (2-tailed).

Independent Variables: Nifty_Auto_Index, Nifty_Bank_Index, Nifty_Consumer_Durable_Index, Nifty_FMCG_Index, Nifty_IT_Index, Nifty_Pharma_Index

The regression model is found to be statistically significant at a 5% level of significance. All dependent variables taken together have a very high positive impact on the dependent variable. Almost 95% of the variation in the NIFTY 50 index

has been explained by all six different sectoral Nifty indexes taken together, as evidenced by the value of the adjusted R square. This shows that the model has excellent explanatory power.

Table 4: Model Coefficients

Model	Dependent Variable	Independent Variables	Unstandardized Coefficients		t-value	Significance Level
			B Nifty Value	Std. Error		
1	Nifty_50_Index	(Constant)	0.0001	0.0002	0.4842	0.6287
		Nifty_Auto_Index	0.0709	0.0176	4.0289	0.0001*
		Nifty_Bank_Index	0.4012	0.0167	23.9956	0.000*
		Nifty_Consumer_Durable_Index	0.0609	0.0195	3.1167	0.0021*
		Nifty_FMCG_Index	0.1711	0.0230	7.4499	0.0000*
		Nifty_IT_Index	0.2339	0.0133	17.5448	0.0000*
		Nifty_Pharma_Index	0.0462	0.0181	2.5580	0.0111*

* Coefficients are significant at the 0.05 level (2-tailed).

All six sectors had a significant positive influence on the performance of the benchmark index. The banking sector has the highest positive influence, followed by the IT and FMCG sectors. The pharma sector had the least positive influence, followed by the consumer durables and auto sectors on the performance of the benchmark index.

FINDINGS

The study captured the stock market performance of six significant sectors in post COVID-19. More precisely, the return and volatility analysis of these sectors were studied over one year. Though some differences were seen in their

one-year performance; one-way ANOVA indicated that these differences are not statistically significant and hence cannot be generalised. Hence, more or less, all these sectors have performed similarly. Further, an attempt was made to study the impact of these sectoral performances over the benchmark index. The regression model developed for this purpose was statistically significant. These sectoral performances have a positive impact on the benchmark index. The banking and IT sector had the most significant impact on the performance of the NIFTY 50.

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