

Average fund managers not data-driven; their biases hurt investors, says Devina Mehra of First Global

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Devina Mehra, the founder and CMD of First Global, wrote on X that average fund managers are not fact or data-driven which impacts their performance.



Devina Mehra, founder, CMD, at First Global.

Pointing out the inconsistency in views of fund managers and market commentators, especially about government stability and its impact on the economy and markets, Devina Mehra, a market veteran and the founder and CMD of First Global, said average fund managers are not fact or data-driven which impacts their performance.

Sharing her views on X (formerly Twitter), Mehra underscored the shift in views of some fund managers and well-known investors aligned with the evolving political dynamics.

"Till a day ago, it was that the incumbent government has to come back with a thumping majority for all good things to happen for the economy and markets. Now, the same people are saying that minority and coalition governments are pretty good for the stock market and even the macroeconomic outlook," Mehra wrote.

"While the last statement is true, the data for what happened in coalition governments, including supposedly unstable ones like those headed by Deve Gowda, IK Gujral, etc., was always in the public domain, so how have they discovered it in 24 hours?" said Mehra.

Mehra further wrote that for most people, it is virtually impossible to ignore their incentives or political biases and look at data objectively.

"Whether blinded by their biases or incentives, these reversals show that your average fund manager is not fact—or data-driven. Eventually, this also shows up in the performance—which hurts you, not them, Mehra wrote.

[Here's what Mehra posted on X](#)

In another post on X a week ago, Mehra said she remains positive about the Indian stock market in the medium term.

However, she pointed out that the market may see volatility in the short term. To mitigate this, she suggested remaining fully invested but buying insurance via hedges to manage potential downsides. As per her, this strategy may incur costs, but it is a prudent measure to avoid significant losses.

She emphasised the importance of staying invested to capture market gains, noting that missing one of the best days each year can drastically reduce overall returns.