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Stocks to Buy | Devina Mehra's Strategy Playbook: What to buy, where to be cautious?



What's On Everyone's Mind?

Market expert Devina Mehra in an interview to ET Now says that the key question right now is: What is Trump going to do next? She emphasizes that it's nearly impossible to predict the economic or market outlook under such unpredictable leadership.

Even before Trump took office, Devina Mehra had cautioned against confident forecasts, noting the level of uncertainty we were stepping into.



Tariffs & Trade – What's the Goal?

According to Devina Mehra, Trump's tariffs are not addressing a clear economic issue. The US was already at full employment, so job protection isn't the goal. She highlights that these tariffs are based on trade deficits rather than actual tariff barriers — like Vietnam being taxed at 47% despite having only a 5% average tariff.



US Economy & the Debt Issue

Devina Mehra explains that concerns around US debt are loosely defined, and current policies are slowing down the economy without any obvious benefit. She notes that inflation expectations had already climbed to 3.5%, and the administration’s moves are only adding instability.



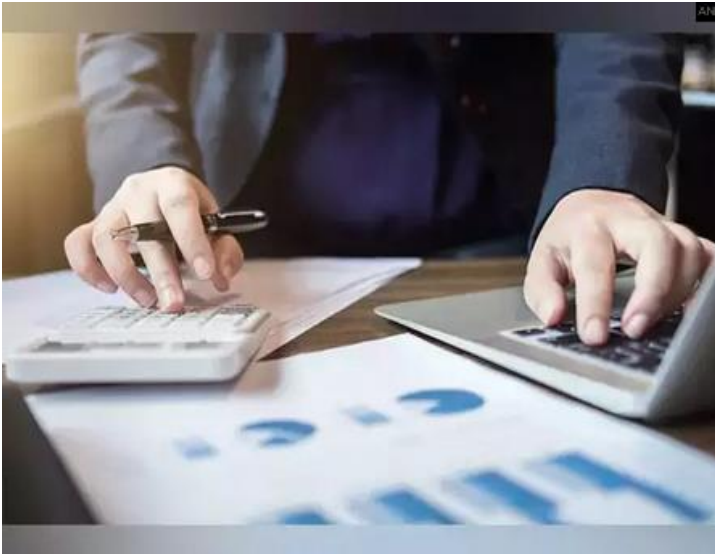
Markets Defy Logic

Devina Mehra reminds us that equity markets don’t always follow logic. She recalls how in early 2020, no one would have predicted a bull market amid a global pandemic. Despite severe revenue hits in multiple industries, markets surged — showing how disconnected sentiment can be from fundamentals.



India’s Market – Big vs Small

Devina Mehra believes that India’s largecap space remains relatively safe, but the small and microcap segments are overheated. She warns that many investors mistakenly assume that stocks that performed well in the current bull run will automatically do well again — a belief that doesn’t always hold.



Portfolio Strategy – What Now?

Devina Mehra advises that if you’ve been waiting for a correction, now is a good time to re-enter the market. However, she cautions against going all-in on equity. Asset allocation should be based on individual goals, and she discourages chasing short-term trends like switching from largecap SIPs to smallcap ones.



Time in the Market Beats Timing the Market

Devina Mehra stresses that staying invested matters more than trying to time the market. Over 40 years, ₹100 could grow to ₹75,000, but if you miss the 10 best trading days, it shrinks to ₹25,000. Miss 30 best days, and you’re down to under ₹7,000 — a massive difference caused by being on the sidelines.



Where the Opportunities Are

Devina Mehra sees potential in sectors like pharma, IT, FMCG, and auto components. She also mentions HPCL benefiting from lower oil prices. However, she warns that metals may suffer due to global tariffs, potentially turning India into a dumping ground for excess production from countries like China.



Think Global, Not Just Local

Devina Mehra advises that portfolio allocation should be guided by long-term goals, risk appetite, and age — not short-term headlines. She emphasizes the importance of global diversification, even during global turmoil, to avoid concentration risk in one geography.



Don't Wait for Clarity

Devina Mehra says markets usually recover before the news turns positive. Waiting for clarity often means missing out on gains. She underscores that investment decisions must be made with incomplete information — that's the nature of markets. The biggest up-moves often occur when fear is at its peak.