

Published Date:	6 Oct 2023	Publication:	The Economic Times [New Delhi]
Journalist:	Bureau	Page No:	12
Circulation:	82,273		

PEAK FESTIVE SEASON TO ALSO BOOST RUN RATE

‘Consumer’ Stocks Likely to be Stars of This World Cup

STRONG QUARTER

Pitch seen to be suited for hotels, media, airlines and food delivery firms

As the 2023 Cricket World Cup hosted by India kicks off, investors are combing through the market to spot stock winners who could be beneficiaries of the country's most popular sport.

Brokerage Jefferies said several consumer-facing businesses could see an uptick in sales as the World Cup coincides with the peak festive season. The firm is positive on hotels, airlines, media, and online food delivery businesses, among others.

Cricket attracts over 85% of all sports-related sponsorship and media spending in India. The brokerage said the last edition in 2019 saw 750 million unique viewers and 14 billion hours of total viewing time.

“As cricket is the most popular sport in India with a significant viewer base, consumption & media activity should be at its best over the next 45 days, already evident in flight/hotel rates,” said Jefferies’ analysts Vivek Maheshwari, Kunal Shah and Jithin John in a note to clients. “While Indians are hoping for a win, investors and brands are also expecting a strong December quarter, coinciding with the festive season — now that’s the home advantage.”

The World Cup also coincides with upcoming festivals over the next couple of months like Navratri, Durga Puja, Dussehra, Karwa Chauth, Dhanteras, and Diwali — considered auspicious periods for various purchases.

Moreover, more than half of India’s matches and almost all with top-ranked teams are scheduled on weekends, said Jefferies.

There are some sectors like movie theatres, theme parks, and offline retailers that could be affected, said the brokerage.

(Compiled by Kairavi Lukka)

Score Card

Cricket World Cup: Beneficiaries & Losers

Sector	Companies	Likely Impact
Food Delivery	◦ Zomato	Positive
Rationale: Sees an impact only during high viewership, not much effect of IPL		
Alcoholic Beverages	◦ United Spirits ◦ United Breweries ◦ Radico Khaitan ◦ Sula Vineyards	Positive
Rationale: United Spirits sees an uplift during cricket matches, as they are social occasions		
Airlines	◦ InterGlobe Aviation	Positive
Rationale: Prices of IndiGo flights to venue destinations rose by 81% within a week of the cricket match		
Gaming	◦ Nazara	Positive
Rationale: Expect continued performance in Sportskeeda due to the World Cup		
Hotels	◦ Indian Hotels ◦ Lemon Tree	Positive
Rationale: Weddings season, the G20, influx of foreign travellers, and the World Cup should lead to demand pick-up		
Media	◦ Zee Ent ◦ HT Media ◦ DB Corp	Positive
Rationale: Increased advertisement spends across categories as companies try to maintain share of voice		
E-Commerce	◦ Nykaa	Slightly Positive
Rationale: Shift from offline buying to online as people stay indoors, annual sales upcoming for lot of e-commerce platforms		
QSR/ Restaurants	◦ Jubilant Food ◦ Westlife ◦ Devyani ◦ Sapphire ◦ Restaurant Brands Asia ◦ Barbeque Nation	Slightly Positive
Rationale: Jubilant and Westlife plan to capitalise on in-stadium sales and food delivery; overall positive expectations		
Apparel retail/ brands	◦ Shoppers Stop ◦ Trent ◦ Aditya Birla Fashion ◦ Page Inds ◦ Reliance Retail	Slight Negative
Rationale: Lesser footfalls in brick and mortar stores as people stay home, online sales might go up		
Jewellery	◦ Titan ◦ Kalyan Jewellers ◦ Senco Gold	Slight Negative
Rationale: Wedding purchases may remain unaffected, lesser non-wedding purchases as people stay indoors		
Theme Parks	◦ Wonderla ◦ Imagicaaworld	Negative
Rationale: Footfalls could see a decline given half of the weekend days have India matches		
Movie Theatres	◦ PVR Inox	Negative
Rationale: PVR in process to sign contract with ICC to screen matches, otherwise lesser footfalls		

Source: Jefferies