



PELICAN PMS

THE MARKET'S WAY

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Cognizance

Monthly Market Outlook and Commentary

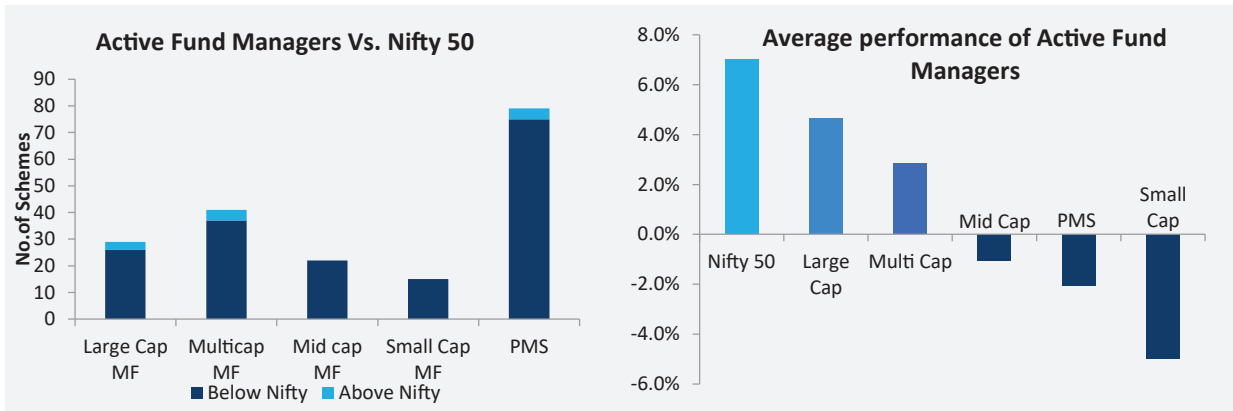
Asset Class	Benchmark	Latest Value	MTD (%)	YTD (%)
Equity				
India	Nifty 50	11474.45	4.09%	5.11%
US	S&P 500	2,976.74	1.72%	18.89%
Europe	Euro Stoxx 50	3,569.45	4.16%	18.93%
Japan	Nikkei 225	21,755.84	5.08%	8.70%
China	Shanghai comp	2,905.19	0.66%	16.49%
Bond				
India	10 yr G-Sec	6.70	0.14	(0.67)
US	10 yr treasury	1.68	0.17	(1.01)
Others				
Bullion	Spot Gold USD/ oz	1,507.58	- 0.84%	17.55%
Currency	USD/INR	70.87	- 0.75%	- 1.55%
Commodity	WTI Crude USD/ bbl	54.07	- 1.87%	19.07%

Market Commentary

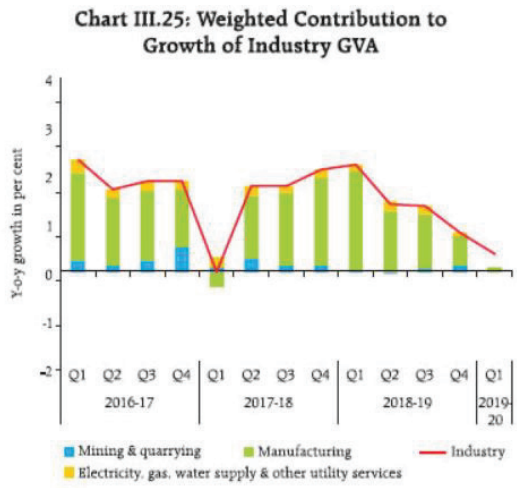
Contrary to the previous couple of months when everything looked gloomy, the finance ministry threw a surprise by reducing the corporate tax rate, leaving the market players positively surprised. The stock market witnessed one of its highest single day move of over 5%. The euphoria however subsided over the next few days as analysts started suggesting that such measures were not enough to boost the demand. Theories surfaced regarding the failure of such measures across the world and why India was no different.

As we await the crucial second quarter results, Nifty PE continues to hover at elevated levels. There is nothing that has suggested a fundamental shift from our view of remaining out of equities.

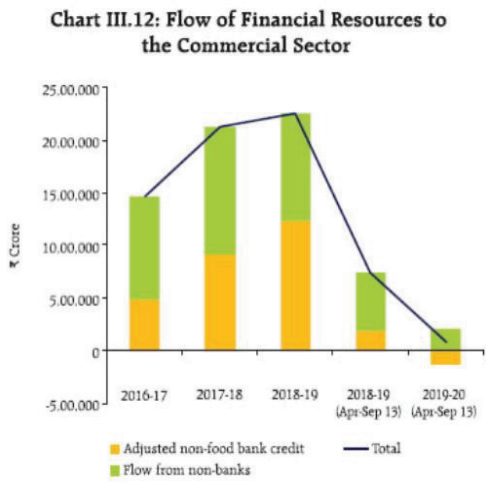
Charts for The Month:



*Data from 26th July 2017- 30 Aug 2019 (Time period from when the Nifty 50 breached 10k mark)



Sources: NSO; and RBI staff estimates.



Source: RBI.

About Pelican

GoCapital Finance Ltd was incorporated in Chennai, India during the year 1996 as a NBFC and a SEBI registered Portfolio Management Service provider. The company was taken over by Pelican Holdings Pvt Ltd in the October 2017. Post the acquisition, the Portfolio Management Service offered by GoCapital Finance Ltd has been re-branded as Pelican PMS.

Our investment strategy marries the concept of Dynamic Meanreversion with our understanding of the Equity Life cycle. We swim with the tide rather than against it. We join the Market leaders instead of trying to guess potential Unicorns. We offer an all seasons product which will move along with the market, perform better than the market, at much lower risk and at lower investment life-cycle cost.

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