



PELICAN PMS

THE MARKET'S WAY

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Cognizance

Monthly Market Outlook and Commentary

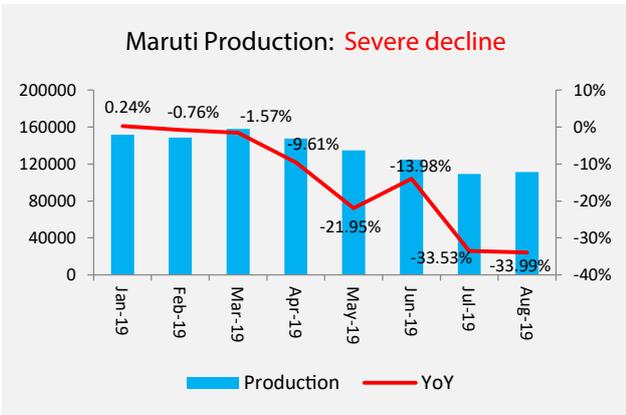
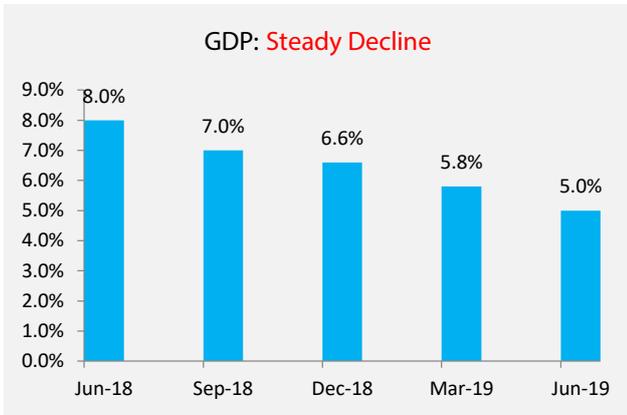
Asset Class	Benchmark	Latest Value	MTD (%)	YTD (%)
Equity				
India	Nifty 50	11023.25	-0.85%	0.97%
US	S&P 500	2926.46	-1.81%	16.88%
Europe	Euro Stoxx 50	3426.76	-1.16%	14.17%
Japan	Nikkei 225	20704.37	-3.80%	3.45%
China	Shanghai comp	2886.24	-1.58%	15.73%
Bond				
India	10 yr G-Sec	6.56%	(0.19) bps	(0.81) bps
US	10 yr treasury	1.51%	(0.53) bps	(1.18) bps
Others				
Bullion	Spot Gold USD/ oz	1520.38	7.28%	18.55%
Currency	USD/INR	71.40	3.36%	-2.29%
Commodity	WTI Crude USD/ bbl	55.10	-4.85%	21.34%

Market Commentary

The broad market continued its decline during the month of August. Nifty fell sharply touching key support levels of 10600 on accentuated global commentary and weak corporate earnings. Consensus amongst central bankers on declining global GDP has translated into lower benchmark rates all over the world. Despite decade low interest rate regime growth has failed to take off. Major sectors such as Banking, Auto, Oil & Gas continue to be in doldrums while IT, FMCG, metals remain flat.

Nifty PE continues to remain elevated at 27X much above the average. The probability of an earnings growth remain weak, hence any decline in the PE would mostly be through price declines. We wait for such an opportunity to enter the equity space in schematic manner. Till then patience is virtue.

Charts for the month



All that glitters: Gold

TVC:GOLD, D 1537.85 ▼ -9.01 (-0.58%) O:1546.79 H:1550.13 L:1535.46 C:1537.85



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 Mean reversion 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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