



PELICAN PMS

THE MARKET'S WAY

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# Cognizance

Monthly Market Outlook and Commentary

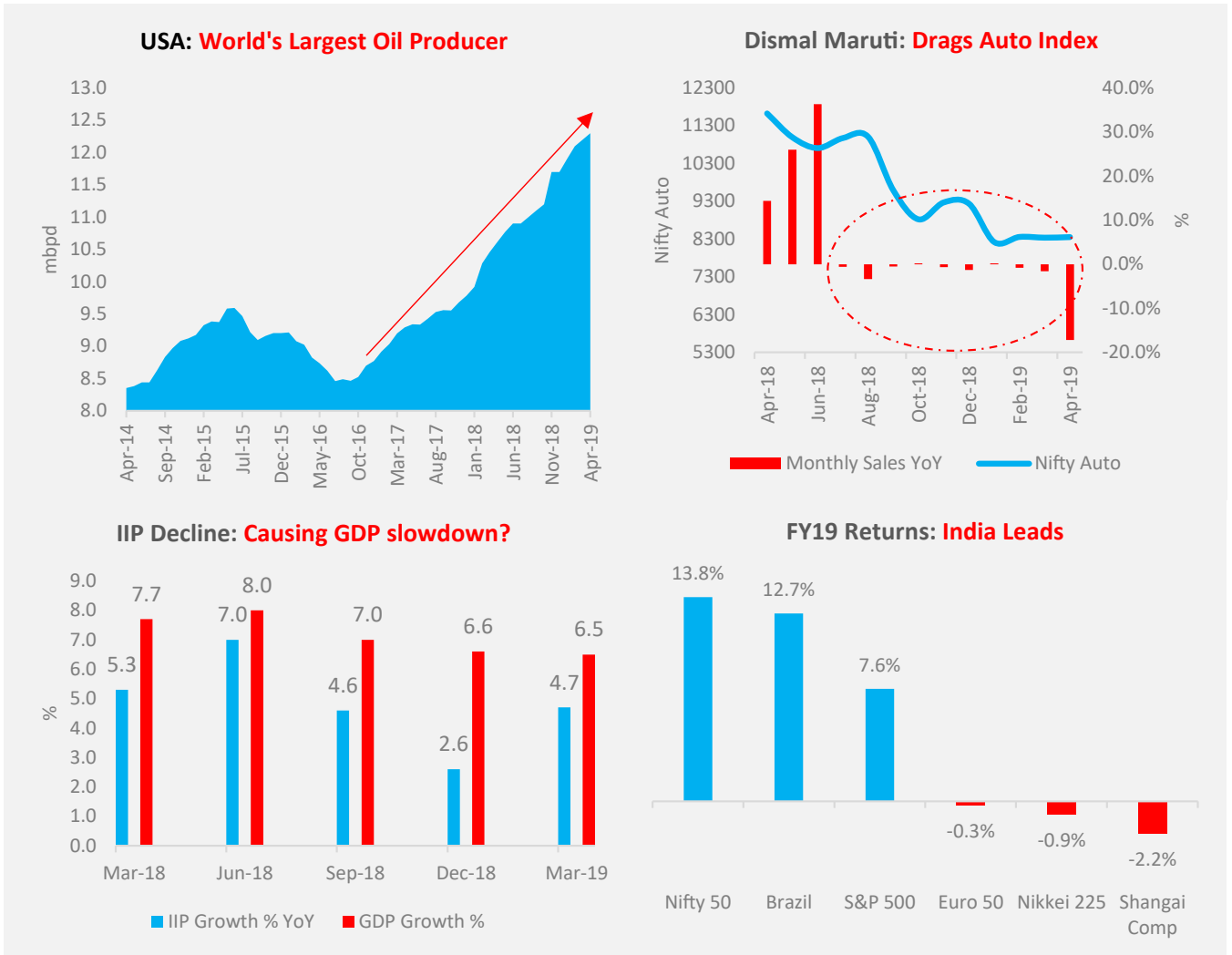
Asset Class	Benchmark	Latest Value	MTD (%)	YTD (%)
<b>Equity</b>				
<b>India</b>	Nifty 50	11748.15	1.07%	7.61%
<b>US</b>	S&P 500	2945.83	3.93%	17.65%
<b>Europe</b>	Euro Stoxx 50	3514.62	4.86%	17.10%
<b>Japan</b>	Nikkei 225	22258.73	4.97%	11.21%
<b>China</b>	Shanghai comp	3078.34	-0.40%	23.43%
<b>Bond</b>				
<b>India</b>	10 yr G-Sec	7.41%	6 bps	4 bps
<b>US</b>	10 yr treasury	2.51%	10 bps	18 bps
<b>Others</b>				
<b>Bullion</b>	Spot Gold USD/ oz	128..53	-0.68%	0.08%
<b>Currency</b>	USD/INR	69.57	-0.59%	0.29%
<b>Commodity</b>	WTI Crude USD/ bbl	63.91	6.27%	40.74%

## Market Commentary

April has always been an exciting month for markets and this time was no different. A combination of festivals, IPL, earnings announcements along with the frenzy of national elections kept investors upbeat. While the broader Nifty index managed to breach its all-time high levels this month, several sectoral indices lagged. Amongst the biggest losers were the Auto sector which over the past six months have continuously faced lower sales numbers. FIIs seem to have come back in full form post the status quo on Fed rates in Feb earlier this year. Foreigners have registered an inflow of over Rs.680bn this calendar year. Crude prices have hit the roof this year with a stupendous rally of over 40%.

At 29x PE, Nifty50 has moved to a historically high valuation. Most of the major sectors are yet to report meaningful earnings growth to substantiate such high levels. We continue to remain on the sidelines and wait for an appropriate opportunity to pare exposure to equities.

Charts for the month



# 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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