



PELICAN PMS

THE MARKET'S WAY

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Cognizance

Monthly Market Outlook and Commentary

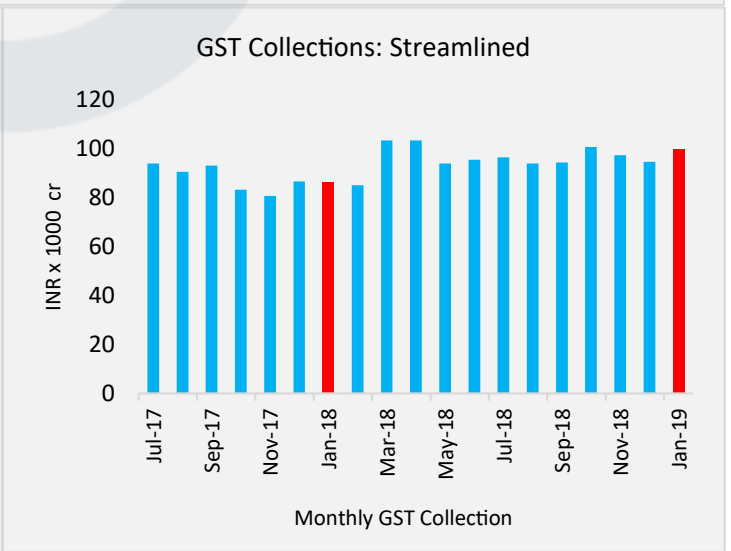
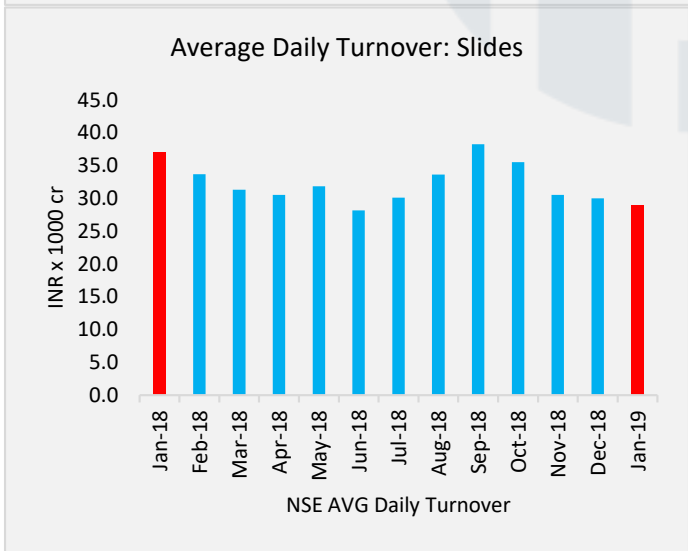
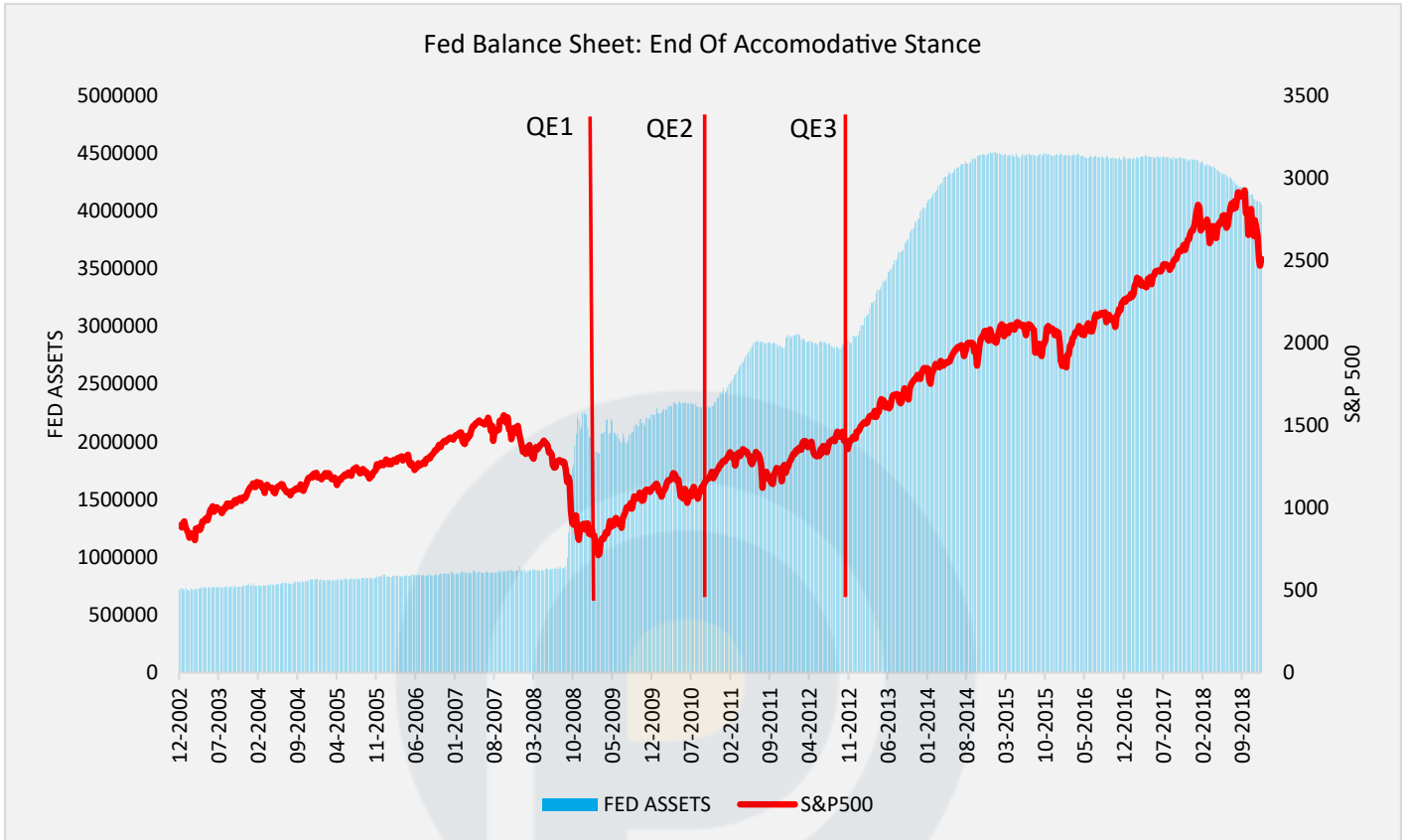
Asset Class	Benchmark	Latest Value	MTD (%)	YTD (%)
Equity				
India	Nifty 50	10830.95	-0.79%	-0.79%
US	S&P 500	2704.10	8.00%	8.00%
Europe	Euro Stoxx 50	3159.43	5.26%	5.26%
Japan	Nikkei 225	20773.49	3.79%	3.79%
China	Shanghai comp	2584.57	3.64%	3.64%
Bond				
India	10 yr G-Sec	7.28%	(0.09) bps	(0.09) bps
US	10 yr treasury	2.64%	(0.05) bps	(0.05) bps
Others				
Bullion	Spot Gold USD/ oz	1321.25	3.02%	3.02%
Currency	USD/INR	71.09	-1.85%	-1.85%
Commodity	WTI Crude USD/ bbl	53.79	18.45%	18.45%

Market Commentary

While the Nifty index remained flat during the month, Global indices witnessed recovery following the December rout. Macro issues surrounding Chinese growth, Brexit, Trade war, US shutdown, Crude prices remained in highlight. Third quarter numbers highlighted the stress in the NBFC sector as most lenders reported subdued numbers. Auto sales have also declined much lower than anticipated. Infra, FMCG, Banking were either in line or lower this time; leaving very few positive surprises. Scandals in large corporates such as Zee, ICICI and DHFL continued to add to the melancholy.

The Nifty index has displayed resilience despite all macro and micro level negatives. It continues to hover around the overvalued zone. As opposition parties pile up against the incumbent, investors will remain nervous until national elections. We continue in safe short-term debt instruments until tangible growth in earnings is evidenced or price declines to reasonable levels which will warrant a buy.

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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