



**PELICAN PMS**  
THE MARKET'S WAY

[www.pelicanpms.com](http://www.pelicanpms.com)



Issue 47, February 2022

# Cognizance

Monthly Market Outlook and Commentary

Asset Class	Benchmark	Latest Value	MTD (%)	YTD (%)
<b>Equity</b>				
India	Nifty 50	16793.90	-3.15%	-3.23%
US	S&P 500	4,373.79	-3.14%	-8.23%
Europe	Euro Stoxx 50	3,924.23	-6.19%	-8.71%
Japan	Nikkei 225	26,526.82	-1.76%	-7.87%
China	Shanghai comp	3,462.31	3.00%	-4.88%
<b>Bond</b>				
India	10 yr G-Sec	6.77	-0.09%	4.96%
US	10 yr treasury	1.822	2.53%	20.66%
<b>Others</b>				
Bullion	Spot Gold USD/ oz	1,908.67	6.24%	4.59%
Currency	USD/INR	75.49	-1.28%	-1.39%
Commodity	WTI Crude USD/ bbl	95.84	8.75%	26.44%

## Market Commentary

With the covid pandemic almost over and just when the world was sighing with relief, Putin decided to attack Ukraine. Investors globally panicked and equity markets witnessed sharp declines across the board. Crude and metals moved higher on the expectation of supply disruption, while flight to safety took gold to near all-time highs. Inflation, which was already running at record levels will most likely spike further on account of the steep increase in basic metals and fuel prices. Central banks are gradually moving away from their accommodative stance and interest rate increases are around the corner.

The linear rise of the market which began post covid has certainly broken for now. Fear induced by the current precarious geopolitical scenario might take out the excess liquidity in equities. As price declines and earnings improve, we are likely to witness the re-emergence of attractive entry points. At current levels we are investing 50% of all the fresh funds.

**Update on portfolio companies:**

1. **HDFC Bank:** HDFC Bank under its ESG commitment associated with Indore Clean Energy Private Limited (ICEPL) for development of 550 tonnes/day of Municipal Solid Waste (MSW) to Compressed Biogas (CBG) plant - the largest Bio-CNG plant in Asia. Indore Clean Energy Pvt Ltd (ICEPL) is promoted by Green Growth Equity Fund (GGEF), which is the largest climate impact fund in India with anchor investors like NIIF & Government of UK.
2. **L&T:** The Hydrocarbon business of L&T, has secured two offshore projects from a prestigious overseas client. The scope of work comprises Engineering, Procurement, Construction, Installation and Commissioning for the expansion of a marine terminal and replacement of electrical switchgear and protection equipment at existing facilities. The Construction arm of Larsen & Toubro has secured an order from the Bangladesh Hi-Tech Park Authority to construct Hi-Tech IT Parks at 8 locations (2 packages at 4 locations each) across Bangladesh. This project is being funded by the Indian EXIM Bank and is the first IT& Office Space order that L&T has secured in Bangladesh.
3. **Reliance Industries:** Reliance Jio Infocomm Ltd. (Jio), will land the next generation multi-terabit India-Asia-Xpress (IAX) undersea cable system in Hulhumale, Maldives. The high capacity and high-speed IAX system will connect Hulhumale' directly with World's major internet hubs in India and Singapore. These high capacity and high-speed systems will provide more than 200Tb/s of capacity at speeds of 100Gb/s, over 16,000 kilometers. IAX is expected to be ready for service end-2023, while India Europe-Xpress (IEX) will be ready for service in mid-2024. IEX and IAX together will be one of the most important developments in telecommunications infrastructure in this decade, linking India, Europe to Southeast Asia, and now the Maldives.

Jio Platforms Limited and SES, a leading global satellite-based content connectivity solutions provider, announced the formation of a joint venture – Jio Space Technology Limited – to deliver the next generation scalable and affordable broadband services in India leveraging satellite technology.

Jio also invested \$200mn in Glance, a leading AI-driven lock-screen platform, and US\$ 15 million in Two Platforms Inc. ("TWO"), a Silicon Valley based deep tech startup founded by Pranav Mistry, for a 25% equity stake on a fully diluted basis.

4. **Maruti:** Maruti Suzuki India Limited announced its partnership with Quiklyz by Mahindra Finance for its Subscribe program. Quiklyz will offer a white plate subscription for the Maruti Suzuki range of vehicles.

Maruti Suzuki also announced the launch of the New WagonR in an all new avatar. The New WagonR is powered by the Advanced K-series Dual Jet, Dual VVT Engines with Idle Start Stop Technology and comes in 1.0L and 1.2L Powertrain options.

5. **Reliance Industries:** Hero Motocorp creates a new role of Chief Growth Officer to leverage emerging opportunities in post-covid world. It has created a new position, titled Chief Growth Officer, integrating the Marketing, Sales and After-Sales functions.

# About Pelican

Pelican Holdings Pvt Ltd. (PHPL) was established in the year 2003 as part of the multi-faceted Pelican Group which has interests across Capital markets and Corporate advisory. For nearly two decades the Pelican Group and its Partners have served as successful advisors to clients investing across various asset classes.

Pelican PMS Portfolio Management strategy is developed based on the strong understanding of trends and solid backing of temperament. The robust process aims to reduce the component of subjectivity and minimizes the conventional errors committed by investors, while at the same time offering significantly higher risk adjusted returns.

## Reach Us:

**Pelican Holdings Pvt Ltd**

New No: 31, Old No: 15, T-2, 3rd Floor,  
Rajamannar Street, T.Nagar,  
Chennai – 600 017

**SEBI Reg no:**

**INP000006891**

 [reachus@pelicanpms.com](mailto:reachus@pelicanpms.com)

 +91 94983 03030

 +91-44-48570806

 @pmspelican

 pelicanpms

 pmspelican

## **Disclaimer:**

*This report has been prepared by Pelican Holdings Pvt Ltd as a note for internal circulation of the clients of Pelican PMS only. The recommendations, if any, made herein are expression of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale of any security, derivatives or any other security. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by PHPL to be reliable. PHPL or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views or hold out to update the same. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of PHPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information / opinions / views contained in this report. PHPL its employees, directors, affiliates may or may not have holdings or their direction of trade maybe in line with or against the recommendations mentioned in this report.*