

Waiting For Triggers

The month of January was lackluster, except for the craziness in bullion. The good news of the EU trade deal came in by the end of the month. The markets seem to be waiting for a trigger to find direction, budget being scheduled for end month. While the consensus commentary seems to be that the budget is not so important, the eyeballs dedicated to the event and the newsprint the day after point to the obvious.

While we remain strong votaries of the “reforms throughout the year” camp, the importance of this once in a year exercise cannot be taken for granted.

Given the global challenges, this year’s budget itself was pretty good, but the presentation of the same left much to be desired. The highlight for us was the increased outlay for railways and defence, but that found no mention in the speech. No wonder the market participants went (coco)nuts, with the STT increase pouring additional cold water on the already damp sentiments.

The government has done well to maintain continuity and pass on the baton to the private sector and market participants to step up and grab the opportunity that the global situation now provides.

The only feedback we have is for the government to adopt a zero-based budgeting and critically review the allocations to ministries every year. Last year’s base should not be the starting point for next year’s planning. Resources should be allocated to the areas that need them the most.

Stock

As **Bharat Petroleum Corporation Limited** marks its 50th year, the company finds itself at a juncture where robust fundamentals align with attractive valuations.

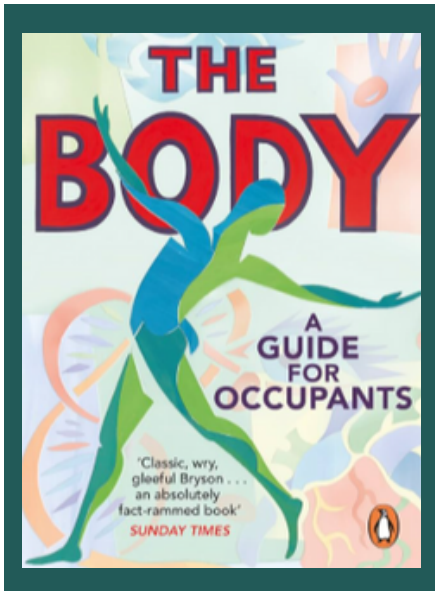
BPCL has established itself as India's 2nd-largest PSU oil marketing company, holding over a quarter of the public sector OMC market share.

What distinguishes BPCL is its rare combination of value and income. Trading at around 7 times earnings, well below its industry peers, the company offers a significant margin of safety. Beyond valuation, BPCL leads the sector in shareholder returns, maintaining a consistent dividend distribution ratio above 35%.

The anticipated tailwinds from softening crude oil prices should directly enhance BPCL's refining margins and profitability and the recently approved coal gasification joint venture with Coal India adds another optionality, signaling diversification beyond traditional operations.

BPCL presents investors with an attractive proposition in our view—combining reasonable valuation, steady income generation and participation in India's growing energy story. Optionality from the proposed divestment can also lead to multiples expansion.

Book



Have you ever stopped to consider the remarkable machine we inhabit every single day?

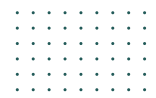
The Body: A Guide for Occupants takes us on a fascinating journey through the marvels of human anatomy—demystifying how our bodies function, heal and sometimes falter in the most unexpected ways.

It's an exploration of the extraordinary processes happening inside us at each passing moment, often without us even knowing about them.

This book reminds us that we are both intimately familiar with our bodies and profoundly ignorant of how it actually works. It's a humbling reminder that the greatest mystery isn't out there in the cosmos—it's right here, within us.



Movie



Watch the highs and lows of the life of Nikola Tesla—the brilliant maverick with over 700 patents whose genius illuminated civilization yet left him forgotten in shadows.

Witness Tesla's battle against Edison and his struggle for recognition. Dismissed as a dreamer, he gave us the alternating current and wireless energy that power our modern world. His statue at the Niagara Falls demonstrate how he tamed the power of nature more than 130 years ago.

From the vantage point of JP Morgan, this movie is about the work that consumes you and the possibilities that open up when funding backs the right people. Watch it on Prime Video.

