



WEEKLY MARKET SNAPSHOT



Weekly
Review



Market
Fundamental
Technical



Thought on
the week



week
Ahead

The Week in Review:

- ✓ NEPSE Index continued its down trend, closing at 1882.60 on last trading day and losing 34.68 point (1.81%) in the week.
- ✓ Sensitive, Float, and Sensitive Float Index all fell by 1.5%, 2.94%, and 1.9% respectively.
- ✓ Compared to last review week, on average Turnover, Volumes, and Transactions fell significantly by 29.36%, 26.75%, and 10.21% respectively in this review week. Further, Market Cap eroded 2.14%.
- ✓ Except Hydro, Other Sub-Indices, rest all Sub-Indices plunged; Banking losing the most.
- ✓ Stocks like RIDI, HDHPC, NGPL remained the hot stocks in the week.

Market Fundamental Chart Board

Index Measure	15.12.22	07.12.22	% Change	Avg. value
NEPSE	1882.6	1917.28	-1.81%	1,893.40
Sensitive	368.04	373.64	-1.50%	369.97
Float	132.08	136.08	-2.94%	133.03
Sensitive Float	120.96	123.3	-1.90%	121.72
Turnover (Mill)	1,192.62	1,654.66	-27.92%	1,033.40
Shares Volumes (Mill)	4.80	8.09	-40.63%	3.39
Total Transactions	22,374	20,031	11.70%	20,601.60
Total Scrips Traded	254	246	3.25%	249.20
Market Cap (Rs. Mill)	2,721,112.2	2,761,006	-1.44%	2,730,643.5
Float Market Cap (Rs. Mill)	1,154,151.5	1,186,456	-2.72%	1,160,913.9

NEPSE Statistics	
Average Return	16.38%
Std. Deviation	25.42%
10 day 10% VaR	-6.64%

Note: Data taken 01/01/20 - 15/12/22.
Assumed annual 225 trading days.

Market Valuation	
Market Cap / GDP Ratio	56.09%
Conclusion: Undervalued	

Sub-Indices Measures	Weekly % Change	Median Price	P/E	Median ROE	Beta
Banking	-3.93%	218.70	11.81	12.49%	0.86
Development Bank	-0.94%	302.70	28.74	5.23%	1.18
Finance	-1.67%	301.00	55.43	2.05%	1.11
Microfinance	-1.40%	881.50	47.01	5.40%	1.01
Life Insurance	-1.59%	508.55	29.81	9.25%	1.05
Non-Life Insurance	-1.17%	414.00	30.97	11.93%	1.14
Hydropower	0.31%	241.00	13.21	4.77%	1.29
Hotels	-0.11%	412.00	93.40	4.35%	1.00
Mfg. & Processing	-0.99%	8,382.50	16.78	32.49%	0.93
Investment	-1.52%	481.50	33.38	4.18%	1.23
Trading	-1.55%	3,414.50	-	-	0.88
Others	2.18%	791.65	67.96	6.58%	1.15
Mutual Fund	-0.67%	7.97	-	-	-

Market Top 3	
Gainers	DLBS, KLBS, ADLB
Losers	NADEP, AIL, MEGA
Stocks Traded	NCCBPO, KBLPO, SHIVM
Transactions	NABIL, SHIVM, CYCL
Turnover	NABIL, SHIVM, NCCBPO
Buyer Broker	58,49,45
Seller Broker	4,58,28

Dividend Announced during the week

Company	Bonus	Cash
NABIL	18.50%	11.50%
NBL	2.00%	10.00%
PCBL	4.00%	4.95%
SHIVM	-	10.53%
SICL	16.00%	-
HIDCL	5.00%	-
GLBSL	4.00%	-
SIFC	2.40%	5.20%
MHL	-	5.00%
BHDC	-	8.25%

Key Events of the Week:

- NRB published its 'Current Macroeconomic and Financial Situation of Nepal' based on 4 months data ending Mid-November 2022/23.
- NEPSE instructed the listed companies to halt the trading of shares (including shares of subsidiaries) held by Directors, C-suite officers, Company Secretary, Auditors etc. while at position or till one year after retiring from such position.
- NRB capped the average interest rate differential between "A" and "B" & "C" Class BFIs at 4.2% and 4.8% respectively, effective from Chaitra 2079. From Ashad 2080, these rates are further put down to 4% and 4.6% respectively.
- NRB auctioned 3 year "2082 Chha" Development Bond of Rs. 200 crores; issue fully subscribed at 10% cut off rate.
- Nepal Bankers Association (NBA) 36th AGM kept the interest rate unaltered.
- SEBON likely to take action for possible insider and unethical trading by Gyanendra Lal Pradhan and Guruprasad Neupane in NHDL and RIDI Stocks respectively.
- KBL's SGM endorsed the merger resolution with NCCB at 1:1 swap ratio.
- VLBS and NSLB inked Merger Agreement.

Weekly Market Snapshot

Review Period: 11th Dec. – 17th Dec. 2022

Publication date: 18th Dec. 2022



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Market Technical Chart Board



- Momentum Indicators hint the continuation of downtrend while we expect small reversal at later days of the week.

Thought of the Week:

Despite the positive and improving macroeconomic variable produced by the NRB latest CME report and Governor himself trying to convince the revamping economy, the stock market still kept plunging. NBA's decision to keep interest rate for Poush unchanged, potential liquidity stress after Poush, poor dividend declarations by companies could be some reason for lack of excitement in market. Despite all these factors, market could likely get pulled up in the Poush month if the historical trend are to persist again.

The Week Ahead:

- Barahi Hydropower to conclude the IPO Allotment on Sunday, 3rd Poush.
- NIBL Ace Capital to issue Rs. 1.6 billion size 'NIBL Growth Fund' of 10 year maturity on 7th Poush.
- Shuvam Power Ltd. to issue 58,058 units IPO to Migrant Workers from 6th Poush.
- SANIMA 18th AGM with 10% Bonus Proposal to be held on 3rd Poush.
- NIB and MEGA AGM on 7th Poush; Proposal - 1:0.90 M&A agreement.
- MEN 9th AGM on 8th Poush; 10.53% Cash dividend

Global Stock Market Outlook:

Key Global Indices	16.12.22	Weekly change
SENSEX	61,337.81	-1.36%
S&P 500	3,852.36	-2.08%
NASDAQ	10,705.41	-2.72%
SHANGHAI	3,167.86	-1.22%
NIKKEI	27,527.12	-1.34%

Technical Indicator	Value
RSI	40.33
MACD line	-5.33
Signal line	-7.55
Bollinger Upper Band	1978.09
Bollinger Middle Band	1926.60
Bollinger Lower Band	1875.10

Mutual Fund Investment Status

Total Fund Size (Rs. Bill)	35.08
% Equity Invested	52.53%
% Cash Holding	27.92%
Key Sector Invested	CB, MFI, NLI
Key Scrip Invested	NICA, NABIL

Note: As per latest NAV report

CB: Commercial Bank

Investment Climate (y-o-y)

Inflation (CPI)	8.08%
Import	- 18.10%
Export	- 33.30%
BoP	Rs. 20.03 bill
Trade deficit	Rs. 477.92 bill
Remittance	+ 20.4%
FX Reserve (4 mnth)	+ 1%
Govt. Revenue	- 19.8%
Govt. Expenditure	+ 22.1%

Note: As per latest NRB data (Mid.Nov 2022)

Liquidity Indicator

Total BFIs Deposit	Rs. 5,228 bill
Total BFIs Lending	Rs. 4,758 bill
CD Ratio	86.15%
Wt. Avg. Interbank Rate	6.97%
91 Days T-Bill Rate	10.44%
CB Base Rate	10.6%
Broad Money (M2)	+ 6.4%

Note: As per latest NRB data (13/12/2022)

Disclaimers: This WEEKLY MARKET SNAPSHOT is solely prepared with the objective to provide insight about the market performance and status to the interested market participants and not for any investment advise or recommendation. Should the investors choose to act based on this report, it shall be entirely at their own risk and Garima Capital Ltd. shall not be liable, for any loss or damages incurred thereby.