

The Week in Review:

- ✓ NEPSE Index closed at 1917.28 on 7th Dec. It closed Red in each of the 4 trading session, losing overall 2.34% during the week.
- ✓ Sensitive Index, Transaction size, and Market Cap dropped 2.91%, 23.4%, and 2.34% respectively.
- ✓ However, Turnover amount and Share volumes increased by 5.95%, and 119% respectively.
- ✓ All Sub-Indices fell, Manufacturing, Finance, & Dev. Banks among top losers.
- ✓ Stocks like RIDI, HDHPC, NESDO remained the hot stocks over the week.
- ✓ Stocks like SBCF, NCCB, HDHPC remained most bought stocks while MEGA, NABIL, NIB topped sell list of Brokers.

Market Fundamental Chart Board

Index Measure	07.12.22	04.12.22	% Change	Avg. value	NEPSE Statistics	
NEPSE	1917.28	1963.22	-2.34%	1,938.29	Average Return	17.14%
Sensitive	373.64	384.84	-2.91%	379.05	Standard	
Float	136.08	138.95	-2.07%	137.46	Deviation	25.49%
Sensitive Float	123.3	127.26	-3.11%	125.21	10 day 10% VaR	-6.64%
Turnover (Mill)	1,654.66	1561.703	5.95%	1,463.01	<i>Note: Data taken 01/01/20 – 07/12/22.</i>	
Shares Volumes (Mill)	8.09	3.69	119.07%	5.00	<i>Assumed annual 225 trading days.</i>	
Total Transactions	20,031	26150	-23.40%	22,944.00	Market Valuation	
Total Scrips Traded	246	243	1.23%	242.00	Market Cap / GDP Ratio	56.91%
Market Cap (Rs. Mill)	27,61,006	2827150.6	-2.34%	27,90,467.26	<i>Conclusion: Undervalued</i>	
Float Market Cap (Rs. Mill)	11,86,456	1210785.8	-2.01%	11,97,892.73		

Sub-Indices Measures	Weekly % Change	Median Price	P/E	ROE	Beta
Banking	-2.37%	226.90	12.11	12.49%	0.86
Development Bank	-3.10%	305.50	29.09	5.23%	1.18
Finance	-3.60%	309.00	57.65	2.05%	1.11
Microfinance	-1.27%	895.00	44.04	5.38%	1.01
Life Insurance	-2.32%	562.20	35.63	8.69%	1.15
Non-Life Insurance	-2.02%	419.00	31.33	11.93%	1.14
Hydropower	-2.75%	247.20	13.18	4.97%	1.30
Hotels and Tourism	-1.40%	417.00	94.60	4.35%	1.00
Mfg. & Processing	-4.11%	8194.05	17.25	32.49%	0.93
Investment	-2.23%	490.40	33.98	4.18%	1.23
Trading	-2.70%	3,440.00	-	-	0.88
Others	-2.04%	778.35	68.31	6.58%	1.15
Mutual Fund	-1.18%	8.03	-	-	-

Market Top 3

Gainers	DLBS, KLBS, KDBY
	SANIMA, NADEP,
Losers	SHIVM
Stocks by Shares Traded	SNMAPO,SHIVM,RIDI
Stocks by Transactions	SHIVM,RIDI,NABIL
Stocks by Turnover	SNMAPO,SHIVM,RIDI
Buyer Broker	49,58,28
Seller Broker	4,58,28

Dividend Announced during the week

Company	Bonus	Cash
SKBBL	26%	-
RMDC	26.00%	-
MDB	12.35%	
NLIC	-	15.78%
NIL	15.00%	-
NRN	-	5.26%
NLG	10.00%	-
PPCL	-	7%
CHCL	7.50%	7.50%
SBL	12.50%	-
NMB	-	8.25%

Key Events in Bulletin:

- Government axed import ban on cars, cell-phones, alcohol, and motorcycle.
- NRB waived the 100% cash margin requirement on import of marble tiles.
- Barahi Hydropower Public Ltd. floated 554,000 units IPO to Public, Issue open till 26th Mangsir.
- Rs. 1.20 billion size Sunrise Focused Equity Fund of Sunrise Capital approved by SEBON.
- Rs. 1.60 billion size NIBL Growth Fund of NIBL Ace Capital approved by SEBON.
- World Bank forecast Nepal's Remittance to hit USD 8.5 Billion in 2022.

Thought of the Week:

Relaxation of Import restriction has most likely shifted down the Investor sentiment, resulting 46 point fall in Index. Banks are once again expected to struggle in maintaining the CD ratio, while liquidity issue are again to be discussed. Any interest rate intervention by the government will further put stress to the banks, despite the recent 40 basis point reduction in interest rate spread by the NRB. Technically, the market do look to head downward over the week, and no big fundamental support to twist the outlook.

Market Technical Chart Board



Technical Indicator	Value
RSI	46.94
MACD line	8.52
Signal line	10.36
Bollinger Upper Band	1978.91
Bollinger Middle Band	1930.99
Bollinger Lower Band	1883.07

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)	8.50%
Import	- 16.20%
Export	- 35.70%
BoP	+ 12.40%
Remittance	+ 16.8%
FX Reserve	- 13.7%
Broad Money (M2)	+ 5.3%
Govt. Revenue	- 18.2%
Govt. Expenditure	+ 18.60%

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

Liquidity Indicator

Total BFIs Deposit	Rs. 5,214 bill
Total BFIs Lending	Rs. 4,760 bill
CD Ratio	86.41%
SLF	Rs. 2677.54 bill
Wt. Avg. Interbank	
Interest Rate	8.00%
91 Days T-Bill Rate	10.8%
CB Base Rate	10.34%

Note: As per latest NRB data
(08/12/2022)

➤ Indicator like MACD, Bollinger Band, (and even RSI) indicates potential downward continuation.

The Week Ahead:

- SCB to held its 36th AGM on Sunday, 25th Mangsir; proposal: 16.51% Cash dividend.
- EBL to held its 28th AGM on Monday, 26th Mangsir; proposal: 10.526% Cash dividend.
- UMRH to held its 13th AGM on Wednesday, 28th Mangsir; proposal: 13% Bonus and 7.68% Cash dividend.
- Asian Hydropower Ltd. to issue 340,000 units and 84,000 units IPO to Locals of Illam District and Migrant workers respectively from 27th Mangsir.
- NIFRA to issue 50,00,000 units of “7% NIFRA Urja Rinpatra 2085/86” from 29th Mangsir.

Global Stock Market Outlook:

Key Global Indices	Index	Weekly change
SENSEX	62,181.67	-1.09%
S&P 500	3,934.38	-3.37%
NASDAQ	11,004.62	-3.39%
SHANGHAI	3,206.95	1.61%
NIKKEI	27,901.01	0.44%

Watchful Events: US CPI Report for November will be released on 13th Dec. The report will hint the Fed next Interest Rate Decision which will take place on 14th Dec. It's expected a 50 basis point increase in Interest Rate by Fed.

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