



WEEKLY MARKET SNAPSHOT



NEPSE Performance

NEPSE continues to decline...



Sub-Indices Performance

Finance, Hydro, Dev. Banks among top losers...



Watchful Event

Political affairs...



Week Ahead

Anticipate minor upward correction...

Weekly Market Snapshot

Review Period: 18th Dec. –24th Dec. 2022

Publication date: 25th Dec. 2022



गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED

(A Merchant Banker Licensed by SEBON)

The Week in Review:

- ✓ NEPSE Index further down trended, closing at 1867.21 on last trading day, losing 15.39 point (0.82%) in the week.
- ✓ Sensitive, Float, and Sensitive Float Index all fell by 0.26%, 0.77%, and 0.97% respectively.
- ✓ Compared to last review week, on average Turnover, and Volumes fell meagrely by 4.05%, 0.19%, while transaction size increased by 20.41%. On average Market Cap eroded by 1.29% in the week.
- ✓ Except Other Sub-Indices, rest all Sub-Indices plunged; Finance, Hydropower, Dev. Banks losing the most.
- ✓ Stocks like CYCL, RIDI, HDHPC remained the hot stocks in the week.

Market Fundamental Chart Board

Index Measure	22.12.22	15.12.22	% Change	Week Avg. value
NEPSE	1,867.21	1882.60	-0.82%	1,864.31
Sensitive	367.07	368.04	-0.26%	365.17
Float	131.06	132.08	-0.77%	130.84
Sensitive Float	119.79	120.96	-0.97%	119.73
Turnover (Million)	1,119.80	1,192.62	-6.11%	991.54
Shares Volumes	3,111,833	4,804,279	-35.23%	3,010,494.80
Total Transactions	23,054	22,374	3.04%	24,807.40
Total Scrips Traded	247	254	-2.76%	251.40
Market Cap (Rs. Million)	2,700,026.06	2,721,112	-0.77%	2,695,337.75
Float Market Cap (Rs. Million)	1,156,927.98	1,154,152	0.24%	1,155,082.89

NEPSE Statistics

Average Return	15.97%
Std. Deviation	25.34%

Note: Data taken 01/01/20 - 22/12/22.

Assumed annual 225 trading days.

Market Valuation

Market Cap / GDP Ratio	55.65%
------------------------	--------

Conclusion: Undervalued

Market Top 3

Gainers	DLBS, SHLB, KLBS
Losers	PHCL, RURU, FOWAD
Stocks Traded	PCBL, HDHPC, CBL
Transactions	PHCL, EHPL, NABIL
Turnover	NTC, NABIL, HDL
Buyer Broker	58, 33, 44
Seller Broker	58, 33, 44

Sub-Indices Measures	Weekly %	Price (Rs.)	Median		
	Change		P/E	ROE	Beta
Banking	-0.66%	213.00	11.98	12.49%	0.86
Development Bank	-2.40%	297.00	33.30	5.23%	1.18
Finance	-4.31%	294.00	74.18	2.05%	1.11
Microfinance	-1.41%	894.25	46.47	5.40%	1.00
Life Insurance	-0.02%	501.00	35.10	8.69%	1.15
Non-Life Insurance	-0.91%	419.00	30.88	11.93%	1.14
Hydropower	-2.58%	233.00	17.96	4.77%	1.29
Hotels	-1.01%	408.50	92.61	4.35%	0.95
Mfg. & Processing	-0.82%	8,371.00	16.07	32.49%	0.93
Investment	-1.15%	475.50	32.88	4.18%	1.23
Trading	-1.25%	3,320.00	-	-	0.88
Others	2.65%	806.60	66.74	6.58%	1.15
Mutual Fund	-0.68%	7.74	-	-	-

Weekly Market Snapshot

Review Period: 18th Dec. –24th Dec. 2022

Publication date: 25th Dec. 2022



गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED

(A Merchant Banker Licensed by SEBON)

Key Events of the Week:

- Joint transaction of SLICL and JLI in the name of SuryaJyoti Life Insurance began from 7th Poush.
- JLI shareholding structure changed to 51:49 after 45,98,000 promoter shares converted to ordinary share.
- NIBL Ace Capital floated Rs.1.6 billion size ‘NIBL Growth Fund’; issue to open till 12th Poush.
- PM Mr. Sher Bahadur Deuba elected as Nepali Congress Parliamentary Party leader.
- Shuvam Power Ltd. issued 58,058 units IPO to Migrant Workers; issue to open till 20th Poush.
- MMFDB issued a notice with a resolution to change its share capital structure from 70:30 to 51:49.
- SEBON approved Rs.2.4 billion size “10.3% Standard Chartered Bank Nepal Ltd. Rinpatra” of SCB.

Dividend Announced during the week

Company	Bonus	Cash
NTC	-	40.00%
BPCL	5.00%	7.50%
SIL	9.00%	-
CYCL	30.00%	-
SDLBSL	19.00%	-
HBL	8.00%	11.11%
CBL	5.00%	-
MNBBL	13.50%	-
MLBL	4.00%	6.47%
FOWAD	25.00%	5.00%
MERO	10.00%	10.00%
NLBBL	22.00%	-
MMFDB	23.00%	-
SIC	12.50%	-
PFL	4.00%	-
CFCL	-	5.00%
RADHI	4.75%	-
KPCL	15.00%	-

Market Technical Chart Board



Technical Indicator

Value

RSI	39.58
MACD line	-15.06
Signal line	-8.33
Bollinger Upper Band	1987.44
Bollinger Middle Band	1912.79
Bollinger Lower Band	1838.13

Technical Overview:

Market is trading on lower band of Bollinger; RSI is closing gap to the reading of 30; both indicating potential pullup in the week. Else, MACD still shows down momentum but convergence could be expected. So, we expect the market to find up correction in the coming week. Our Support level are 1840, 1810 while Resistance could be 1900.

Weekly Market Snapshot

Review Period: 18th Dec. –24th Dec. 2022

Publication date: 25th Dec. 2022



गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED

(A Merchant Banker Licensed by SEBON)

Thought of/for the Week:

We expected certain upward correction in the review week, however market still plunged but volatilities remain comparatively low. The dividend season hasn't brought any charm in market. Despite the (little) improvement in liquidity, banks interbank rate hasn't been shrinking, which alert to maintain cautiousness before investing. Market will trade 4 days in coming week due to Christmas holiday. Political speculation and changes will likely put up volatilities in the market. More dividend proposal will be made. Technically, momentum is down but we anticipate some upward correction to a level of 1890-1910.

The Week Ahead:

- Share Marekt close on Sunday, 10th of Poush, owing to Christmas day.
- Major political affair for the post of President, PM, FM, etc. will be watchful events in the week as major Political parties will be busy with cabinet meeting for formation of new Government.
- PRVU and CCBL AGM on 14th Poush; PRVU to acquire CCBL at 1:1 swap ratio; Bonus Proposal – PRVU: 6.5%, CCBL:4.75%.
- TPC (Terhathum Power Co.) 5th AGM on 10th Poush.

Fundamental and Technical Stock Screen (BFIs Sector)

Pricing	Ticker	LTP (Rs.)	Fair Price (Rs.)	% Prem./ (Disc.)	RSI	Remarks
Under	GBIME	198.50	236.00	(16.00%)	14.61	M&A process with BOKL at 1:1 swap
	NIB	212.90	283.00	(25.00%)	11.31	M&A process with MEGA at 1:0.9 swap
	NCCB	176.70	240.00	(26.33%)	40.81	M&A process with KBL at 1:1 swap
Over	HBL	329.90	255.00	30.00%	53.78	M&A process with CBL at 1:0.8028 swap
	SINDU	251.00	156.00	61.00%	43.11	No dividend proposal for FY 2078/79
	MPFL	290.00	158.00	83.47%	37.54	No dividend proposal for FY 2078/79
Fairly	MEGA	187.00	185.00	0.81%	29.92	M&A process with NIB at 0.9:1 swap
	NMB	233.00	238.00	(2.32%)	43.86	AGM on 25 th Poush; 8.25% Cash Dividend
	BOKL	197.00	195.00	1.24%	40.56	M&A process with GBIME at 1:1 swap

Note: Fair Price derived is the average of Pricing as per P/E, P/B, Graham Number, and 180 days average price.

Liquidity Indicator

Total BFIs Deposit	Rs. 5,260 bill
Total BFIs Lending	Rs. 4,759 bill
CD Ratio	85.87%
Wt. Avg. Interbank Rate	7.89%
91 Days T-Bill Rate	10.70%
CB Base Rate	10.6%
Broad Money (M2)	+ 6.4%

Note: As per latest NRB data (20/12/2022)

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 month)	+ 1%
Govt. Revenue	- 19.8%
Govt. Expenditure	+ 22.1%

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

Weekly Market Snapshot

Review Period: 18th Dec. –24th Dec. 2022

Publication date: 25th Dec. 2022



गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED

(A Merchant Banker Licensed by SEBON)

Global Market Outlook:

Key Stock Market Indices:

Key Global Indices	23.12.22	Weekly change
SENSEX	59,845.29	-2.43%
S&P 500	3,844.82	-0.2%
NASDAQ	10,497.86	-1.94%
SHANGHAI	3,045.87	-3.85%
NIKKEI	26,235.25	-4.69%

Major Global News and Events Ahead:

- Asia markets fall as Japan's core inflation marks highest in over 40 years...*CNBC*
- Asia markets fall as Japan's core inflation marks highest in over 40 years...*CNBC*
- JPMorgan Says Globalization's Demise Is Major Theme for 2023...*Bloomberg*
- US Market Close till Tuesday, 27th Dec.; Christmas Holiday.
- US Initial jobless claim report on 29th Dec.



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. The information and data herein should not be construed as an investment advice or recommendation. Should the investors choose to act based on this report, it shall be entirely at their own risk and Garima Capital shall not be liable, for any loss or damages incurred thereby.