

NEPAL LIFE CAPITAL

WEEKLY

MARKET UPDATE

Week: (19/5/2024 to 23/5/2024)



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Market Movement

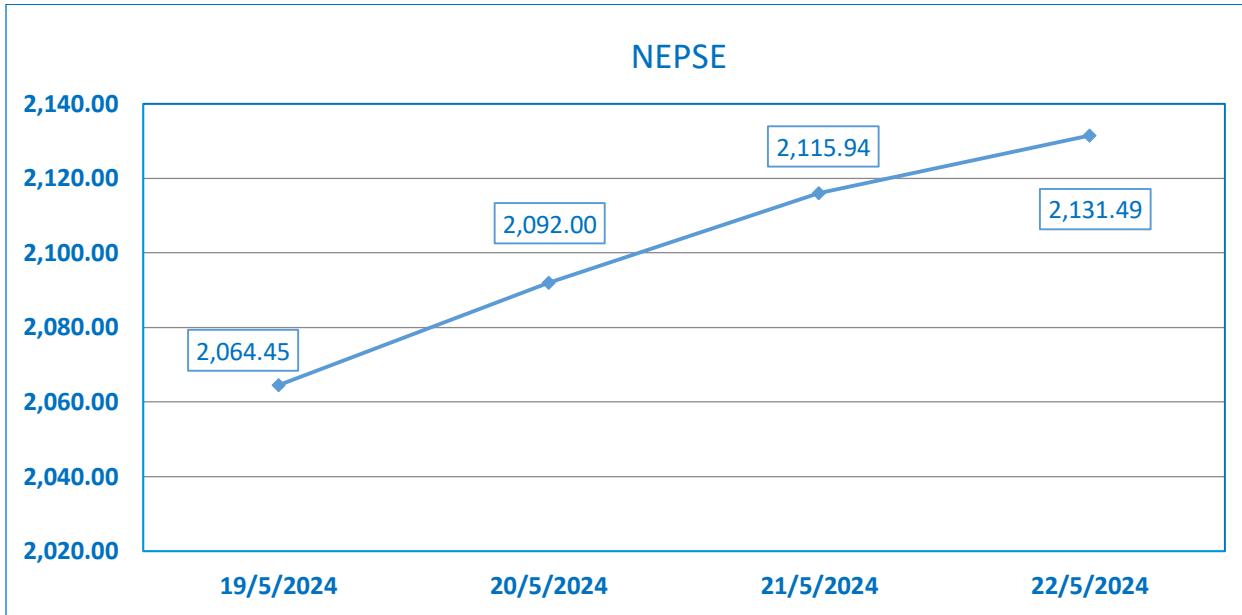


Figure 1 Market Movement for NEPSE index

For the week of 19th May to 22nd May, the NEPSE index increased by 112.73 points (5.58%) a remarkable return by the index. The index closed at 2,131.49 with the average turnover of 5.499 arba, increasing by 47.78% from the last week.

Daily Turnover

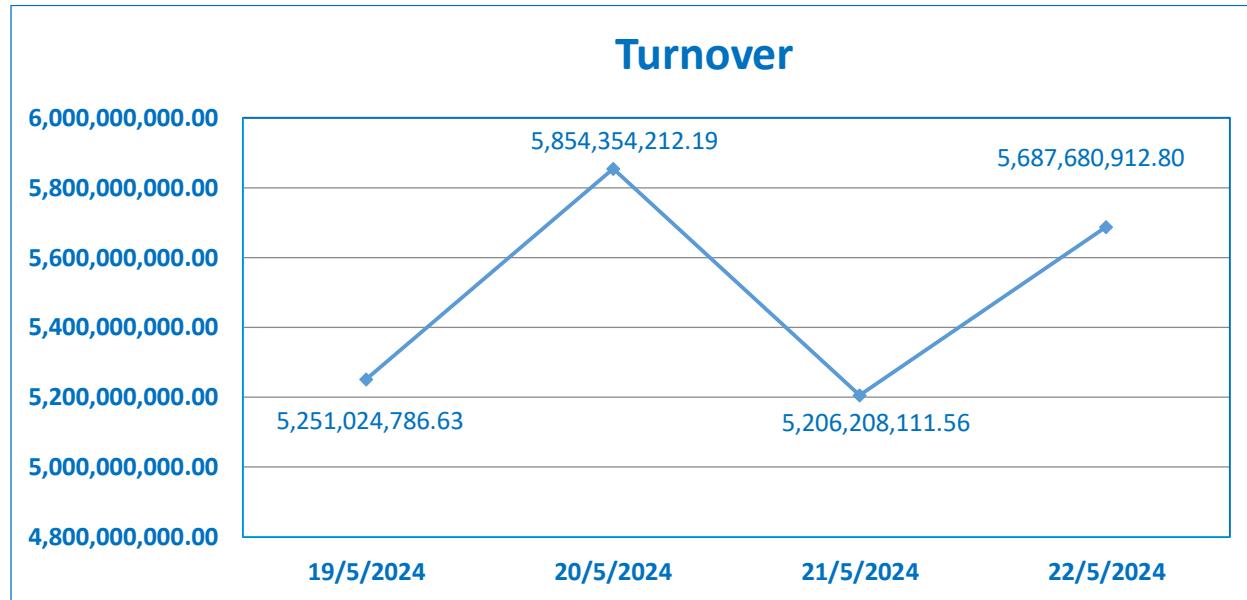


Figure 2 Turnover for NEPSE index

Sub-Indices Performance

Indices	16th May	23th May	Return
Banking	1,051.41	1,192.73	13.44%
Hotels and Tourism	5065.94	5267.74	3.98%
Hydropower	2,415.27	2,510.65	3.95%
Investment	74.39	77.30	3.91%
Life Insurance	9,996.29	10,384.04	3.88%
Others	1615.71	1665.66	3.09%
Mutual Fund	18.20	18.76	3.08%
Non-Life Insurance	10,618.40	10,929.97	2.93%
Finance	2,103.75	2,159.85	2.67%
Trading	2,707.57	2,767.53	2.21%
Development Bank	4,077.29	4,164.00	2.13%
Manufacturing & Processing	6,423.78	6,498.00	1.16%
Microfinance	4,536.97	4,585.34	1.07%

This week, Banking index was the main highlight as it managed to lead the table, with an astonishing return of 13.44% while rest of the sectors followed the leader with Hotel and tourism being the second on the list with 3.98%, hydropower, investment and life insurance with 3.95%, 3.91% and 3.88% respectively.

Daily Sector Movement

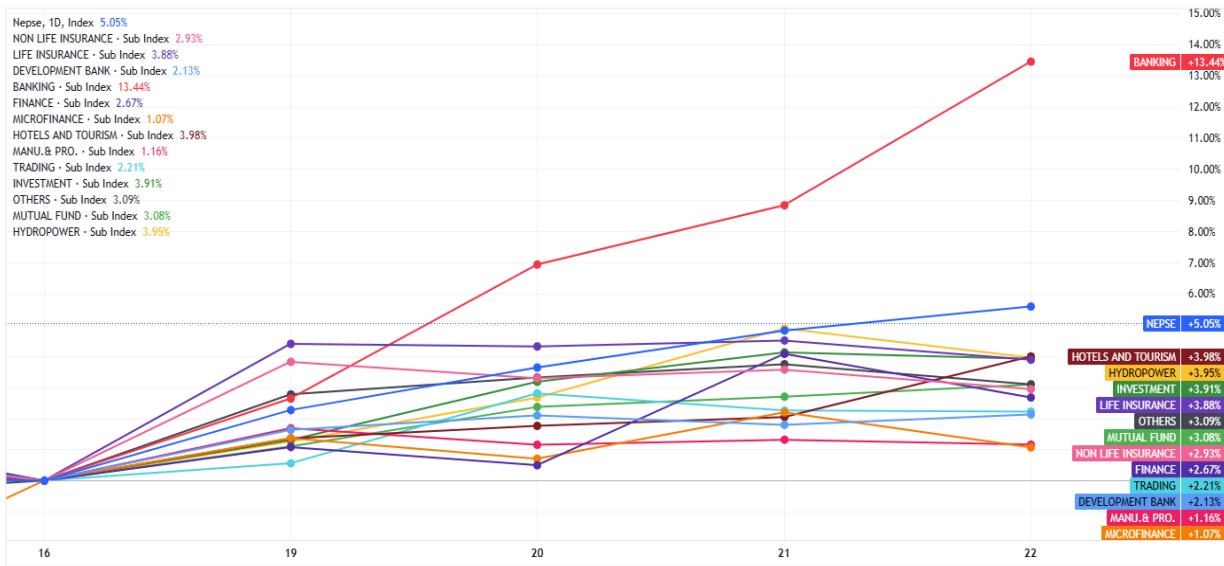


Figure 3 Daily sector movement relatively to NEPSE index

*Each dot represents the index closing point for each day of the week.

Investors Choice

In this section the stocks with the highest weekly trading volume have been showcased

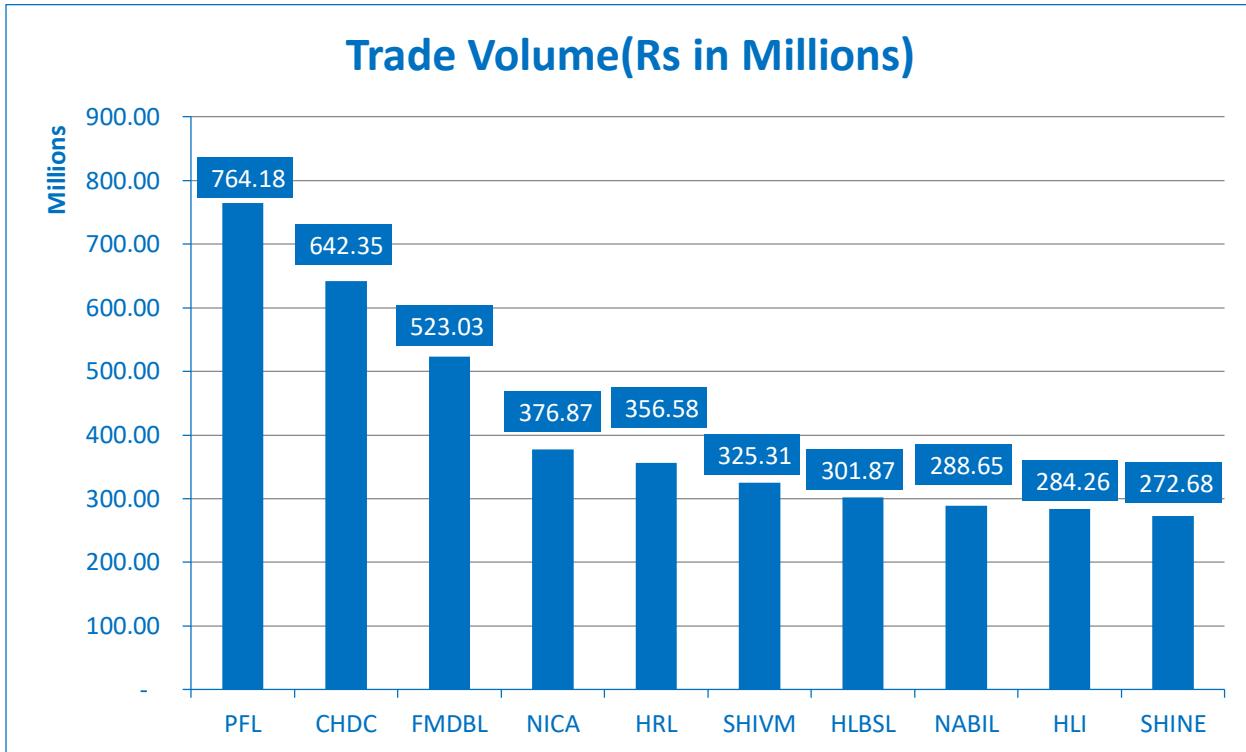
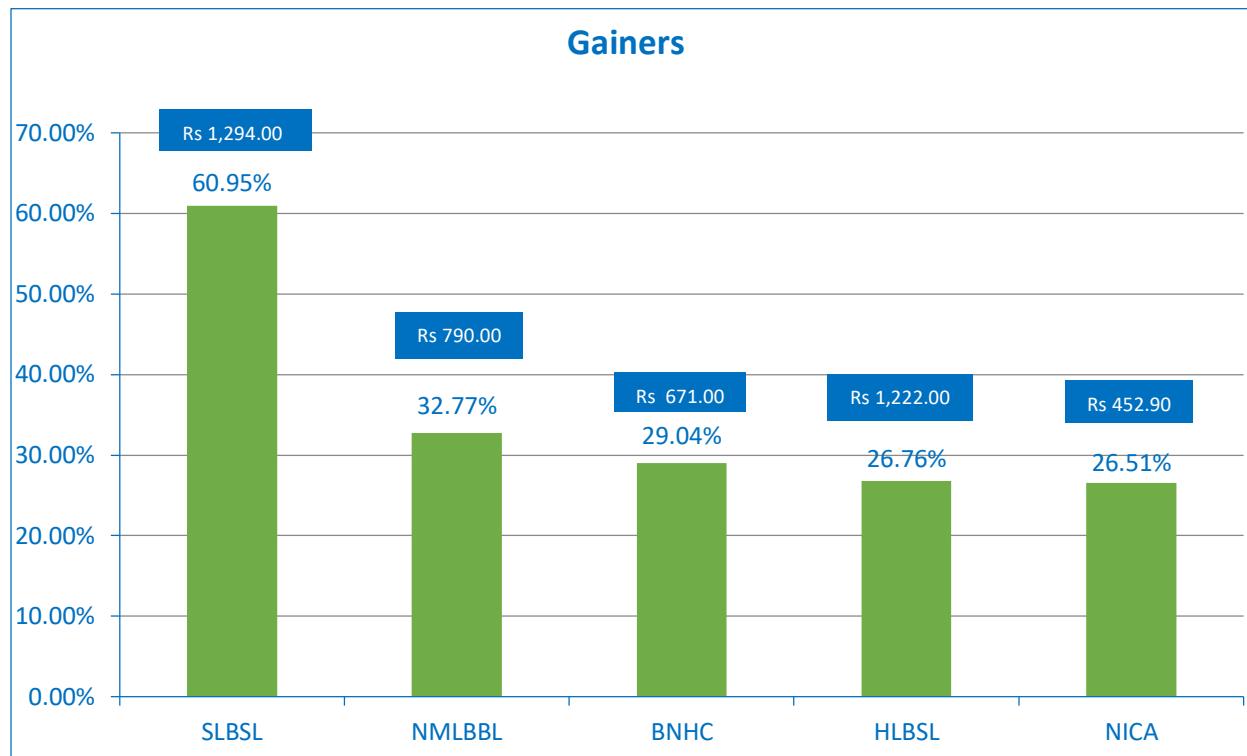
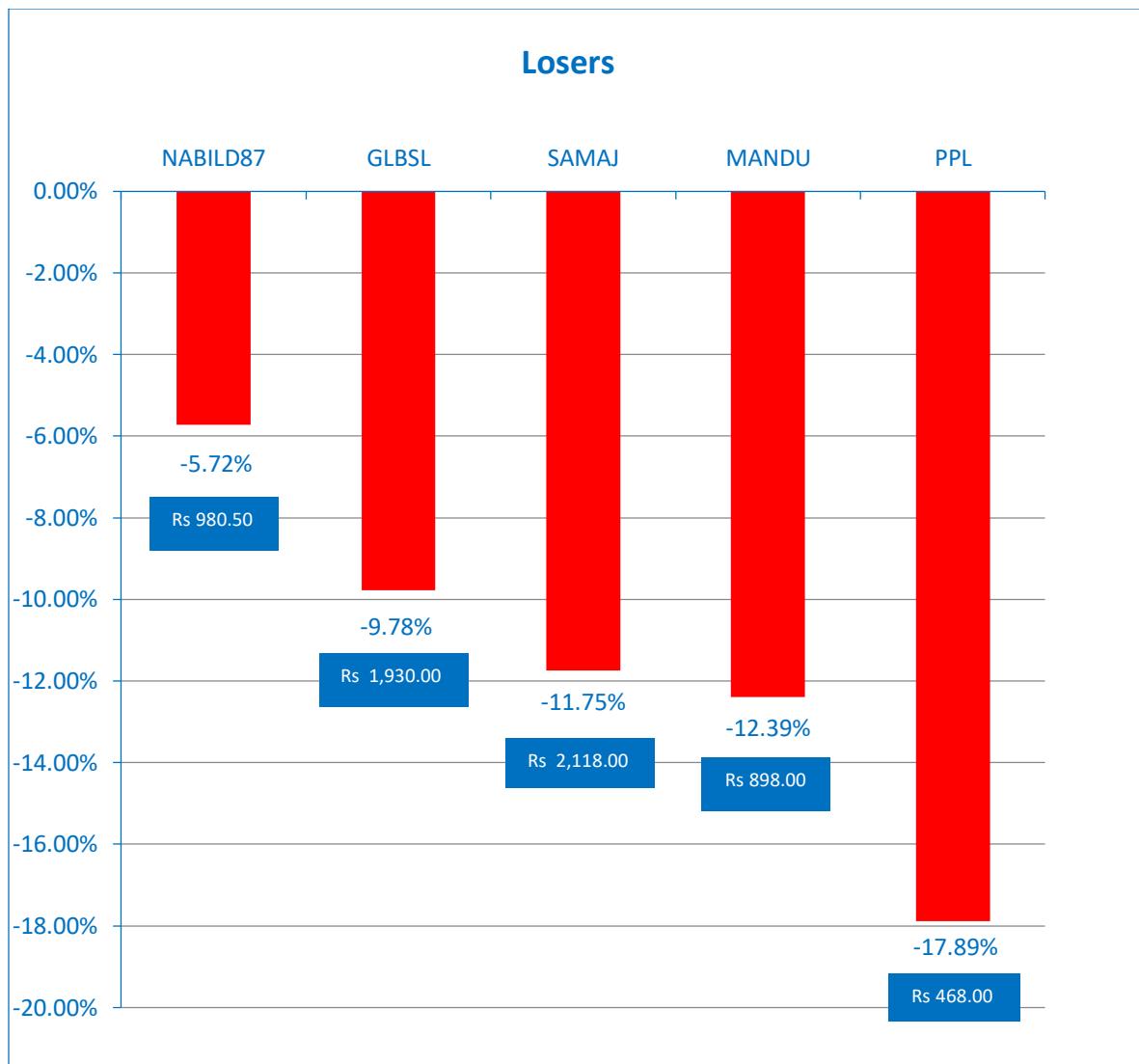


Figure 4 Top 10 Trade volume for the week

Gainers and Losers



Top 5 Gainers and losers for the week



Technical Overview

After weeks of remaining sideways we have a clear move. The NEPSE index has managed to breach the 2100's resistance with a large price action supported by a really good volume. The big move has been supported by the RSI, DMI indicator while, MACD being a relatively slower indicator, it has also started to signal a small bullish movement in the NEPSE index.

The index is now much likely to test our recent major resistance of 2250s, while the chances of breaching this zone is also high due to the favorable economic indicators such as low interest rates and M2 increasing in the system. If the NEPSE index continues to rise in interest from the investors (confirmed by a rising volume with a rising index,) we could see the index making a new high towards the 2400s.

Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

Daily analysis



On daily graph,

The divergence spotted earlier week has turned into a confirmation as the index breached the parallel line with constant rise in the index supported by the volume. The RSI, MACD, EMAs have all confirmed the momentum being strong. The momentum shall continue and should ultimately test the 2250 resistance. Our next major decisions will determine on how the NEPSE index behaves once it reaches the resistance area. Until then the bulls are in control for the short term momentum.

Here are some of the zones to watch to determine the direction of the market.

Support	Resistance
S1 – 2100-2080	R1 – 2190
S2 – 2040	R2 – 2250
S3 – 2000	R3 – 2400

Major Rates and Ratios

Description	As on	Rate/Ratio
CD Ratio	May 20, 2024	80.32%
Weighted Average Interbank Interest Rate LCY	May 20, 2024	2.92%
Weighted Average 28 days T-bill rate	May 21, 2024	2.7984%
Weighted Average 91 days T-bill rate	May 21, 2024	2.9983%
Weighted Average 182 days T-bill rate	May 21, 2024	3.0438%
Weighted Average 364 days T-bill rate	May 21, 2024	3.2000%

Average FD Rate for the month of Jestha 2080	
Institutional	Individual
5.89%	7.07%

Upcoming Events

Date	Event
26/5/2024	Closing Day of auction of Suryodaya Womi Laghubitta Bittiya Sanstha Limited for 61,805 units promoter shares.
27/5/2024	Book Closure Date for 7th AGM of IME Life Insurance Company Limited.
28/5/2024	Book Closure Date for SGM of Thamel Plaza Hotel & Suites Limited.
29/5/2024	SGM of International Himalaya Hospitality and Hotel Limited. SGM of Laxmi Techno Plast Limited.
30/5/2024	8th AGM of Aarati Power Company Limited. Book Closure Date for 8th AGM of Panchthar Power Company Limited.
31/5/2024	9th AGM of Nepal Reinsurance Company Limited. Closing Day of auction of Kumari Bank Limited for 3,14,140 units promoter shares. Book Closure Date for 5th AGM of NESDO Sambridha Laghubitta Bittiya Sanstha Limited.
1/6/2024	7th AGM of Ruby Valley Hydropower Limited. AGM of Chandeswari Mahadev Khola Micro Hydro Company Limited. SGM of Thamel Plaza Hotel & Suites Limited.

.....End.....

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