

NEPAL LIFE CAPITAL

WEEKLY

MARKET UPDATE

Week: (7/4/2024 to 11/4/2024)



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Market Movement

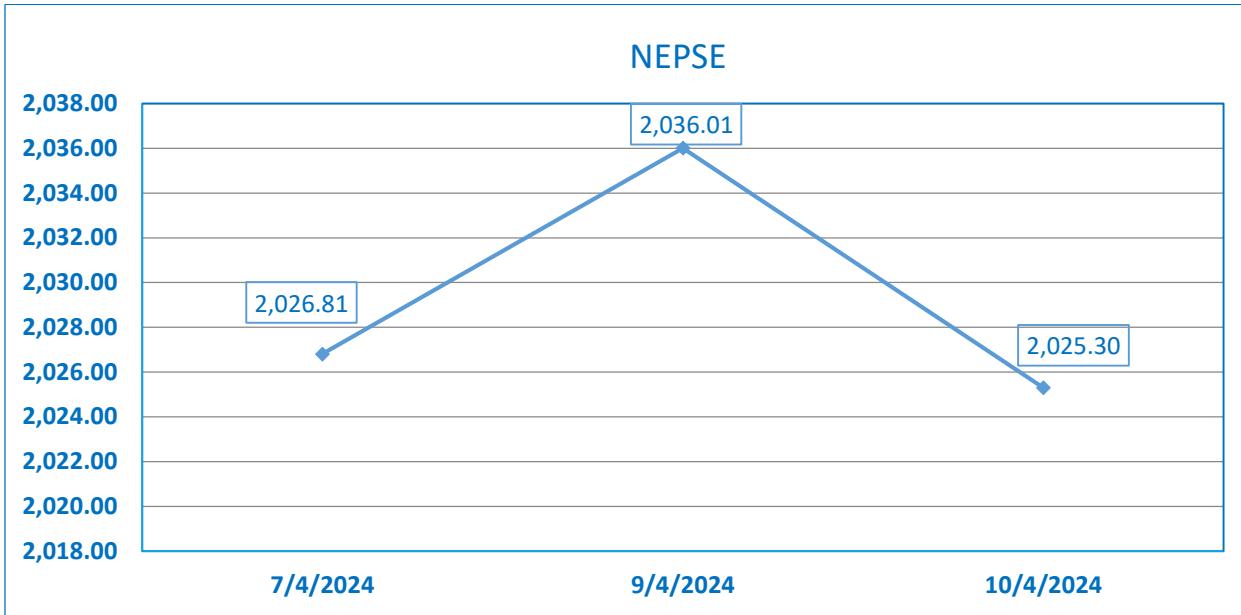


Figure 1 Market Movement for NEPSE index

For the week of 7th to 11th April, the NEPSE index had 3 trading days where the index rose to 2036.1 and dropped back to 2025.30. Concluding with -10.34 points (-0.51%) on weekly basis. The average turnover increased by 42.06% to 3.962 arba.

Daily Turnover

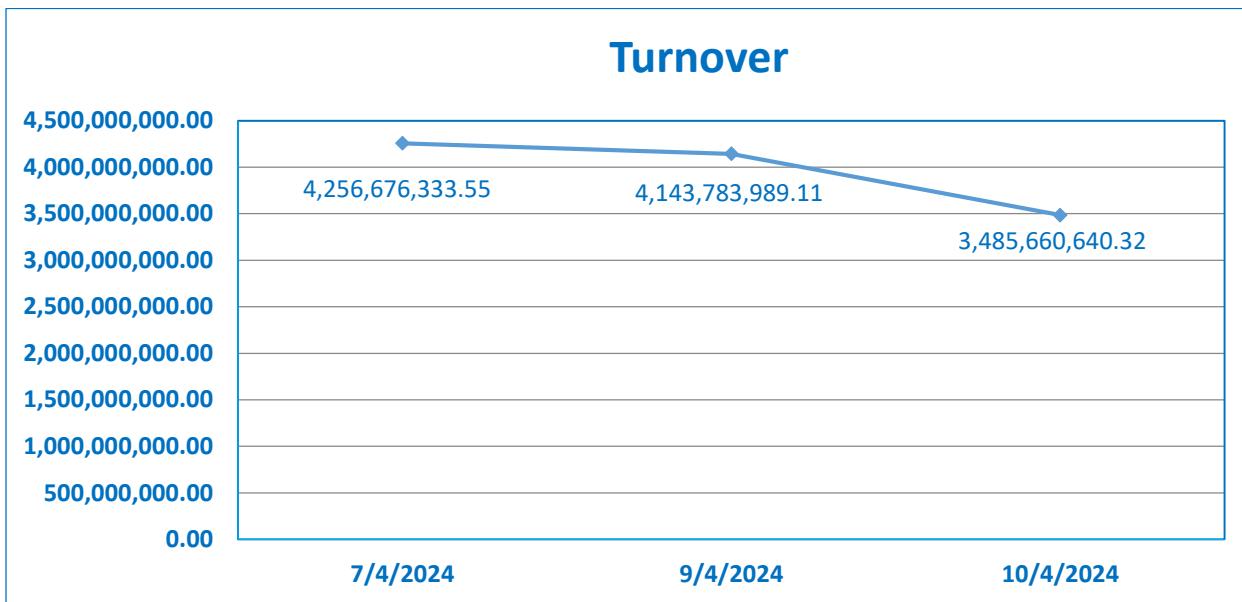


Figure 2 Turnover for NEPSE index

Sub-Indices Performance

Indices	4th April	11th April	Return
Finance	1,897.60	2,015.01	6.19%
Others	1646.16	1701.43	3.36%
Development Bank	3,861.52	3,960.51	2.56%
Hydropower	2,435.57	2,481.82	1.90%
Trading	2,741.26	2,791.37	1.83%
Investment	75.12	75.79	0.89%
Banking	1,050.06	1,059.23	0.87%
Non-Life Insurance	10,432.59	10,518.48	0.82%
Life Insurance	10,163.01	10,228.92	0.65%
Manufacturing & Processing	6,727.09	6,751.61	0.36%
Mutual Fund	18.30	18.27	-0.16%
Microfinance	4,069.86	4,004.77	-1.60%
Hotels and Tourism	5245.52	5117.97	-2.43%

This week, “Finance”, “Others” and “Development bank” sub-index were the top performers with a positive return of 6.19%, 3.36% and 2.56%, respectively. While “Hotels and Tourism” had the biggest down fall of -2.43%, followed by “Microfinance” with -1.60%.

Daily sector wise movement of indices

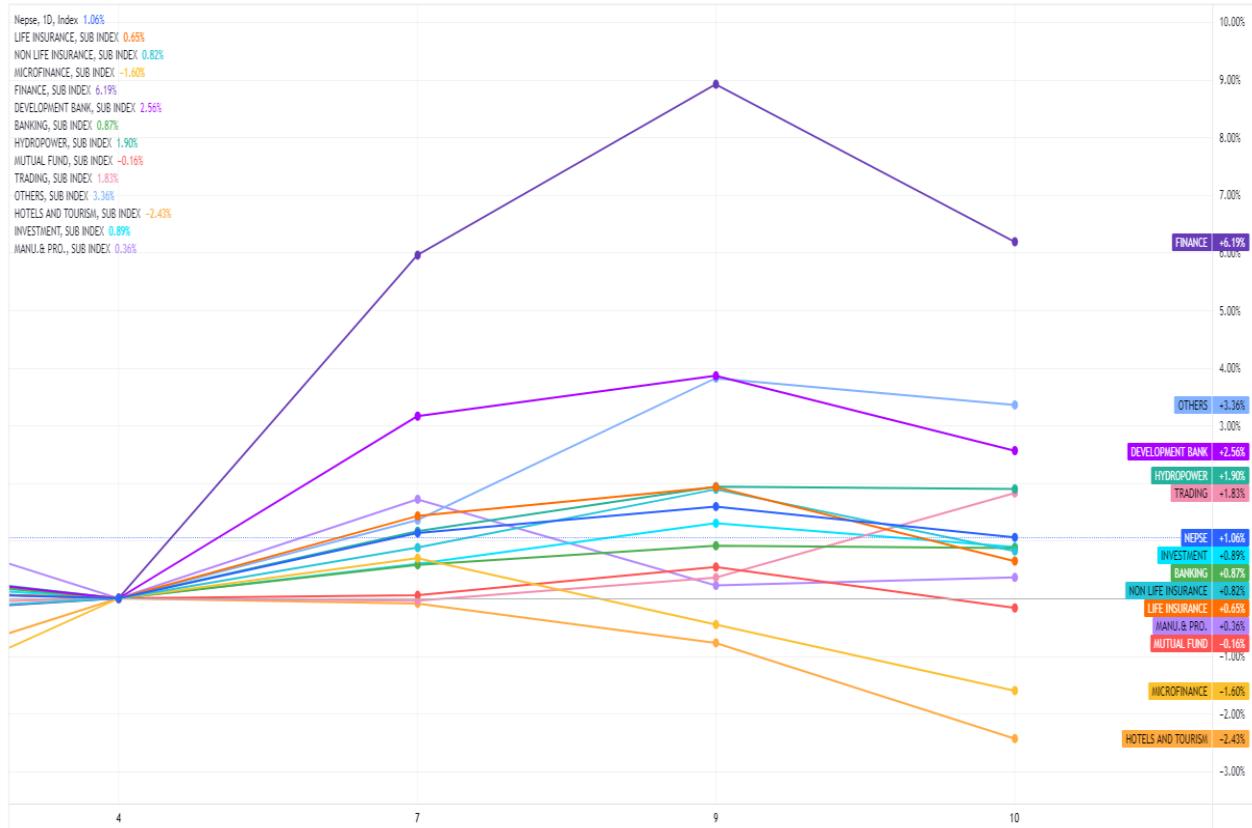


Figure 3 Daily sector movement relatively to NEPSE index

*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

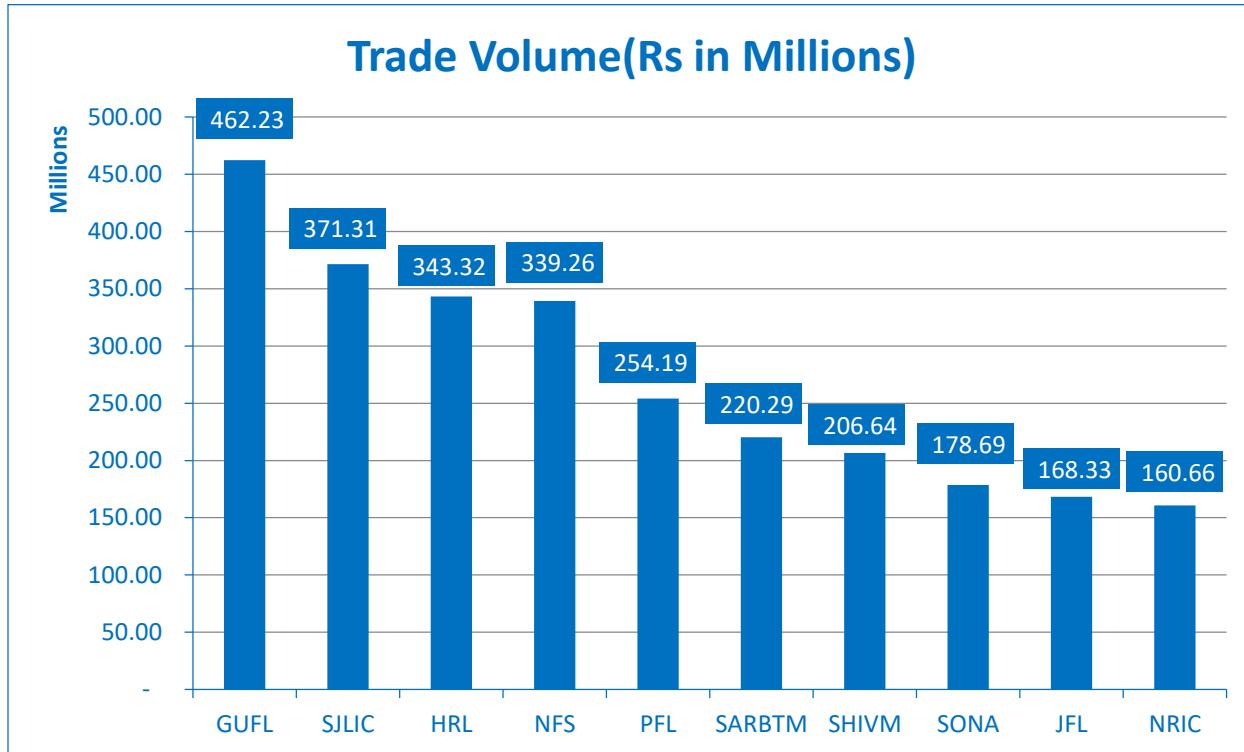
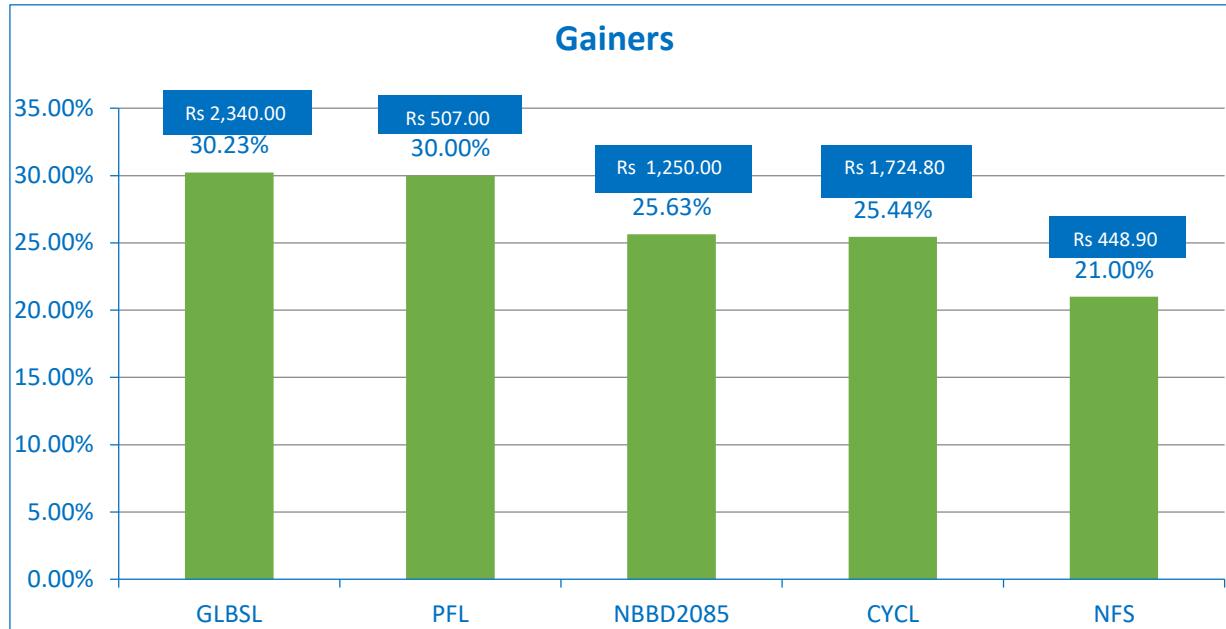
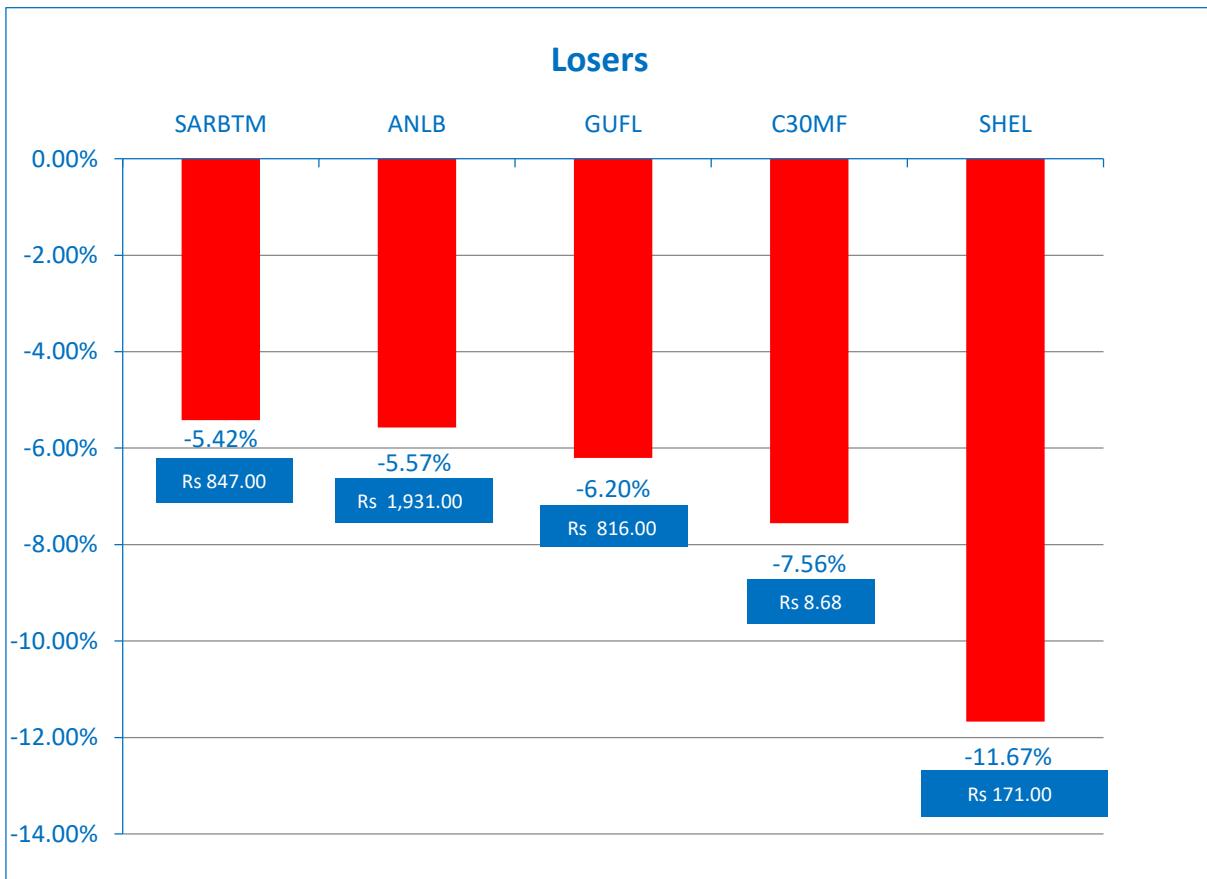


Figure 4 Top 10 Trade volume for the week

Gainers and Losers



Top 5 Gainers and losers for the week



Technical Overview

Greetings,

For this week's technical analysis, we will be looking at the NEPSE index with several indicators and try to understand the movements for it. From the weeks of December 2023, we had a good momentum. The NEPSE index tested its major resistance of the 2250 areas one more time.

Out of the three indicators used on the graph. (MACD, Stochastic RSI, and DMI) on the lower part of the chart. MACD, and Stochastic RSI have picked up the recent selling momentum. While the DMI on the most bottom is still bullish on the long term, as weekly data has been used to generate the signals.

As per the chart suggests, the NEPSE index has a higher chance of reaching the lower area "1800s" of every time the market has been rejected from the "2250s". This time too, the market looks confused. However we did see a small momentum from the 2000s area. It would still be ideal for the market to make a move from the zone, to better understand the future possible movement of the market.

Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

Daily analysis



On daily graph, we do have a valid trend line.

“A valid trend line is a line drawn on the chart from where the price makes a rebound, it is considered 3 touches as a standard for valid trend line”.

If the market does sustain above this trend line we could test the resistance of (2080-2100), represented by the black parallel line falling downwards which is a curtail information to get more insight of the market’s next direction.

After the rejection from the minor resistance 2100 the market has been in a slow fall downward. As the index breached the parallel channel towards upward, we can still get the idea of a downfall from the market. However the candles are less volatile as the fall has continued. Which is an indicator of the downtrend almost to an end. Hope fully we could see the market bounce back from our support areas in the near future.

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

Support	Resistance
S1 – 1980	R1 – 2035 - 2040
S2 – 1940	R2 – 2080
S3 – 1860	R3 – 2120

Major Rates and Ratios

Description	As on	Rate/Ratio
CD Ratio	April 8, 2024	80.64%
Weighted Average Interbank Interest Rate LCY	April 8, 2024	3.29%
Weighted Average 28 days T-bill rate	April 9, 2024	2.9776%
Weighted Average 91 days T-bill rate	April 9, 2024	3.1185%
Weighted Average 182 days T-bill rate	April 3, 2024	3.0113 %
Weighted Average 364 days T-bill rate	April 9, 2024	3.2693 %

Average FD Rate for the month of Chaitra 2080	
Institutional	Individual
6.09 %	7.25 %

Upcoming Events

Date	Event
14/4/2024	No event!
15/4/2024	No event!
16/4/2024	Book Closure Date for 22nd AGM of Prabhu Bank Limited.
17/4/2024	No event!
18/4/2024	No event!
19/4/2024	Book Closure Date for 28th AGM of Prabhu Insurance Company Limited.
20/4/2024	Book Closure Date for AGM of Three Star Hydropower Limited.
	No event!

.....End.....

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