

# NEPAL LIFE CAPITAL

## WEEKLY

## MARKET UPDATE

Week: (25/7/2024 to 1/8/2024)



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## Market Movement

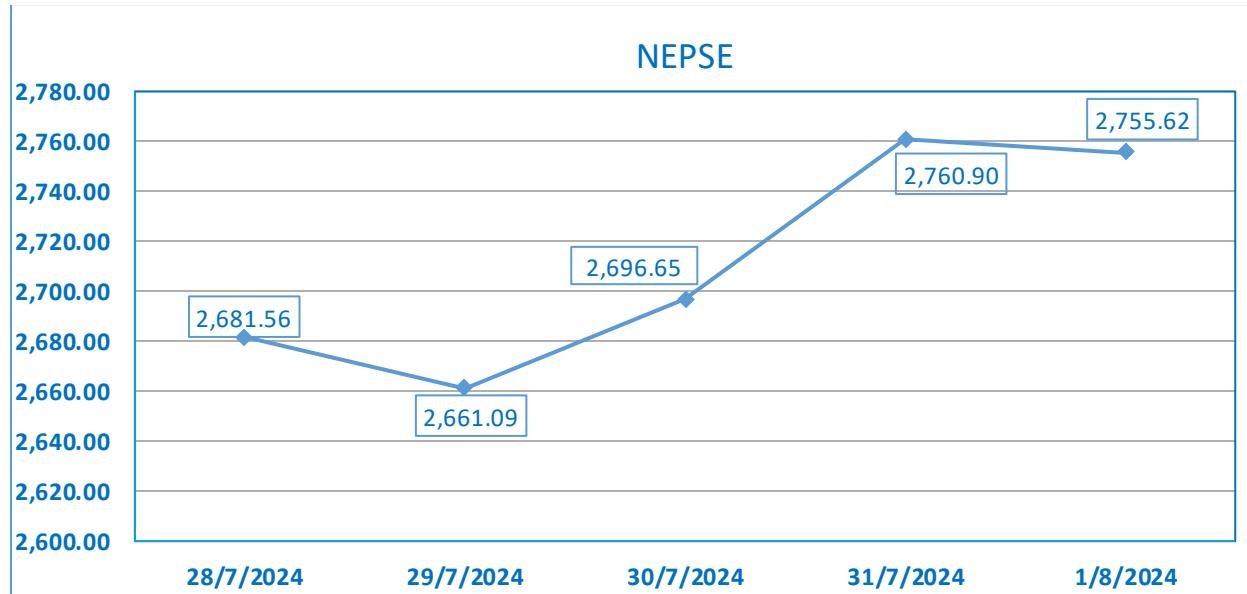


Figure 1 Market Movement for NEPSE index.

For the week of 28<sup>th</sup> July to 1<sup>st</sup> August, the NEPSE went through another staggering week as it rose by 187.51 points (7.30%) to close at 2755.61. The average turnover has also increased to 19.262 arba (30.83%) more than the previous week.

## Daily Turnover

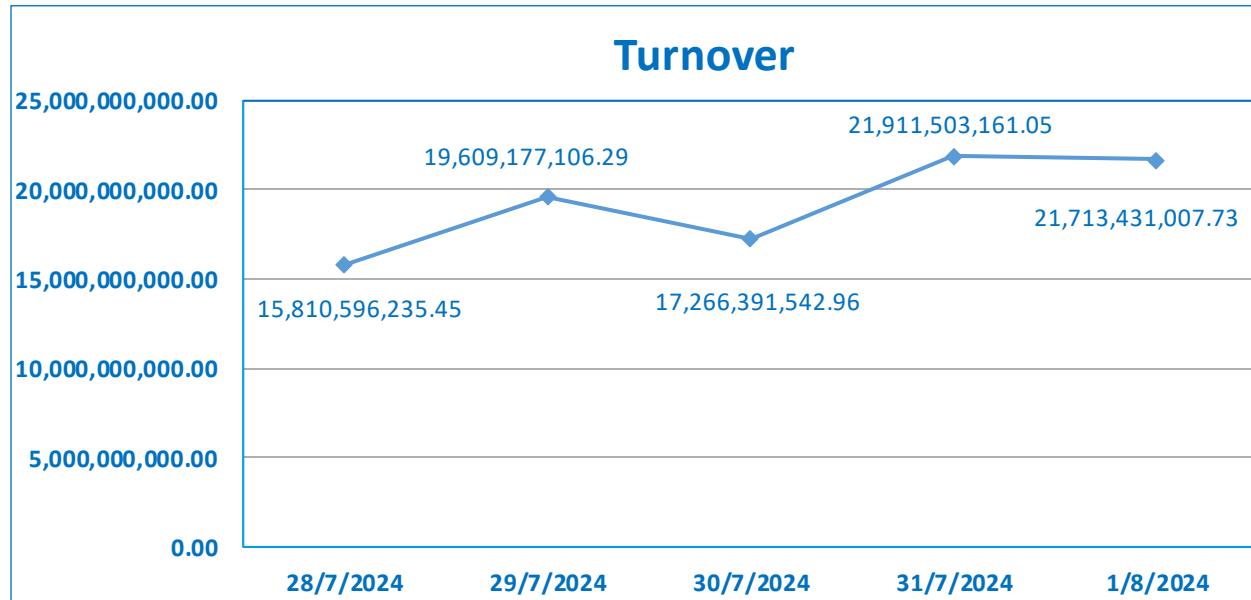


Figure 2 Turnover for NEPSE index.

## Sub-Indices Performance

| Indices                    | 25th July | 1st August | Return |
|----------------------------|-----------|------------|--------|
| Finance                    | 2,966.13  | 3,568.84   | 20.32% |
| Investment                 | 92.19     | 109.87     | 19.18% |
| Others                     | 1871.50   | 2074.07    | 10.82% |
| Hotels and Tourism         | 6628.01   | 7292.35    | 10.02% |
| Life Insurance             | 12,218.57 | 13,307.47  | 8.91%  |
| Banking                    | 1,432.70  | 1,555.94   | 8.60%  |
| Development Bank           | 5,045.79  | 5,400.61   | 7.03%  |
| Hydropower                 | 3,147.91  | 3,306.24   | 5.03%  |
| Non-Life Insurance         | 12,871.50 | 13,502.68  | 4.90%  |
| Mutual Fund                | 21.23     | 21.87      | 3.01%  |
| Manufacturing & Processing | 7,795.70  | 7,877.88   | 1.05%  |
| Microfinance               | 5,571.54  | 5,396.83   | -3.14% |
| Trading                    | 3,776.14  | 3,645.84   | -3.45% |

This week:

The “Finance” and “Investment” sector had a return of 20.32% and 19.18% while “Others” and “Hotels and tourism” sub index also had a good week with 10.82%, 10.02%. Followed by rest of the sectors. The list for the weekly returns is shown in the table above.

## Daily Sector Movement

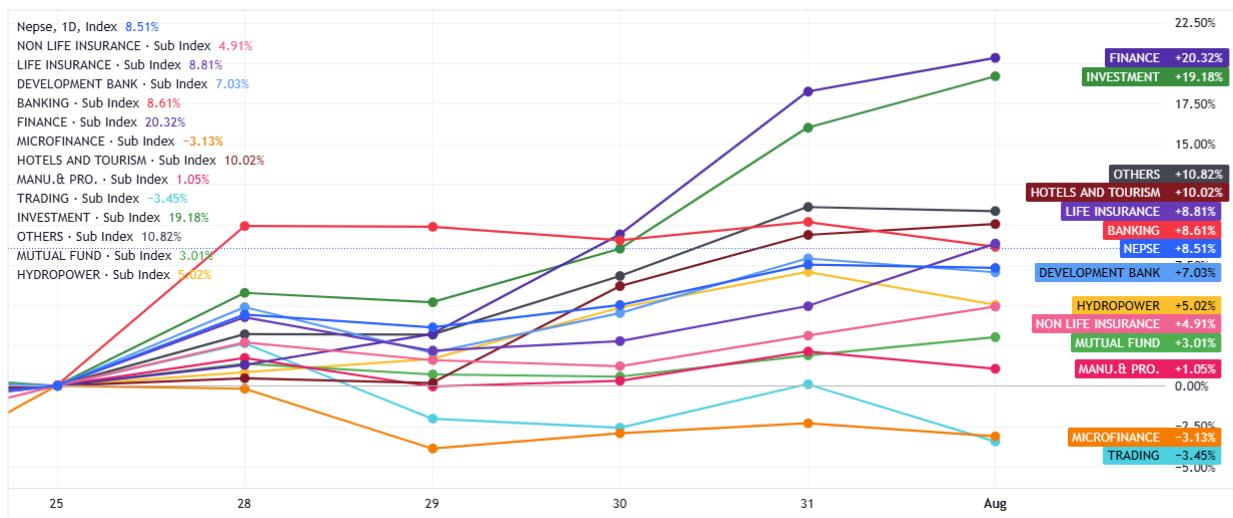


Figure 3 Daily sector movement relative to NEPSE index.

\*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

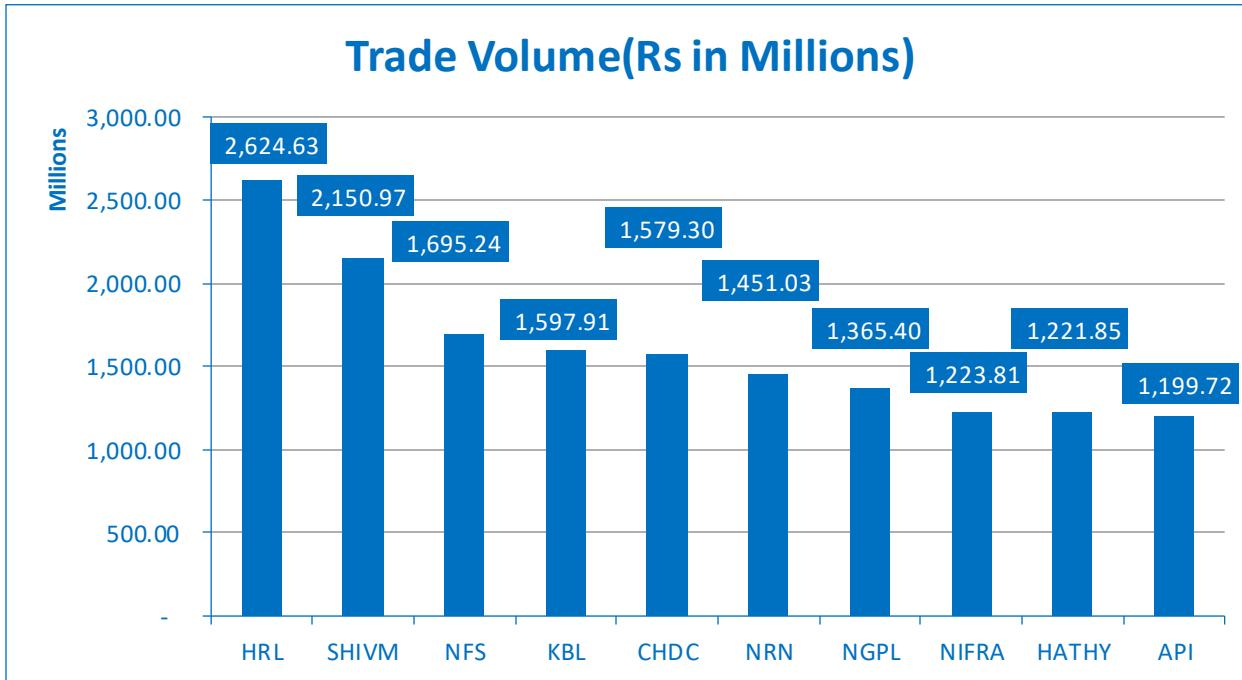
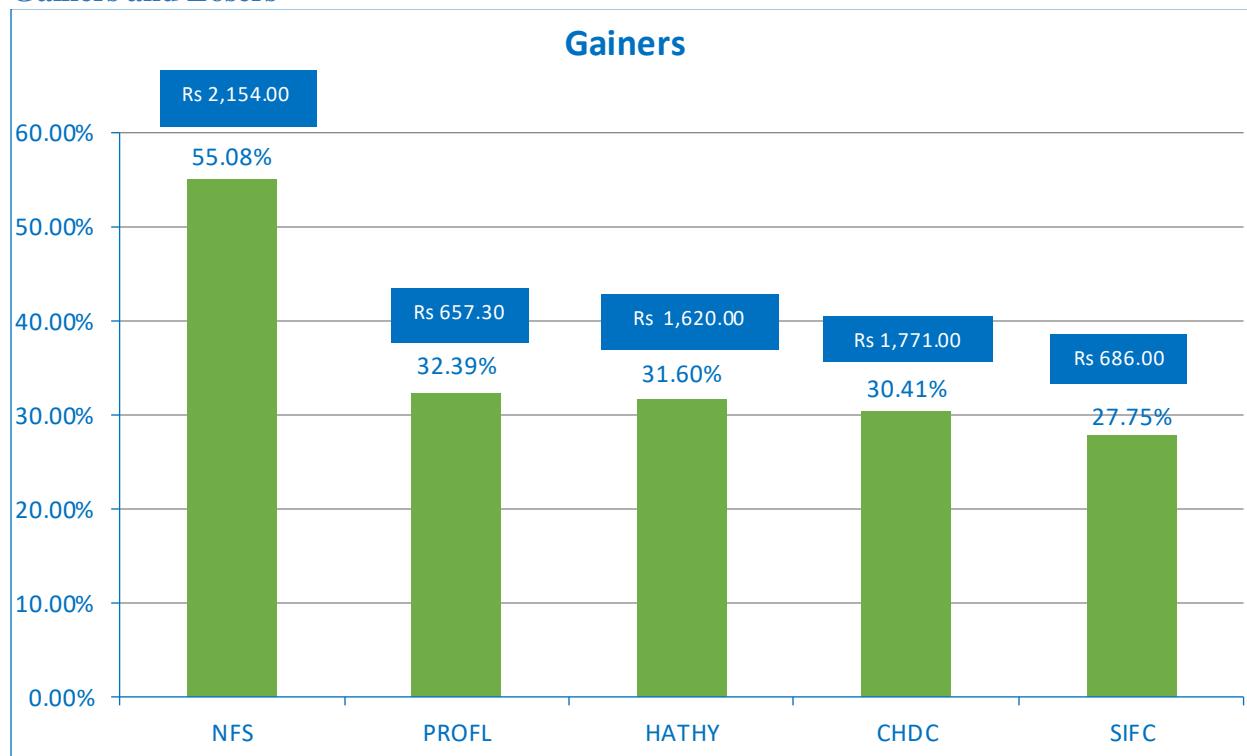
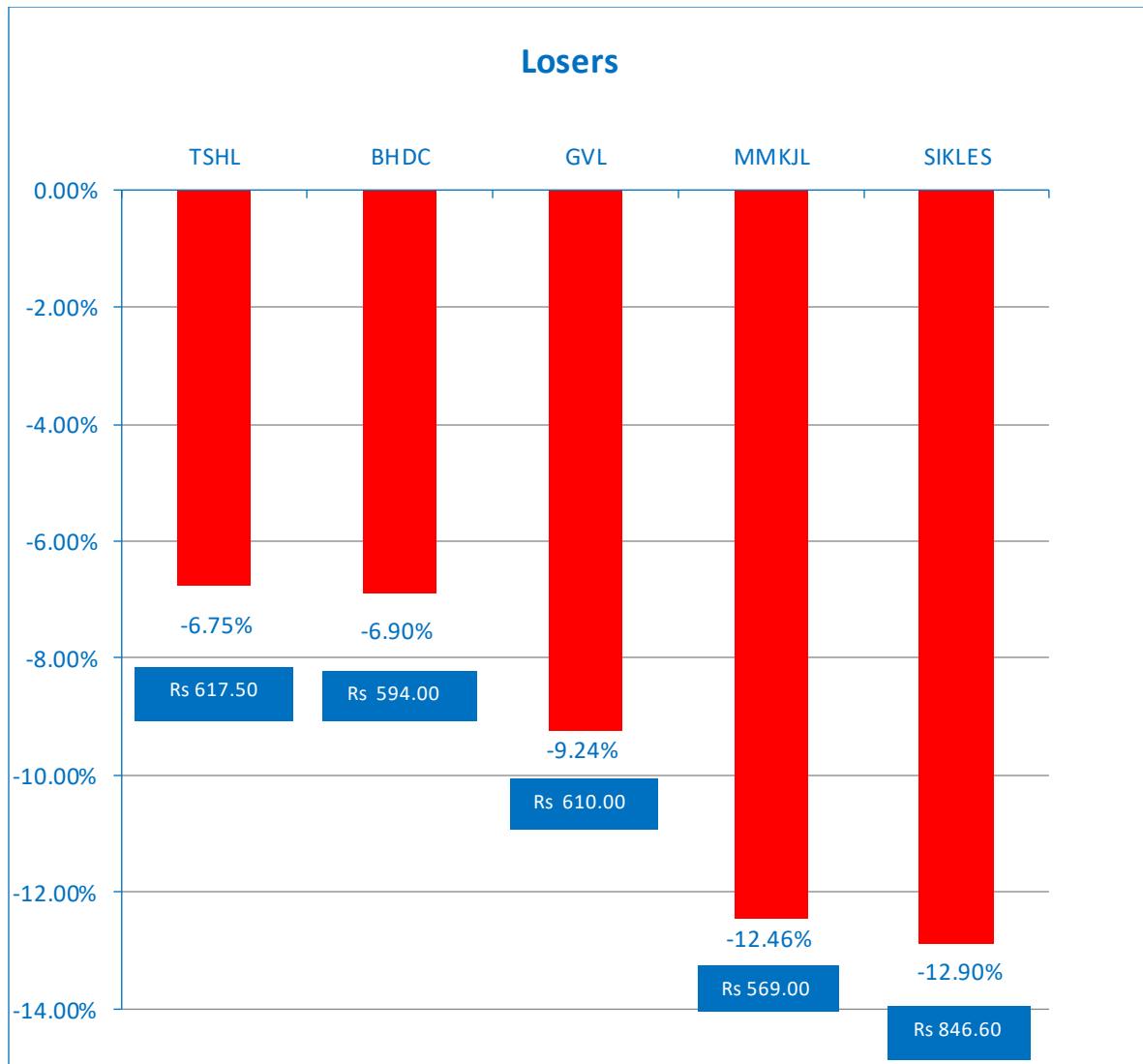


Figure 4 Top 10 Trade volume for the week.

## Gainers and Losers



*Top 5 Gainers and losers for the week*



## Technical Overview

On Sunday 28<sup>th</sup> July 2024, last week the long-awaited monetary policy was published. The anticipation and excitement surrounding the policy were high, as the market had been climbing for weeks before the official announcement. The index has been in a spree, making only upward movements with little to no less corrections. Yes, the trend has changed, and we do expect this index to breach our ATH (all-time high). But the market does have its own nature, and stiff parabolic rise doesn't last long, and these events lead to good correction in price in the market.

The market is bullish and is expected to rise throughout the year, but we always do have to consider the risk associated with the stock market and not be too greedy at times.

Technically the market has broken out from the channel, indicating more bullish movement to be added in the market. The reaction (this week) right after the official announcement of the monetary policy has been great. NEPSE broke both the highest turnover in a single day as well as highest return in a single month in this run.

## Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

## Daily analysis



On daily graph,

Like we mentioned earlier the bull and bear market runs in a sin wave pattern where these circular-like movements can easily help us find at what phase we are at the current moment. Like wise today it is obvious that the bear market has ended, and the bull market is now at start. Lots of opportunity will present them self to the market and with patience and timing whatever is present shall be taken advantage of.

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

| Support         | Resistance         |
|-----------------|--------------------|
| Support 1: 2620 | Resistance 1: 2800 |
| Support 2: 2560 | Resistance 2: 2900 |
| Support 3: 2400 |                    |

## Major Rates and Ratios

| Description   | As on         | Rate/Ratio |
|---|---------------|------------|
| <b>CD Ratio</b>                                     | July 31, 2024 | 78.57%     |
| <b>Weighted Average Interbank Interest Rate LCY</b> | July 31, 2024 | 3.00%      |
| <b>Weighted Average 28 days T-bill rate</b>         | July 16, 2024 | 2.9081%    |
| <b>Weighted Average 91 days T-bill rate</b>         | July 30, 2024 | 2.9093%    |
| <b>Weighted Average 182 days T-bill rate</b>        | July 2, 2024  | 3.0370 %   |
| <b>Weighted Average 364 days T-bill rate</b>        | July 9, 2024  | 3.1834%    |

| Average FD Rate for the month of Shrawan 2080 |              |
|---|--------------|
| Institutional                                 | Individual   |
| <b>5.48%</b>                                  | <b>6.74%</b> |

## Upcoming Events

| Date             | Event   |
|------------------|---|
| <b>4/8/2024</b>  | No Events!  |
| <b>5/8/2024</b>  | Book Closure Date for 5th AGM of Shrijanshil Laghubitta Bittiya Sanstha Limited.  |
| <b>6/8/2024</b>  | Closing day of Auction of 4,00,389 units of Ordinary Right Shares of Nepal Life Capital Limited.  |
| <b>7/8/2024</b>  | No Events!  |
| <b>8/8/2024</b>  | Book Closure Date for 12th AGM of Suryodaya Womi Laghubitta Bittiya Sanstha Limited.<br>Book Closure Date for 36th AGM of National Life Insurance Company Limited.<br>Opening Day of ratio 1:1 Right Share of Himalayan Urja Bikas Company Limited. |
| <b>9/8/2024</b>  | Book Closure Date for SGM of Samaj Laghubitta Bittiya Sanstha Limited.  |
| <b>10/8/2024</b> | No Events!  |

..... End .....

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