

NEPAL LIFE CAPITAL

WEEKLY

MARKET UPDATE

Week: (26/5/2024 to 30/5/2024)



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Market Movement

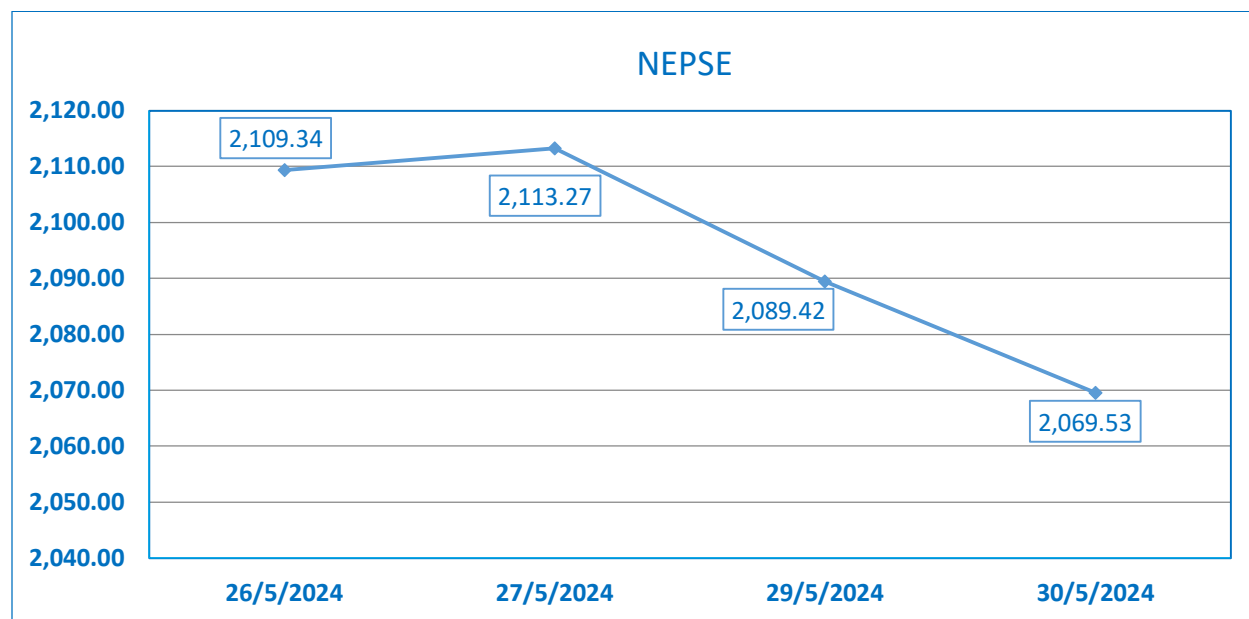


Figure 1 Market Movement for NEPSE index.

For the week of 26th May to 30th May, the NEPSE index dropped back to the 2069.53 (-2.91%), with the average turnover of 4.281 arba, (-22.14%) less from the last week's trading volume.

Daily Turnover

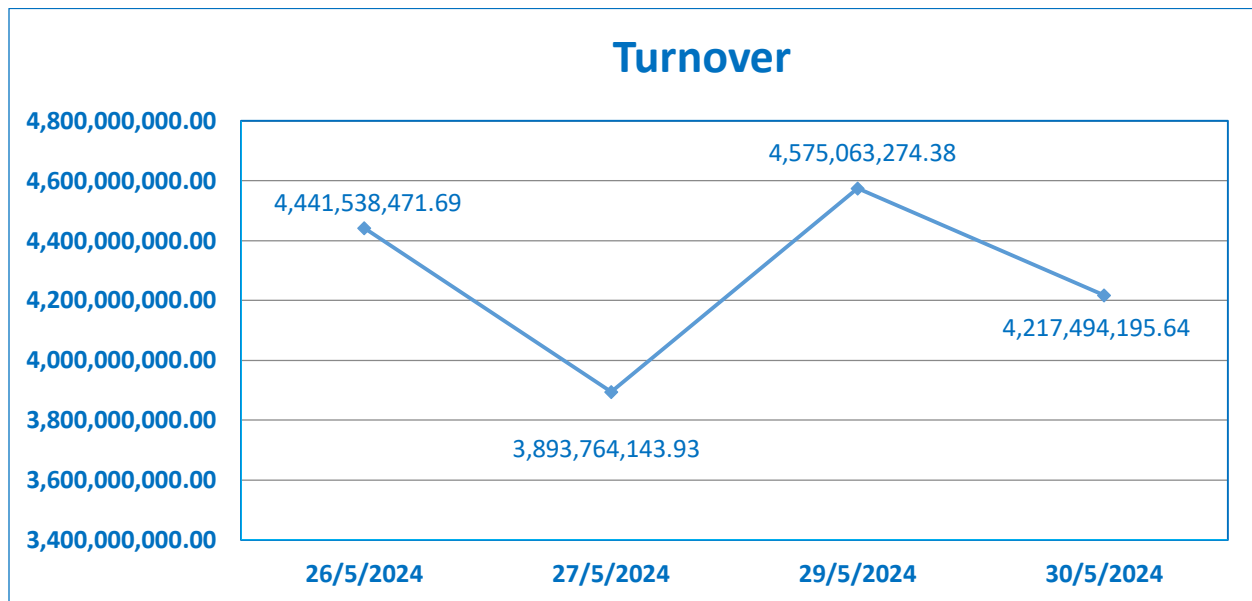


Figure 2 Turnover for NEPSE index.

Sub-Indices Performance

Indices	23th May	30th May	Return
Manufacturing & Processing	6,498.00	6,748.95	3.86%
Hotels and Tourism	5267.74	5341.28	1.40%
Mutual Fund	18.76	18.83	0.37%
Finance	2,159.85	2,148.83	-0.51%
Trading	2,767.53	2,749.23	-0.66%
Hydropower	2,510.65	2,485.48	-1.00%
Investment	77.30	76.04	-1.63%
Others	1665.66	1636.21	-1.77%
Development Bank	4,164.00	4,054.80	-2.62%
Life Insurance	10,384.04	10,092.13	-2.81%
Non-Life Insurance	10,929.97	10,574.47	-3.25%
Microfinance	4,585.34	4,357.91	-4.96%
Banking	1,192.73	1,119.25	-6.16%

This week: Manufacturing & processing, Hotel and tourism, Mutual Funds had a positive return of 3.86%, 1.40% and 0.37% respectively. While Banking index had a major correction of -6.16%, followed by Microfinance, Non-life insurance, Life insurance, Development banks with -4.96%, -3.25%, -2.81%, -2.62% respectively.

Daily Sector Movement

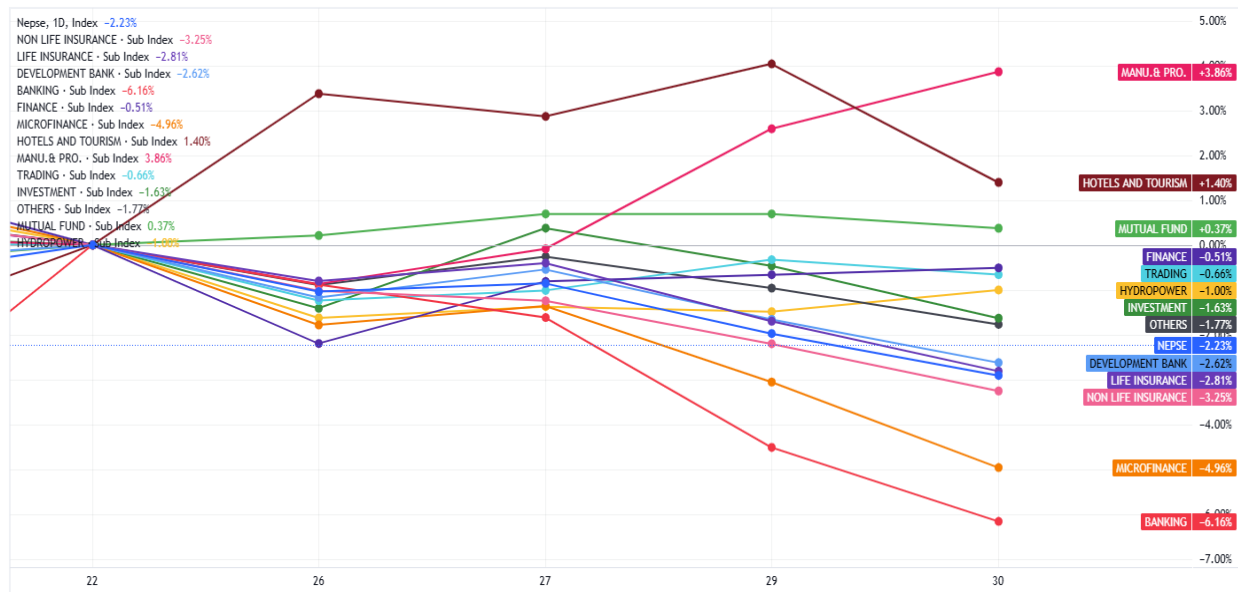


Figure 3 Daily sector movement relatively to NEPSE index.

*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

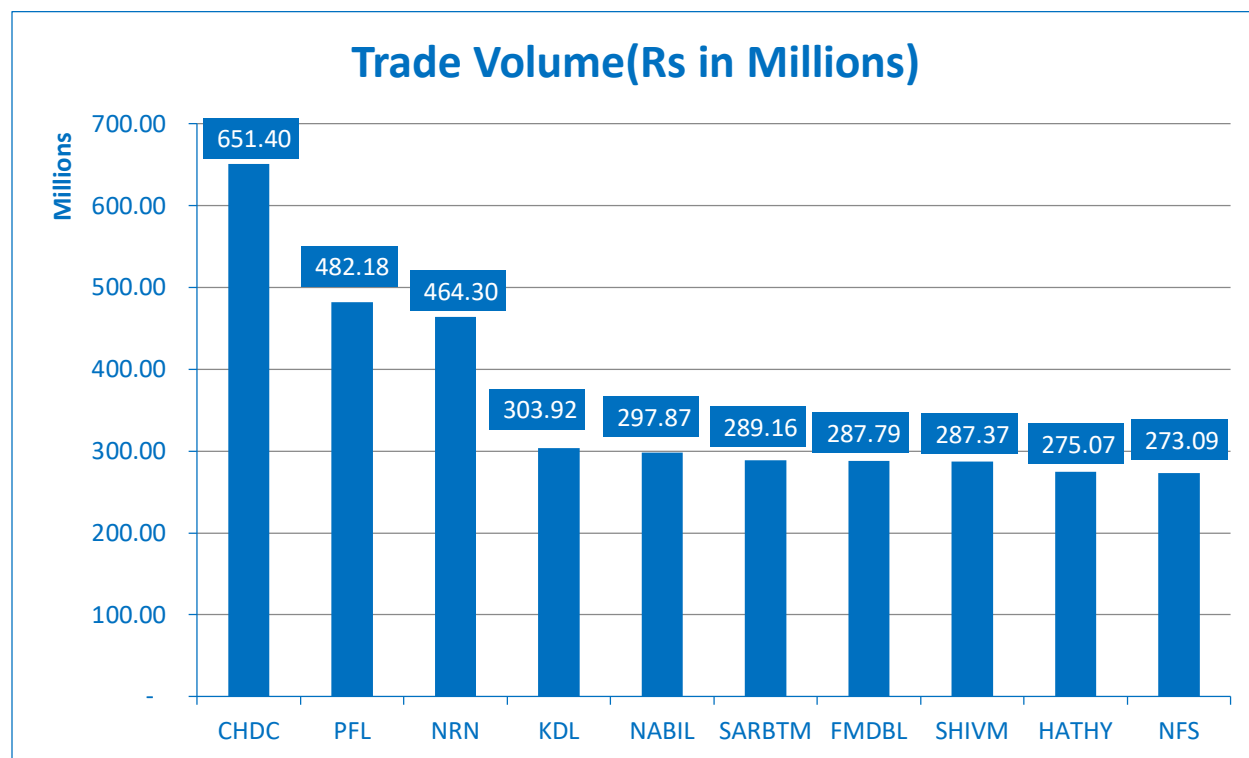
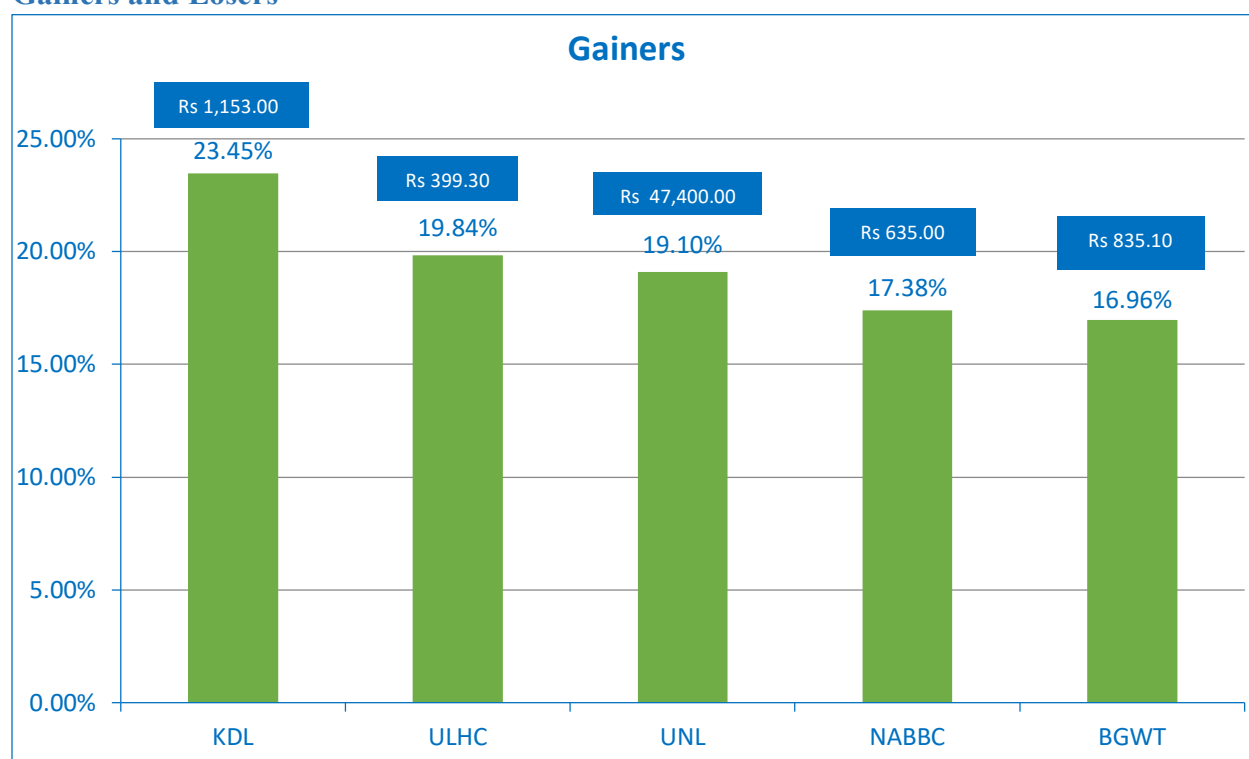
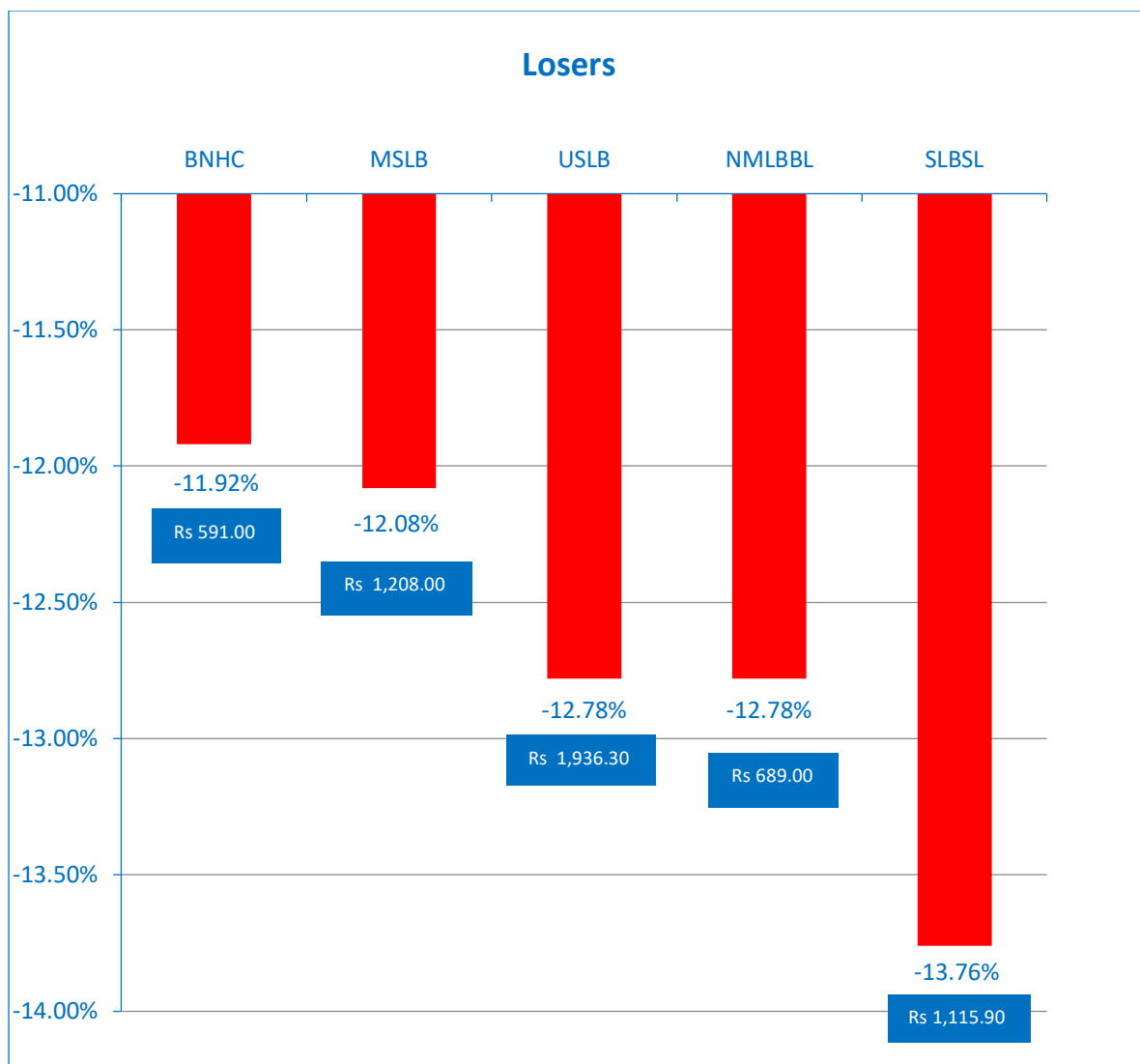


Figure 4 Top 10 Trade volume for the week.

Gainers and Losers



Top 5 Gainers and losers for the week



Technical Overview

On a weekly basis, this week's candle has indicated a selling pressure taking over as we get closer to our major resistance area. The reason for the sell off could be due to profit booking from short time frame traders, A mass psychological effect of the major resistance ahead. Or even the expectation of the investors not being meet from the Budget announcement, that took place on Tuesday this week. Regardless of the reason. Corrections are necessary for a healthier market.

Looking at the recent price swing. The 0.5 to 0.6 retracement area lies on the 2050 to 2028 mark. This zone has the most potential in determining the strong support area after a rise/ fall in the market. MACD, RSI, DMI are still bullish as the short correction has only taken place this week. If the correction does continue for a longer duration these indicators shall also signal sell.

Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

Daily analysis



On daily graph,

The market has been rejected this week. a lot of selling pressure has been observed in the index. Yet looking at the chart, few red candles don't describe the whole picture, The price is yet above the moving averages, The MACD indicator is still positive, The RSI indicator has confirmed a higher high. which is an indication of bullish momentum still being present. The correction could continue at least towards the 2030. Where we could be seeing buying pressure taking over the market.

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

Support	Resistance
S1 – 2040	R1 – 2150
S2 – 2015	R2 – 2200
S3 – 2000	R3 – 2250

Major Rates and Ratios

Description	As on	Rate/Ratio
CD Ratio	May 28, 2024	80.27%
Weighted Average Interbank Interest Rate LCY	May 28, 2024	2.96%
Weighted Average 28 days T-bill rate	May 21, 2024	2.7984%
Weighted Average 91 days T-bill rate	May 29, 2024	2.9739%
Weighted Average 182 days T-bill rate	May 29, 2024	3.0235%
Weighted Average 364 days T-bill rate	May 29, 2024	3.2017%

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

Upcoming Events

Date	Event
2/6/2024	Closing Day of auction of Citizen Investment Trust for 50,000 units promoter shares.
	Bid Opening Day of auction of Kumari Bank Limited for 3,14,140 units promoter shares.
3/6/2024	Book Closure Date for 4th AGM of Aviyan Laghubitta Bittiya Sanstha Limited.
4/6/2024	Closing Day of auction of Kumari Bank Limited for 10,00,000 units promoter shares.
	SGM of Middle Modi Hydropower Limited.
5/6/2024	Book Closure Date for SGM of Buddha Bhumi Nepal Hydropower Company Limited.
	10th & 11th AGM of Rasuwagadhi Hydropower Company Limited.
	Closing Day of auction of Mahila Laghubitta Bittiya Sanstha Limited for 1,99,472 units promoter shares.
6/6/2024	No Event!
7/6/2024	Book Closure Date for SGM of United Ajod Insurance Limited.
	SGM of Bhugarbha Cement Limited.
	SGM of National Fund Management Limited.
	5th AGM of NESDO Sambridha Laghubitta Bittiya Sanstha Limited.
	10th AGM of Provident Merchant Banking Limited.

8/6/2024	No event!
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