

NEPAL LIFE CAPITAL

WEEKLY

MARKET UPDATE

Week: (18/8/2024 to 23/8/2024)



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Market Movement

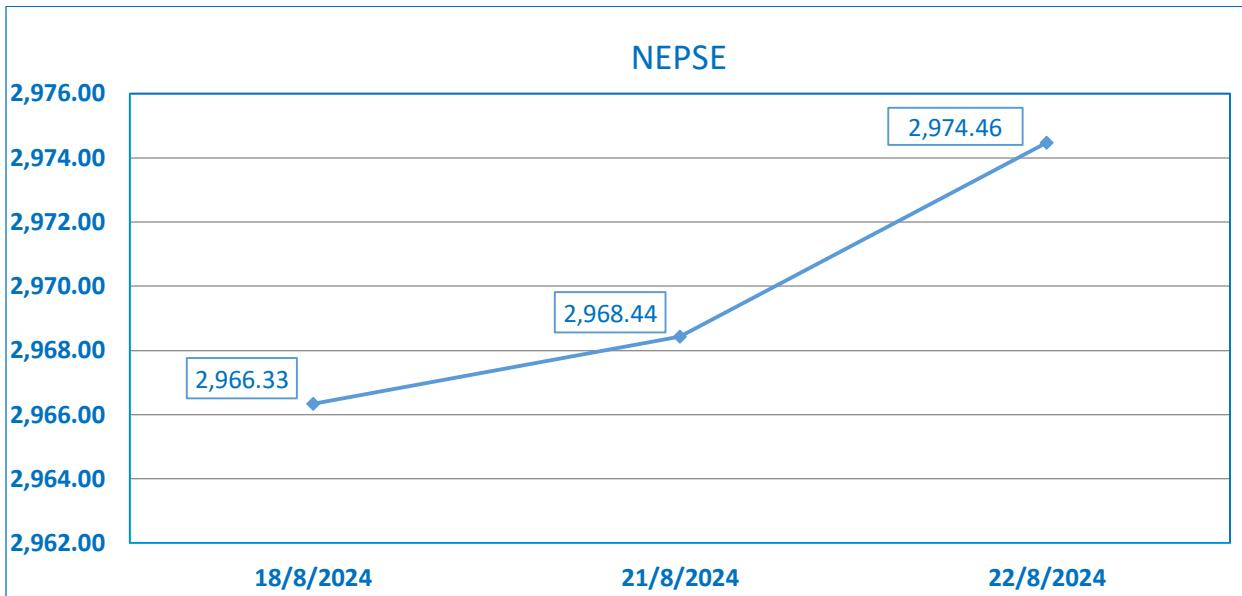


Figure 1 Market Movement for NEPSE index.

For the week of 18th August to 22nd August, the NEPSE index dropped by -26.35 points (-0.88%) to close at 2,974.46. The average turnover has also increased to 22.3801 arba (-12.83%) less than the previous week.

Daily Turnover

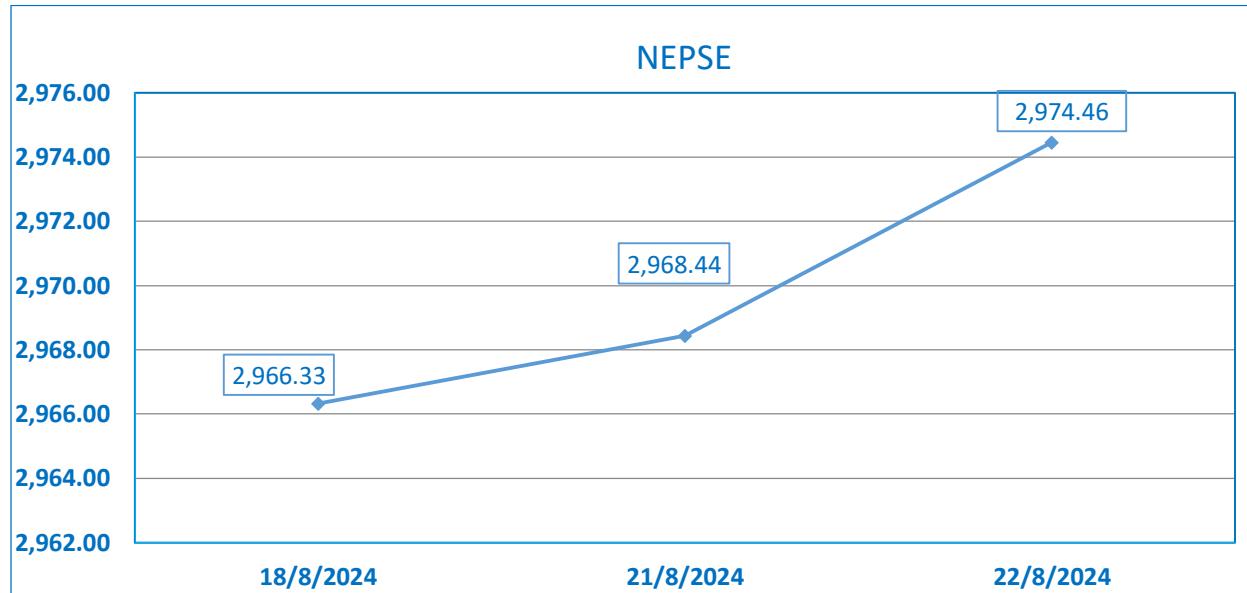


Figure 2 Turnover for NEPSE index.

Sub-Indices Performance

Indices	15th August	22th August	Return
Finance	3,848.71	3,975.49	3.29%
Development Bank	5,762.85	5,930.17	2.90%
Banking	1,684.93	1,712.18	1.62%
Mutual Fund	22.29	22.34	0.22%
Life Insurance	14,714.58	14,730.05	0.11%
Microfinance	5,419.98	5,372.21	-0.88%
Non-Life Insurance	14,363.78	14,170.97	-1.34%
Investment	122.74	120.78	-1.60%
Others	2350.52	2276.31	-3.16%
Manufacturing & Processing	8,024.57	7,741.27	-3.53%
Hydropower	3,809.66	3,659.34	-3.95%
Hotels and Tourism	7755.99	7427.36	-4.24%
Trading	4,216.11	4,010.03	-4.89%

This week:

The “Finance” and “Development bank” had a return of 3.29% and 2.90% followed by “Banking” with 1.62%. While the rest of the sectors could not hold on to the positive return for this week. The weekly returns for the sectors have been listed above.

Daily Sector Movement

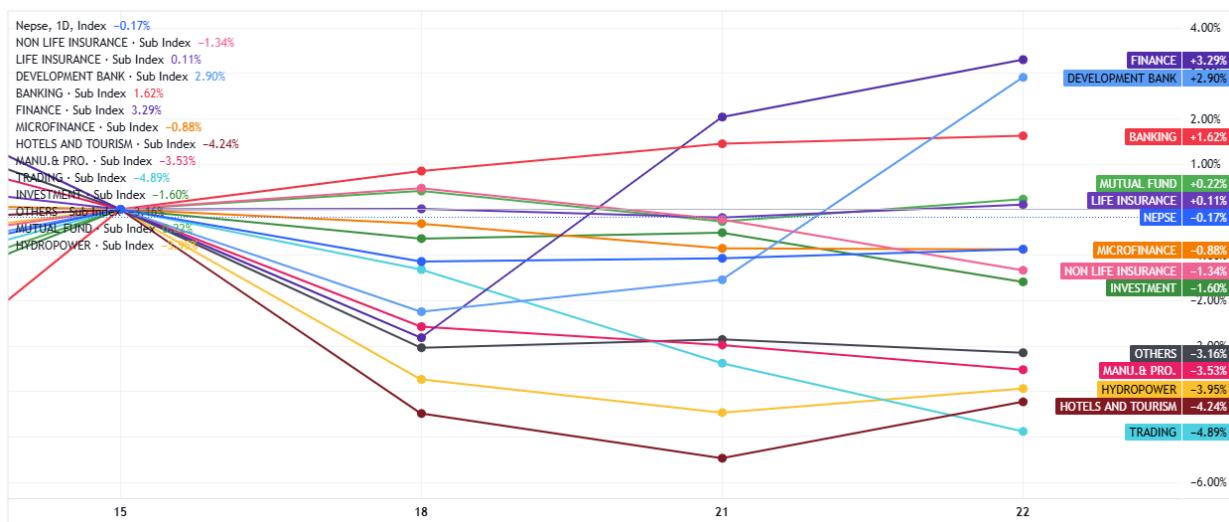


Figure 3 Daily sector movement relative to NEPSE index.

*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

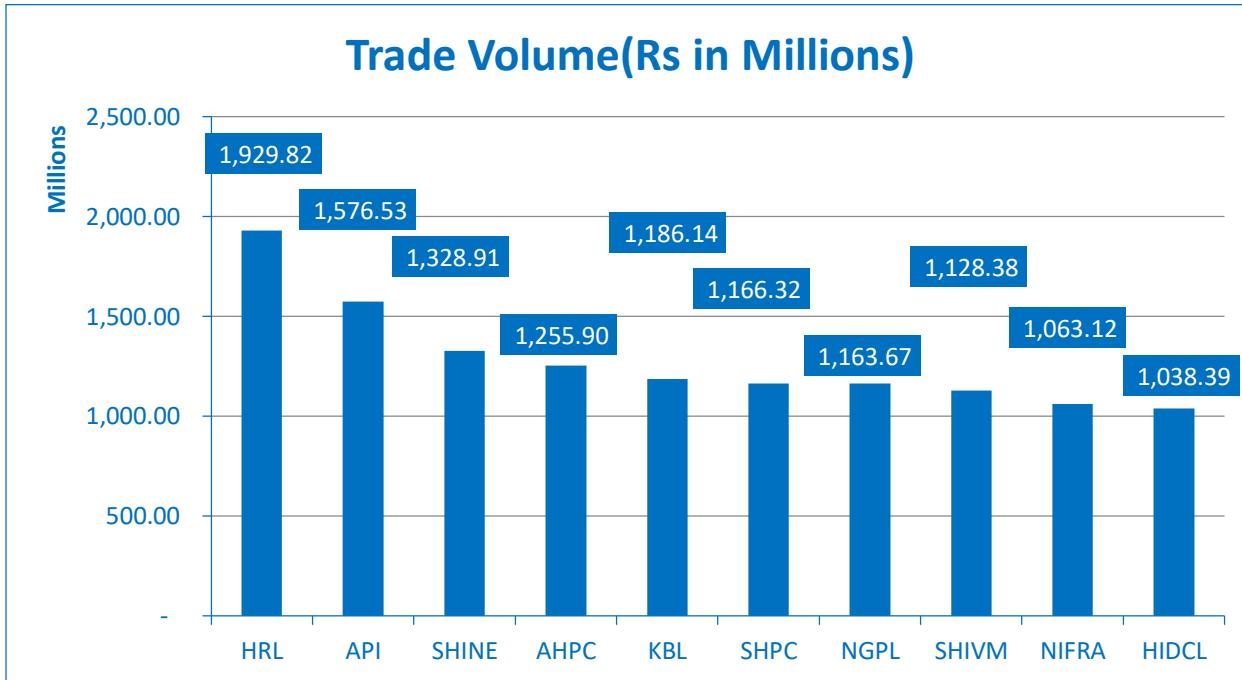
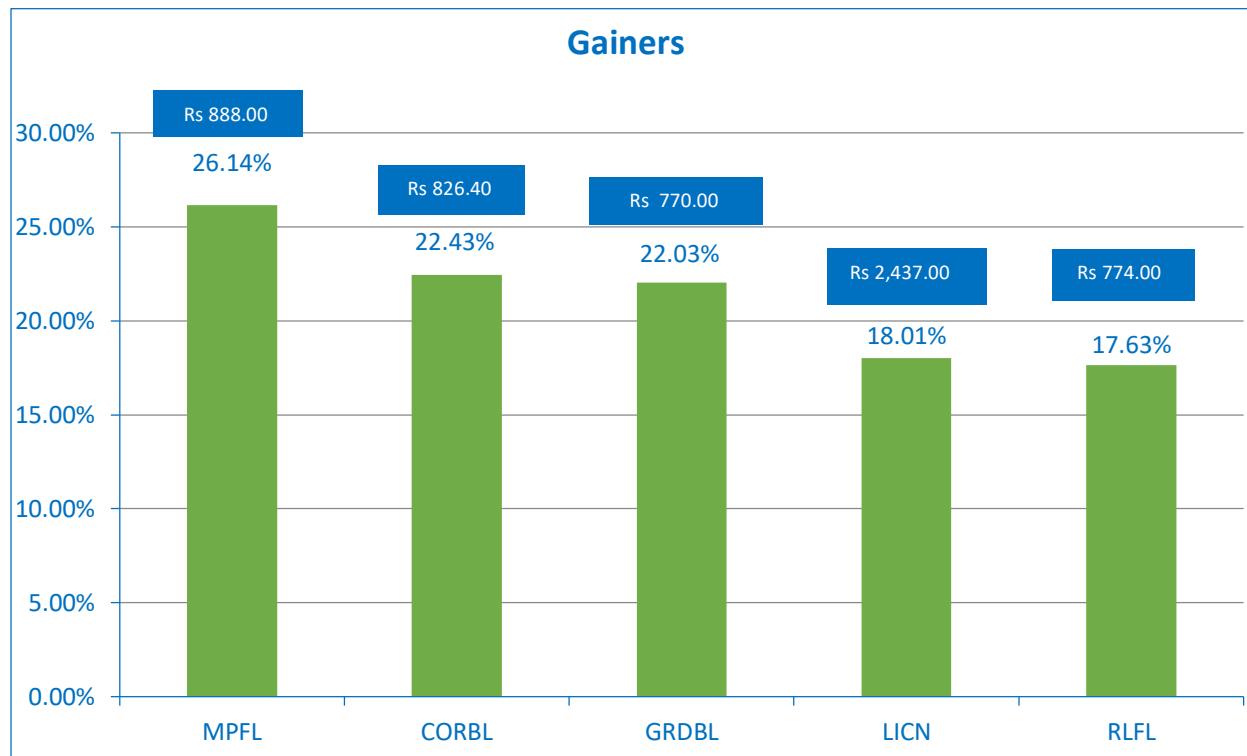
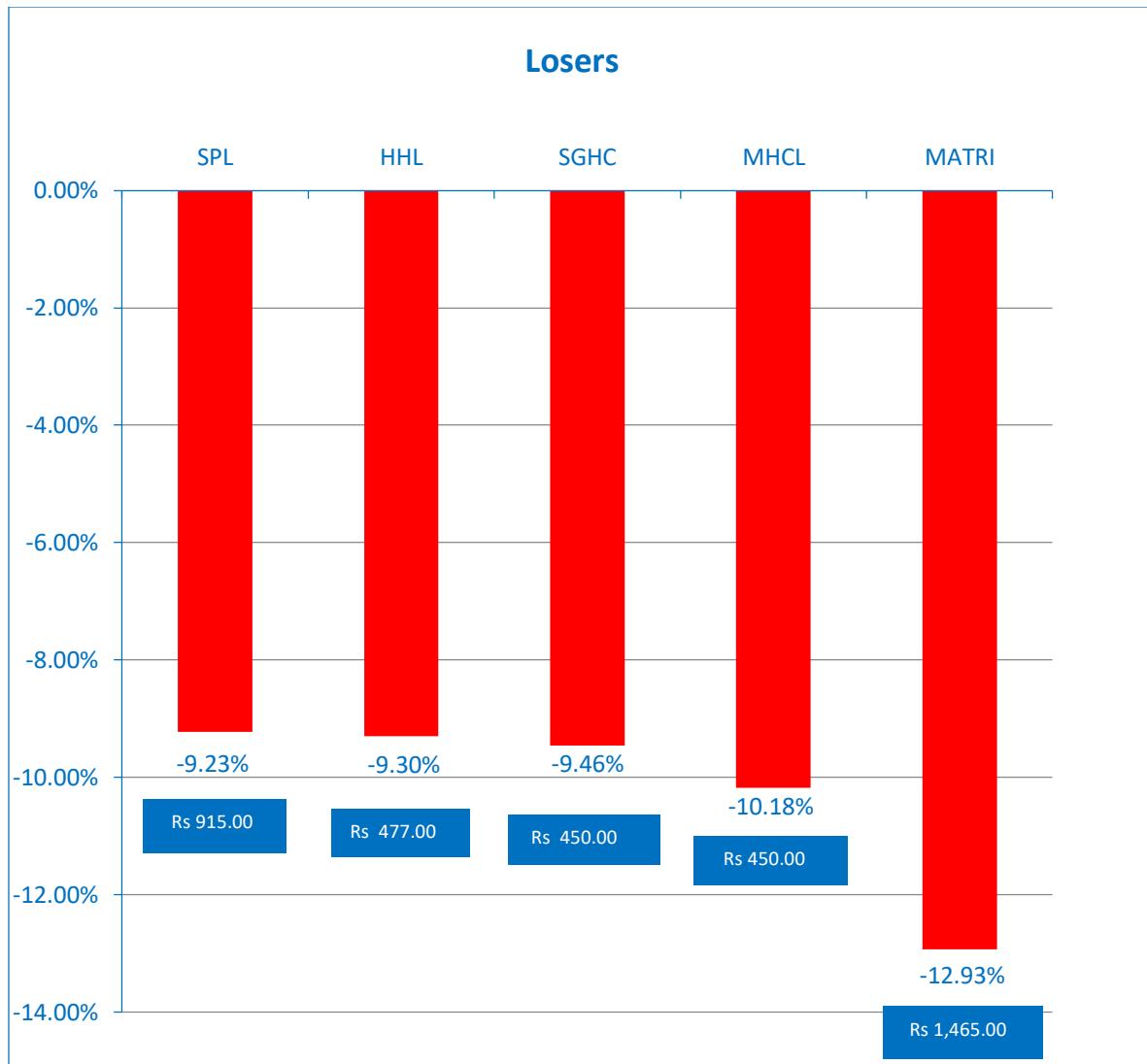


Figure 4 Top 10 Trade volume for the week.

Gainers and Losers



Top 5 Gainers and losers for the week



Technical Overview

With only 3 trading days this week. This week's price movement is dull and trendless. However the uptrend has been halted along with less transactions this week. But is the uptrend over? Our analysis hasn't confirmed a down trend yet. There will be noises in the market that do bring the index down but ultimately unless we have a rising volume in a downtrend. The trend is bullish, and every downfall/ correction is to be considered a buying opportunity. The market has tested the 3000-point mark, but the index doesn't seem to be able to sustain above it. This doesn't necessarily mean that the index will tumble down on its way to 2400 neither towards the 2600s. We shall remain patient unless our minor supports have breached below, as the market is yet trending and has a higher chance of reaching new heights. The trading volume has been the highest throughout the history of the NEPSE index. The previous ATH are breached usually right after months these sorts of spike in interest in the market, globally.

Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

Daily analysis



On daily graph,

On a daily spectrum. The candle formation is of less volatility with a comparatively less volume. 2945 has been a decent support for this week, but it could be violated to furthermore test the stronger supports. 2880 and below are rather stronger supports and much likely to hold on to the index's correction in the upcoming days. However a panic selling from our fellow investors with a huge volume could be a problem, these falls are tricky and can be quite rewarding for a smart investor who can benefit from a panic free fall that might occur in the near future. Overall, the index is healthy and shall take some time, where the index could possibly remain sideways until further momentum is gathered.

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

Support	Resistance
Support 1: 2950	Resistance 1: 3080
Support 2: 2885	Resistance 2: 3200
Support 3: 2800	

Major Rates and Ratios

Description	As on	Rate/Ratio
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CD Ratio	August 20, 2024	78.80
Weighted Average Interbank Interest Rate LCY	August 20, 2024	3.00%
Weighted Average 28 days T-bill rate	August 6, 2024	2.9760%
Weighted Average 91 days T-bill rate	August 21, 2024	2.9282%
Weighted Average 182 days T-bill rate	August 13, 2024	2.9956%
Weighted Average 364 days T-bill rate	August 21, 2024	3.0400%

Average FD Rate for the month of Shrawan 2080	
Institutional	Individual
5.25%	6.49%

Upcoming Events

Date	Event
25/8/2024	SGM of National Capital Limited.
	Closing Day of auction of Shree Investment Finance Company Limited for 37,136 units promoter shares.
	Closing Day of auction of Prabhu Bank Limited for 68,853 units promoter shares.
	Closing Day of auction of Nepal Investment Mega Bank Limited for 87,297 units promoter shares.
	Closing Day of auction of Kamana Sewa Bikas Bank Limited for 27,663 units promoter shares.
26/8/2024	No Events!
27/8/2024	Closing Day of auction of Asian Life Insurance Company Limited for 5,30,000 units promoter shares.
	8th AGM of NIC Asia Capital Limited.
28/8/2024	Closing Day of ratio 1:1 Right Share of Himalayan Urja Bikas Company Limited.
29/8/2024	No Events!
30/8/2024	9th AGM of Vision Energy and Power Limited.
31/8/2024	No Events!

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