

NEPAL LIFE CAPITAL

WEEKLY

MARKET UPDATE

Week: (2/6/2024 to 7/6/2024)



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Market Movement

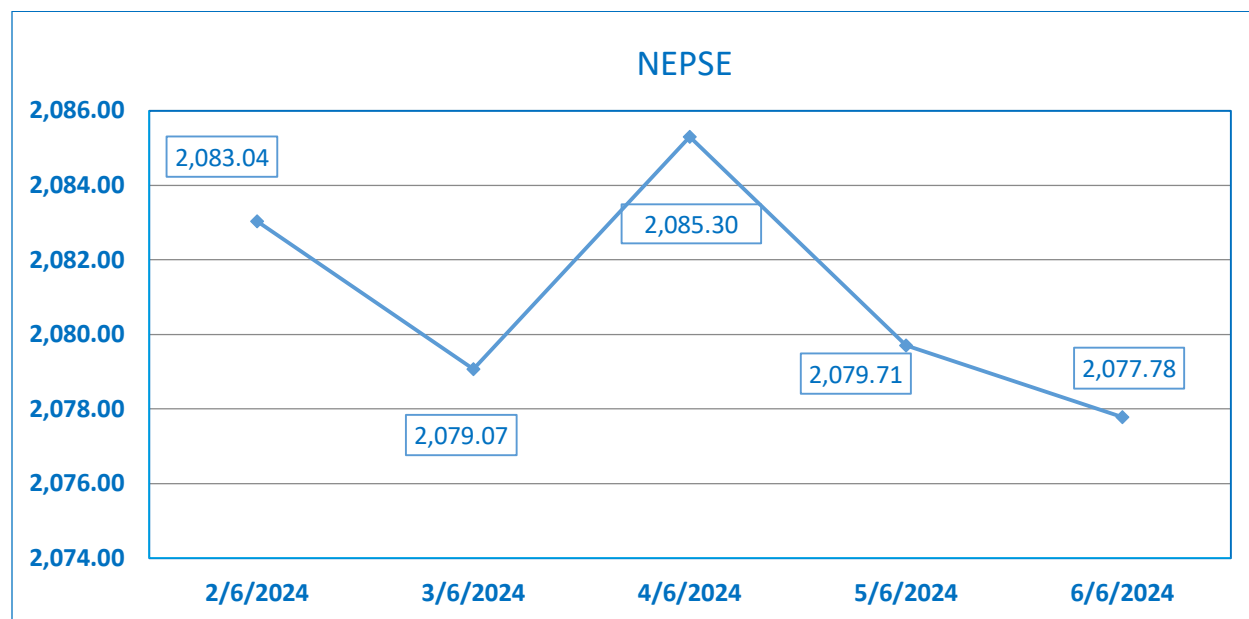


Figure 1 Market Movement for NEPSE index.

For the week of 2nd June to 6th June, the NEPSE closed at 2,077.78 (+0.40%), with an average turnover of 4.156 arba, (-2.94%) less than the last week's average trading volume.

Daily Turnover

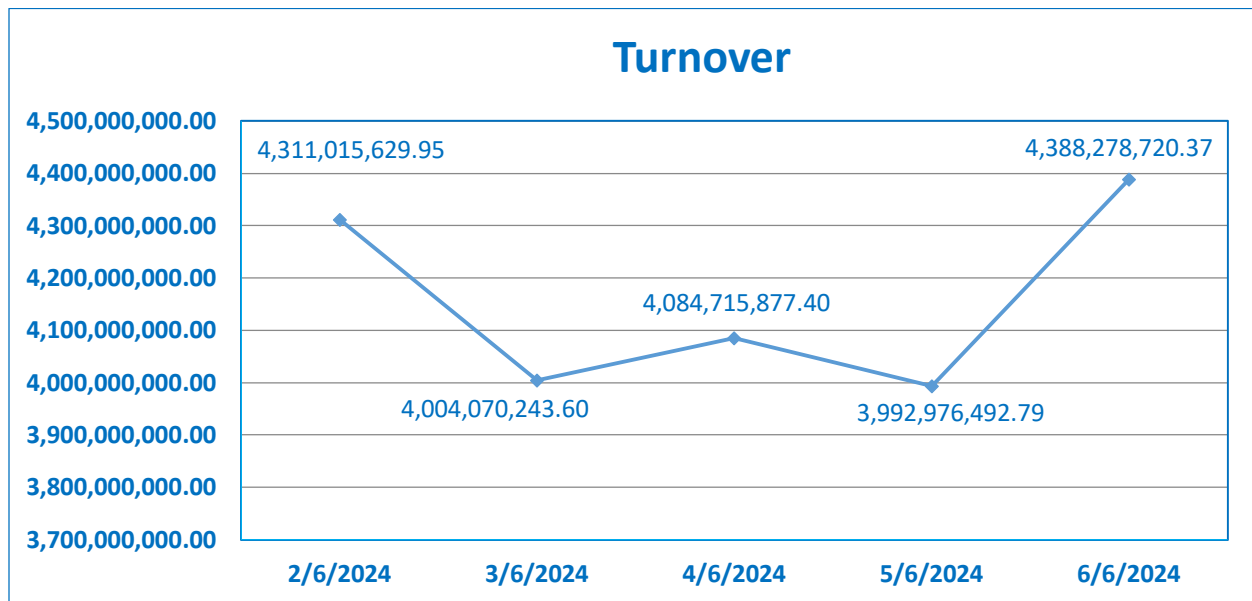


Figure 2 Turnover for NEPSE index.

Sub-Indices Performance

Indices	30th May	6th June	Return
Trading	2,749.23	3,034.98	10.39%
Microfinance	4,357.91	4,656.35	6.85%
Mutual Fund	18.83	19.62	4.20%
Investment	76.04	76.65	0.80%
Finance	2,148.83	2,158.22	0.44%
Life Insurance	10,092.13	10,117.92	0.26%
Non-Life Insurance	10,574.47	10,568.12	-0.06%
Hydropower	2,485.48	2,482.30	-0.13%
Development Bank	4,054.80	4,037.55	-0.43%
Others	1636.21	1627.81	-0.51%
Hotels and Tourism	5341.28	5301.91	-0.74%
Banking	1,119.25	1,109.45	-0.88%
Manufacturing & Processing	6,748.95	6,554.30	-2.88%

This week: Trading leads the table with a 10.39% gain, followed by Microfinance, Mutual fund with 6.85% and 4.20% respectively. While the Manufacturing & Processing had a negative return of -2.88% this week.

Daily Sector Movement

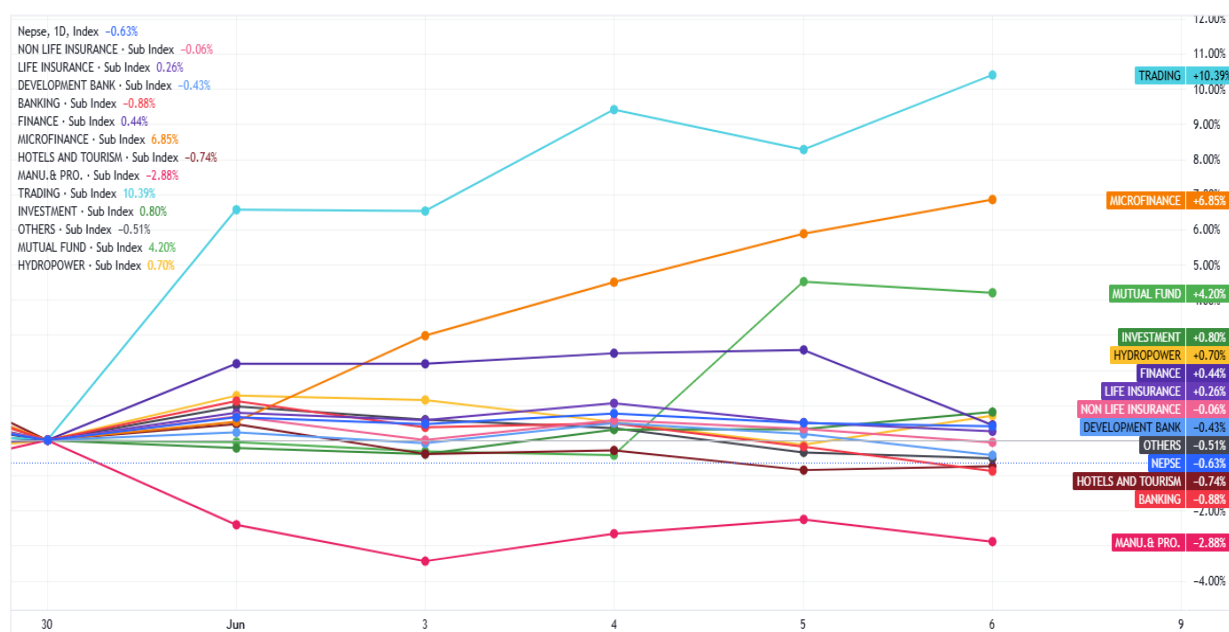


Figure 3 Daily sector movement relatively to NEPSE index.

*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

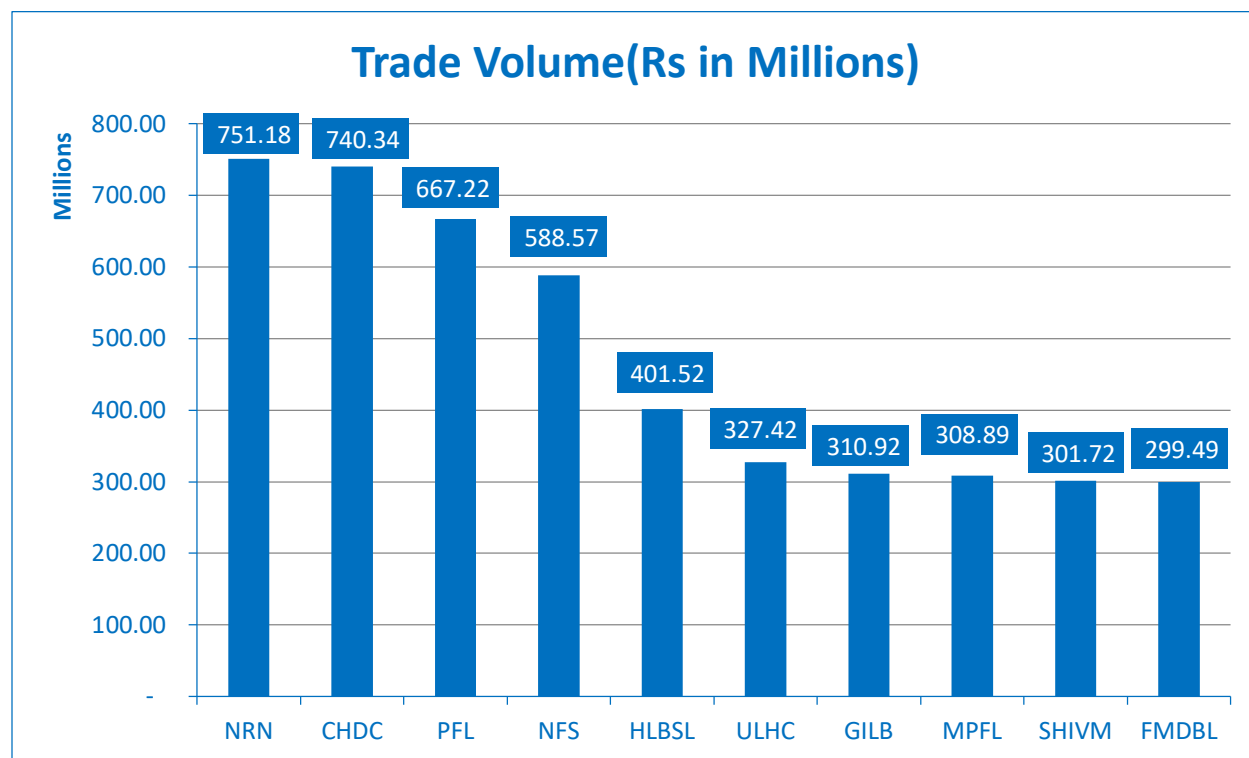
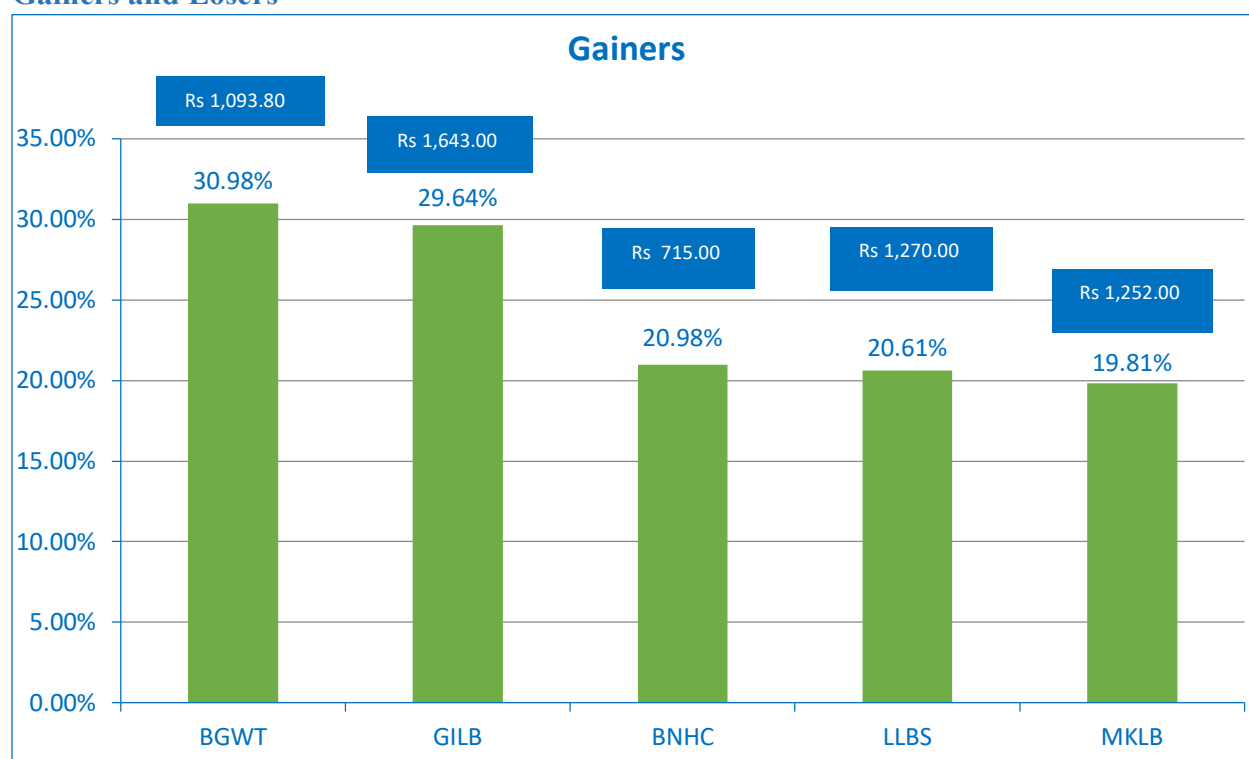


Figure 4 Top 10 Trade volume for the week.

Gainers and Losers



Top 5 Gainers and losers for the week



Technical Overview

This week the volatility has dried out. We have a smaller candle. However, the volume is constant and larger considering the fact we had all five trading days this week. The short-term selling has slowed down, which could be the first sign of the trend reversal happening. Which is yet to be confirmed by the price action.

The indicators are still positive, RSI is at 54.55 still at a neutral zone, and yet to reach the overbought zone, if the bullish momentum is to continue. The ADX line in the DMI indicator is also signaling there is a bullish trend in the market, The MACD indicator has also set a new larger bar for the momentum histogram, indicating a bullish strength on a weekly basis for the NEPSE index.

A larger bullish candle that will take out our recent resistance with a larger volume is our confirmation for the upcoming week. But if the index does sell below the recent low, our 0.5 to 0.6 Fib area has a good chance of acting as a support for the upcoming days.

Weekly analysis



Figure 5 Weekly Time Frame Candlestick Pattern

Daily analysis



On daily graph,

The index still stands tall above the moving averages, the volatility has dried out. This is good for the bulls. We do have a new minor resistance above 2090, which shall not be the hardest job for the index to breach if we do see a bullish momentum this upcoming week. If the selling does continue 2040-30 mark is still a valid support area where buyers are expected to be present if the opportunity does come.

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

Support	Resistance
S1 – 2030-2040	R1 – 2090
S2 – 2015	R2 – 2150
S3 – 2000	R3 – 2200

Major Rates and Ratios

Description	As on	Rate/Ratio
CD Ratio	June 4, 2024	80.10%
Weighted Average Interbank Interest Rate LCY	June 4, 2024	2.91%
Weighted Average 28 days T-bill rate	June 4, 2024	2.8376%
Weighted Average 91 days T-bill rate	June 4, 2024	2.9938%
Weighted Average 182 days T-bill rate	June 4, 2024	3.0475%
Weighted Average 364 days T-bill rate	June 4, 2024	3.2126%

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

Upcoming Events

Date	Event
9/6/2024	SGM of Him Parbat Hydropower Limited.
	8th AGM of Panchthar Power Company Limited.
	10th AGM of United Modi Hydropower Limited.
10/6/2024	26th AGM of Raghupati Jute Mills Limited.
	7th AGM of IME Life Insurance Company Limited.
	15th and 16th AGM of Himal Dolakha Hydropower Company Limited.
11/6/2024	No event!
12/6/2024	SGM of Buddha Bhumi Nepal Hydropower Company Limited.
13/6/2024	Book Closure Date for SGM of Global Equity Fund Limited.
	SGM of United Ajod Insurance Limited.
	2nd AGM of Unitech Hydropower Limited.
14/6/2024	Book Closure Date for 22nd AGM of Life Insurance Corporation Nepal Limited.
	SGM of Vision Energy and Power Limited.
15/6/2024	No event!

..... End

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