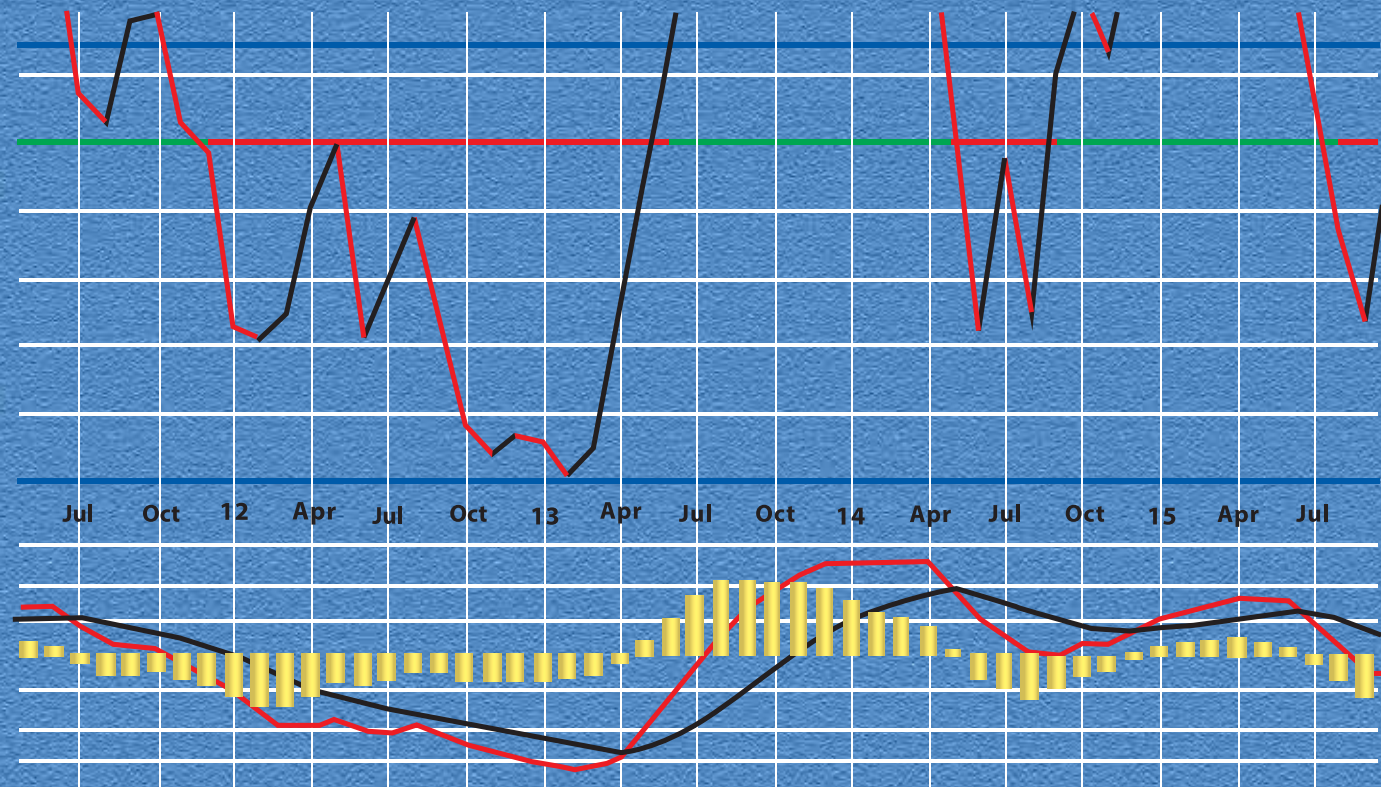


QUARTERLY SECURITIES MARKET INDICATORS

(Third Quarter, FY 2016/17)



Securities Board of Nepal

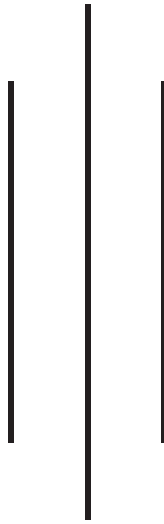
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Quarterly Securities Market Indicators

Third Quarter, FY 2016/17



Securities Board of Nepal
Jawalakhel, Lalitpur

FOREWORD

On the auspicious occasion of silver jubilee, Securities Board of Nepal (SEBON) has started to publish “**Quarterly Securities Market Indicators**” with the objective of providing information and disseminating data on Nepalese securities market. We are planning to publish this indicator in every quarter from now onwards. We believe this will be helpful to the academicians, researchers, investors and others who are interested in the activities of Nepalese securities market.

This indicator consists of information and data of 3rd quarter of fiscal year 2016/17, comprising comparison of this quarter with that of corresponding period. Various reforms and developments have been undertaken in recent years in the Nepalese securities market and publication of this “**Quarterly Securities Market Indicator**” is another testament of our efforts in strengthening information dissemination to the stakeholders and add up to data backup of SEBON.

As this is our first attempt to publish such an indicator of securities market, any comments, suggestions and notification of errors are highly appreciated. Finally, I would like to thank the staff of Policy, Planning and Research Division involved in the preparation and publication of this indicators for their hard work and untiring efforts.

June 8, 2017

Dr Rewat Bahadur Karki
Chairman

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Explanatory Notes

EXPLANATORY NOTES

1. Because of the subsequent revision in data, difference with previously published figures may occur.
2. In some cases, figures are rounded off. Hence, totals may not tally with their component units.
3. The following months of the Gregorian Calendar year are the approximate equivalent to the months of the Nepalese Calendar Year:

Gregorian Month	Nepalese Month
Apr/May	Baisakh
May/Jun	Jestha
Jun/Jul	Ashadh
Jul/Aug	Shrawan
Aug/Sep	Bhadra
Sep/Oct	Ashwin
Oct/Nov	Kartik
Nov/Dec	Marg
Dec/Jan	Poush
Jan/Fe	Magh
Feb/Mar	Falgun
Mar/Apr	Chaitra

4. The Nepalese fiscal year generally begins on July 16 and ends on July 15.

A dash (–) indicates that figures are nil or negligible. The non-availability of data is indicated by dots (...). An oblique (/) indicates a Nepalese fiscal year (e.g., 2016/16) or a Nepalese month (July/August = Shrawan). A hyphen (-) used with a Gregorian Calendar month indicates the end of a Nepalese month (e.g., Mid-July = end of Ashad). Symbols used : "FY" for fiscal year, "Q1" for 1st Quarter, "Q2" for 2nd Quarter and "Q3" for 3rd Quarter.

Quarterly Securities Market Indicators

(January 14, 2017 to April 13, 2017)

An Overview of Nepalese Securities Market

Nepalese securities market witnessed mixed growth during the third quarter of fiscal year 2016/17. The total capital mobilised through the primary market has increased significantly in comparison to the previous quarter and same period of previous fiscal year though the capital mobilised in IPO has decreased.

However, the secondary market has registered moderate growth in this quarter. The major indicators of secondary market like NEPSE index, turnover, market capitalisation, number of transaction have recorded moderate growth in this period in comparison to the previous quarter and corresponding period of previous fiscal year. The glimpse of primary and secondary market of 3rd quarter of this fiscal year in comparison to previous quarter and that of corresponding period of previous fiscal year has been discussed hereunder as depicted in Table 1 and 2.

1. Primary Market

The total capital mobilisation in Q3 of this fiscal year has increased by almost two times in comparison to the previous quarter Q2. Twenty three corporate bodies mobilised Rs. 20.93 billion capital in the review period. In Q2, 17 corporate bodies mobilised capital worth Rs. 7.66 billion. Capital mobilised in Q3 is more than two folds of capital mobilised in corresponding period of last fiscal year. Similarly, the capital mobilised in first nine months of this fiscal year has increased profoundly in comparison to the same period of previous fiscal year. Sixty six corporate bodies mobilised capital worth Rs. 42.06 billion in first nine months of this fiscal year which is an increment of almost 3 times in comparison to corresponding period of previous fiscal year. In first nine months of previous fiscal year 2015/16, 31 corporate bodies mobilised capital worth Rs. 12.51 billion. The significant increment in capital mobilisation in this quarter is due to an increment in right offerings in the review period. Most of the Banks and Financial Institutions (BFIs) offered right share to the investor to raise their paid up capital as mandated by Nepal Rastra Bank, the central bank of Nepal.

The summary of primary market indicators of Q3 in comparison to Q2 of this fiscal year has been presented in Table-1, Q3 of this fiscal year in comparison to Q3 of previous fiscal year in Table-1.1 and first nine months of this fiscal year to the corresponding period of previous fiscal year in Table-1.2.

Table – 1
Primary Market Indicators (Three Quarters of FY 2016/17)

Offering	Fiscal Year 2016/17 (Amount in Rs. Billion)						Percentage Change			
	Q1		Q2		Q3		In Number		In Amount	
	No.	Amount	No.	Amount	No.	Amount	Q1-Q2	Q1-Q2	Q1-Q2	Q1-Q2
IPOs	3	0.44	5	0.41	4	0.26	66.67	-20.00	-6.82	-36.59
Right	21	10.78	9	2.17	18	17.37	-57.14	100.00	-79.87	700.46
FPOs	-	-	2	4.48	1	3.30	-	-50.00	-	-26.34
Mutual Fund	2	2.25	1	0.60	-	-	-50.00	-	-73.33	-
Debenture	-	-	-	-	-	-	-	-	-	-
Total	26	13.47	17	7.66	23	20.93	-34.62	35.29	-43.13	173.24

Table – 1.1
Primary Market Indicators (Q3 of Three Years)

Offering	Fiscal Year 2016/17 (Amount in Rs. Billion)						Percentage Change			
	Q1		Q2		Q3		In Number		In Amount	
	No.	Amount	No.	Amount	No.	Amount	2015/16	2016/17	2015/16	2016/17
IPOs	6	0.22	2	0.12	4	0.26	-66.67	100.00	-45.45	116.67
Right	10	1.00	3	0.10	18	17.37	-70.00	500.00	-90.00	17,270.00
FPOs	-	-	1	5.45	1	3.30	-	-	-	-39.45
Mutual Fund	1	0.50	1	1.00	-	-	-	-	100.00	-
Debenture	-	-	-	-	-	-	-	-	-	-
Total	17	1.72	7	6.67	23	20.93	-58.82	228.57	287.79	213.79

Table – 1.2
Primary Market Indicators (Based on first nine months)

Offering	Fiscal Year 2016/17 (Amount in Rs. Billion)						Percentage Change			
	Q1		Q2		Q3		In Number		In Amount	
	No.	Amount	No.	Amount	No.	Amount	2015/16	2016/17	2015/16	2016/17
IPOs	12	6.81	6	2.28	12	1.11	-50.00	100.00	-66.52	-51.32
Right	17	1.36	21	3.40	48	30.32	23.53	128.57	150.00	791.76
FPOs	-	-	3	5.83	3	7.78	-	-	-	33.62
Mutual Fund	3	2.25	1	1.00	3	2.85	-66.67	200.00	-55.56	185.00
Debenture	2	1.00	-	-	-	-	-	-	-	-
Total	34	11.42	31	12.51	66	42.06	-8.82	112.90	9.54	236.21

The major indicators of primary market has been analysed hereunder.

1.1 Initial Public Offering (IPO) Issue

SEBON approved new securities issue of 4 corporate bodies to raise capital worth of Rs. 255.5 million through IPO during Q3 of this fiscal year. Out of these corporate bodies, two were hydropower companies and another two were microfinance companies. IPO in the review period has decreased by 36.6 percent in comparison to Q2 of this fiscal year while it is an increment of 116.7 percent in comparison to corresponding period of previous fiscal year. In first nine months of this fiscal year IPO amount approved by SEBON has decreased significantly by 51.3 percent in comparison to corresponding period of FY 2015/16. SEBON approved IPO of 1.11 billion of 12 corporate bodies in first nine months of this fiscal year. The detail of IPO approved by SEBON in Q3 of this fiscal year has been depicted in Table 1.3.

Table 1.3
IPO Approved by SEBON (Q3 of FY 2016/17)

S. N.	Issuing Company	Sector	Number of Shares Registered	Number of Shares Issued	Par Value	Amount of Public Issue	Percent of Paid-up Capital
1	United Modi Hydropower Ltd. (For General Public)	Hydropower	11,500,000	1,725,000	100	172,500,000	15
2	United Modi Hydropower Ltd. (For General Public)	Hydropower	3,485,000	410,000	100	41,000,000	10
3	United Modi Hydropower Ltd. (For General Public)	Development Bank	400,000	120,000	100	12,000,000	30
4	United Modi Hydropower Ltd. (For General Public)	Development Bank	1,000,000	300,000	100	30,000,000	30
Total			16,385,000	2,555,000		255,500,000	

1.2 Right Offering

SEBON approved right issue of 18 listed companies to raise capital worth Rs. 17.37 billion during Q3 of this fiscal year, a jump by 7 folds in comparison to right issue of Rs. 2.17 billion approved by SEBON to 9 listed companies in previous quarter. Out of these 18 companies, 7 were commercial banks, 6 were development banks, 1 was finance company, 3 were microfinance companies and 1 was insurance company. The right issue amount was Rs. 100 million in Q3 of previous fiscal year. Upto Q3 of this fiscal year, 48 listed companies got approval of right issue worth Rs. 30.32 billion which rose sharply by almost 8 folds in comparison to right issue approval of Rs. 3.4 billion in corresponding period of previous fiscal year. The detail of right issue approved by SEBON in Q3 of this fiscal year has been presented in Table 1.4.

Table 1.4
Right Issue Approved by SEBON (Q3 of FY 2016/17)

S.N.	Name of Company	Sector	Ratio	No. of share	Amount of Issue
1	Deprosc Laghubitta Bikas Bank Ltd.	Development Bank	1:1	2,579,238.45	257,923,845.00
2	Nerude Laghubitta Bikas Bank Ltd.	Development Bank	2:1	900,000.00	90,000,000.00
3	Kumari Bank Ltd.	Commercial Bank	2:1	13,495,832.66	1,349,583,266.00
4	Mission Development Bank Ltd.	Development Bank	1:1	1,949,250.00.	194,925,000.00
5	Prabhu Insurance Ltd.	Insurance	2:1	1,925,079.00	192,507,900.00
6	Citizen Bank International Ltd.	Commercial Bank	10:2.5	13,843,379.00	84,337,900.00
7	Tourism Development Bank Ltd.	Development Bank	1:1	9,197,712.00	919,771,200.00
8	Nepal Bangladesh Bank Ltd.	Commercial Bank	10:8	32,094,068.80	3,209,406,880.00
9	NIC Asia Bank Ltd.	Commercial Bank	10:1.5	8,729,475.00	872,947,500.00
10	Sanima Bank Ltd.	Commercial Bank	10:3	15,917,617.00	1,591,761,700.00
11	Laxmi Bank Ltd.	Commercial Bank	1:1	31,590,304.00	3,159,030,400.00
12	Nepal Bank Ltd.	Commercial Bank	10:2.37	15,431,840.00	1,543,184,000.00
13	First Microfinance Dev. Bank Ltd.	Development Bank	2:1	1,322,500.00	132,250,000.00
14	Hamro Bikas Bank Ltd.	Development Bank	1:2	3,058,339.00	305,833,900.00
15	Siddhartha Development Bank Ltd.	Development Bank	10:6	8,515,006.00	851,500,600.00
16	Garima Bikas Bank Ltd.	Development Bank	10:7	9,076,296.66	907,629,666.00
17	Gurkhas Finance Ltd.	Finance	2:1	2,893,313.00	289,331,300.00
18	Tinau Development Bank Ltd.	Development Bank	10:3.5	1,194,796.09	119,479,609.00
Total				173,714,046.66	17,371,404,666.00

1.3 Further Public Offering (FPO) Issue

SEBON approved FPO of only one corporate body worth Rs. 3.3 billion in Q3 of this fiscal year. Earlier two corporate bodies got approval for FPO worth Rs. 4.48 billion in Q2. Comparing this quarter's FPO approval with the corresponding period of previous fiscal year, it has decreased sharply by 39.5 percent. In first nine months of this fiscal year, 3 corporate bodies got approval of Rs. 7.78 million for FPO which is a jump of 33.6 percent in comparison to FPO worth Rs. 5.83 billion by 3 corporate bodies in same period of previous fiscal year. The detail of FPO approved by SEBON in Q3 of this fiscal year is given in following Table 1.5.

Table 1.5
FPO Approved by SEBON (Q3 of FY 2016/17)

S.N.	Issuing Company	Sector	Number of Shares Registered	Price Per Share	Public Issue Amount(Rs.)
1	Standard Chartered Bank Ltd.	Commercial Bank	2558140	1290	3,300,000,600

1.4 Mutual Fund Issue

No mutual fund schemes were approved in Q3 of this fiscal year. In first nine months of this fiscal year, three mutual fund schemes of Rs. 2.85 billion has been approved by SEBON, a rise of 185 percent in comparison to corresponding period of previous fiscal year. SEBON has approved 1 mutual fund scheme of Rs. 1 billion in first nine months of previous fiscal year.

1.5 Bonus Share Registration

During Q3 of fiscal year 2016/17, SEBON registered 132.93 million bonus shares worth Rs. 12.82 billion of 75 listed companies. Among these listed companies, 8 were commercial banks, 30 were development banks and 11 were finance companies whereas 12 were microfinance companies, 10 were insurance companies, 3 were hydropower companies and 1 was hotel. The details of bonus share registration in Q3 of this fiscal year is depicted in Table 1.6

Table 1.6
Bonus Share Registration (Q3 of FY 2016/17)

S.N.	Name of Company	Bonus Rate (%)	Total No. of Share	Amount
1	Tinau Development Bank Ltd.	25.00	682741	68,274,100
2	Sunrise Bank Ltd.	33.33	13253488	1,325,348,800
3	Karnali Development Bank Ltd.	11.00	110000	11,000,000
4	Sindhu Bikash Bank Ltd.	16.80	205175	20,517,500
5	Ridi Hydropower Development Company Ltd.	6.00	270953	27,095,300
6	Sahayogi Vikas Bank Ltd.	22.00	567329	56,732,900
7	Pokhara Finance Ltd.	13.50	663010.92	66,301,092
8	Swarojgar Laghubitta Bikas Bank Ltd.	30.40	163187.2	16,318,720
9	Pacific Development Bank Ltd.	22.10	240716	24,071,600
10	Hama Merchant and Finance Ltd.	12.00	265200	26,520,000
11	NMB Microfinance Dev. Bank Ltd.	25.00	115000	11,500,000
12	Standard Chartered Bank Ltd.	33.33	9374753	937,475,300
13	Gandaki Bikas Bank Ltd.	19.57	1053962	105,396,200
14	Himalayan General Insurance Co. Ltd.	20.00	642000	64,200,000
15	Kankai Bikas Bank Ltd.	20.00	250000	25,000,000
16	Miteri Development Bank Ltd.	30.00	633821.76	63,382,176
17	National Life Insurance Company Ltd.	30.00	3057377.7	305,737,770
18	Ace Development Bank Ltd.	20.25	2031741	203,174,100
19	Siddhartha Insurance Ltd.	30.00	1034550	103,455,000
20	Mirmire Microfinance Development Bank Ltd.	60.00	100000	10,000,000

21	Soaltee Hotel Ltd.	10.00	5265524	526,552,400
22	Sahara Bikash Bank Ltd.	35.00	82600	8,260,000
23	Lumbini General Insurance Co. Ltd.	18.18	600000	60,000,000
24	Shikhar Insurance Ltd.	60.00	3077710	307,771,000
25	Machhapuchchhre Bank Ltd.	20.75	8018900	801,890,000
26	Muktinath Bikas Bank Ltd.	34.00	2850671.35	285,067,135
27	United Insurance Co. (Nepal) Ltd.	20.00	504000	50,400,000
28	Chhimek Laghubitta Bikas Bank Ltd.	40.00	2383231	238,323,100
29	Shree Investment and Finance Co. Ltd.	10.50	231000	23,100,000
30	Premier Insurance Co(Nepal) Ltd.	20.00	747507	74,750,700
31	Srijana Finance Ltd.	50.00	1008000	100,800,000
32	Country Development Bank Ltd.	8.45	301604.16	30,160,416
33	Triveni Bikas Bank Ltd.	19.00	1558029.04	155,802,904
34	Chilime Hydropower Co. Ltd.	10.00	3134476.8	313,447,680
35	Araniko Development Bank Ltd.	17.00	438312.11	43,831,211
36	Hamro Bikas Bank Ltd.	25.00	305833.88	30,583,388
37	Janaki Finance Ltd. (Bittiya Sanstha)	10.00	310781	31,078,100
38	Fewa Bikas Bank Ltd.	20.60	2049700	204,970,000
39	Kanchan Development Bank Ltd.	25.00	495000	49,500,000
40	Paschimanchal Finance Ltd.	15.00	455260	45,526,000
41	Sagarmatha Insurance Co. Ltd.	22.00	970690	97,069,000
42	Bhaktapur Finance Ltd.	3.50	73850	7,385,000
43	Namaste Bittiya Sanstha Ltd.	24.00	90000	9,000,000
44	Jyoti Bikas Bank Ltd.	11.70	1172907.6	117,290,760
45	NLG Insurance Company Ltd.	25.00	1024650	102,465,000
46	Manjushree Finance Ltd.	14.00	350910	35,091,000
47	Garima Bikas Bank Ltd.	20.00	2161024	216,102,400
48	Deva Bikas Bank Ltd.	14.00	1233523.31	123,352,331
49	Mahila Sahayatra Microfinance Bittiya Sanstha Ltd.	10.00	110000	11,000,000
50	Biratlaxmi Bikas Bank Ltd.	18.50	786912.06	78,691,206
51	Vijaya Laghubitta Bittiya Sanstha Ltd.	15.00	210000	21,000,000
52	Butwal Power Co. Ltd.	7.00	1184563	118,456,300
53	Cosmos Development Bank Ltd.	11.80	118738	11,873,800
54	Womi Microfinance Bittiya Sanstha Ltd.	20.00	108000	10,800,000
55	Mero Microfinance Bittiya Sanstha Ltd.	10.00	200000	20,000,000
56	Saptakoshi Development Bank Ltd.	11.00	110000	11,000,000
57	NMB Bank Ltd.	19.00	10317118.68	1,031,711,868
58	Manaslu Bikas Bank Ltd.	18.00	330354	33,035,400
59	Nepal SBI Bank Ltd.	28.00	10889272	1,088,927,200
60	Alpine Development Bank Ltd.	14.50	329353	32,935,300

61	Kailash Bikas Bank Ltd.	25.00	3950840	395,084,000
62	Siddhartha Bank Ltd.	39.00	14732627.02	1,473,262,702
63	Swabalamban Laghubitta Bikas Bank Ltd.	34.00	1066950	106,695,000
64	Janata Bank Ltd.	12.00	2472000	247,200,000
65	Summit Micro Finance Development Bank Ltd.	45.00	225000	22,500,000
66	Sahara Bikash Bank Ltd.	18.00	57348	5,734,800
67	Guheshwori Merchant Banking & Finance Ltd.	12.00	528730.92	52,873,092
68	Sana Kisan Bikas Bank Ltd.	25.00	1006124.69	100,612,469
69	Purnima Bikas Bank Ltd.	16.47	498220.54	49,822,054
70	Nepal SBI Bank Ltd.	Fraction Share	18106	1,810,600
71	Om Development Bank Ltd.	29.20	3074321	307,432,100
72	Central Finance Ltd.	22.50	555204.15	55,520,415
73	Neco Insurance Ltd.	20.00	648087.26	64,808,726
74	Shine Resunga Development Bank Ltd.	27.00	2344732	234,473,200
75	Lumbini Finance and Leasing Co. Ltd.	35.00	1443750	144,375,000
	Total		132,925,053.15	12,818,608,154

2. Secondary Market

Nepalese secondary market, on the whole, witnessed moderate growth in Q3 of current fiscal year. Among the major indicators of the market, NEPSE index has increased by 14.7 percent and reached 1697.13 points at the end of Q3 which was 1479.86 in Q2 of this fiscal year. Comparing this index with the corresponding period of previous fiscal year, it has increased by 22.2 percent. It was 1388.63 in the previous year. Float index, which is calculated on the basis of public share (tradable shares) only and represent the real scenario of the market, reached 127.31 points on Q3 of this fiscal year which shows an increment of 15.6 percent in comparison to Q2. Float Index has increased by 27.7 percent in Q3 in comparison to corresponding period of previous fiscal year. Similarly, Sensitive Index reached 367.52 points in review period from 319.96 points of corresponding previous quarter. It was 299.92 in previous fiscal year. Turnover of securities has increased by 17.3 percent in Q3 and other major indicators of secondary market like paid up value of shares, market capitalisation, float market capitalisation have also increased in Q3 at a moderate rate. The number of listed companies has decreased by 4.1 percent in the review period from 219 to 210. This is mainly due to merger and acquisition of BFIs.

During the first nine months of FY 2016/17, overall scenario of secondary market has recorded better performance compared to the same period last year. All the market indicators except the number of listed companies has gone up. The total turnover has almost doubled to Rs. 162 billion while market capitalisation rose by 30 percent to Rs. 1951 billion, which is around 75 percent of GDP.

The summary of major secondary market indicators as of Q3 in comparison to Q2 of this fiscal year has been presented in Table-2, Q3 of this fiscal year in comparison to Q3 of previous fiscal year in Table-2.1 and first nine months of this fiscal year to the corresponding period of previous fiscal year in Table-2.2

Table – 2
Secondary Market Indicators (Three Quarters of FY 2016/17)

Indicators	Fiscal Year 2016/17			% Change Q2	% Change Q2
	Q1	Q2	Q3		
No. of Listed Companies	223	219	210	-1.79	-4.11
No. of listed Securities (Rs in billion)	2.29	2.49	2.77	8.73	11.24
Turnover (Rs in billion)	75.07	39.95	46.84	-46.78	17.25
Average Daily Turnover (Rs in billion)	1.34	0.70	1.20	-47.76	12.86
Trading Days	56	57	59	1.79	3.51
No. of Scripts Traded	172	171	175	-0.58	2.34
No. of Securities Traded (Rs. in million)	128.18	63.91	118.65	-50.14	85.65
No. of Transaction	369,254	262,192	355,909	-28.99	35.74
Total Paid up value of Listed Shares (Rs. in billion)	222.10	242.38	269.75	9.13	11.29
Market Capitalization (Rs in billion)	1,998.62	1,660.28	1,951.15	-16.93	17.52
Float Market Capitalization (Rs in billion)	689.24	569.16	683.73	-17.42	20.13
Turnover to Market Capitalization (In %)	3.76	2.41	2.40	-35.90	0.41
Market Capitalization/ GDP (In %)	76.89	63.88	75.07	-16.92	17.52
Float Market Capitalization/ GDP (In %)	26.52	21.90	26.31	-17.42	20.14
NEPSE Index (In Points)	1803.74	1479.86	1697.13	-17.96	14.68
NEPSE Sensitive Index (In Points)	391.40	319.96	367.52	-18.25	14.86
NEPSE Float Index (In Points)	135.04	110.09	127.31	-18.48	15.64

Table – 2.1
Secondary Market Indicators (Q3 of Three Years)

Indicators	Fiscal Year (Q3)			% Change Q2	% Change Q2
	FY 2014/15	FY 2015/16	FY 2016/17		
No. of Listed Companies	232	231	210	-0.43	-9.09
No. of listed Securities (Rs in billion)	1.95	3.03	2.77	55.38	-8.58
Turnover (Rs in billion)	16.75	34.42	46.84	105.49	36.08
Average Daily Turnover (Rs in billion)	0.29	0.61	0.79	110.34	29.51
Trading Days	57	56	59	-1.75	5.36
No. of Scripts Traded	197	164	175	-16.75	6.71
No. of Securities Traded (Rs. in million)	44.49	65.96	118.65	48.26	79.88
No. of Transaction	109945	162778	355,909	48.05	118.65
Total Paid up value of Listed Shares (Rs. in billion)	157.59	257.58	269.75	63.45	4.72
Market Capitalization (Rs in billion)	973.27	1496.56	1,951.15	53.77	30.38
Float Market Capitalization (Rs in billion)	309.51	493.43	683.73	59.42	38.57
Turnover to Market Capitalization (In %)	1.72	2.30	2.40	33.72	4.17
Market Capitalization/ GDP (In %)	45.69	66.59	75.07	45.74	12.73
Float Market Capitalization/ GDP (In %)	14.53	21.96	26.31	51.14	19.81
NEPSE Index (In Points)	948.36	1388.63	1697.13	46.42	22.22
NEPSE Sensitive Index (In Points)	202.26	299.92	367.52	48.28	22.54
NEPSE Float Index (In Points)	66.87	99.69	127.31	49.08	27.71

Table – 2.2
Secondary Market Indicators (Based on first nine months)

Indicators	Fiscal Year (First 9 months)			% Change 2014/15	%Change 2015/16
	2014/15	2015/16	2016/17		
No. of Listed Companies	232	231	210	-0.43	-10.00
No. of listed Securities (Rs in billion)	15.97	19.61	27.68	22.79	41.15
Turnover (Rs in billion)	54.29	84.58	161.85	55.79	91.36
Average Daily Turnover (Rs in billion)	0.32	0.50	0.94	56.25	88.00
Trading Days	169	169	172	0.00	1.74
No. of Scripts Traded	257	259	248	0.78	-4.25
No. of Securities Traded (Rs. in million)	131.62	163.25	310.75	24.03	90.35
No. of Transaction	409637	501296	987355	22.38	99.10
Total Paid up value of Listed Shares (Rs. in billion)	154.12	189.59	269.75	23.01	42.28
Market Capitalization (Rs in billion)	973.27	1496.56	1951.15	53.77	30.38
Float Market Capitalization (Rs in billion)	309.51	493.43	683.73	59.42	38.57
Turnover to Market Capitalization (In %)	5.58	5.65	8.30	1.25	46.90
Market Capitalization/ GDP (In %)	45.69	66.59	75.07	45.74	12.73
Float Market Capitalization/ GDP (In %)	14.53	21.96	26.31	51.14	19.81
NEPSE Index (In Points)	948.36	1388.63	1697.13	46.42	22.22
NEPSE Sensitive Index (In Points)	202.26	299.92	367.52	48.28	22.54
NEPSE Float Index (In Points)	66.87	99.69	127.31	49.08	27.71

2.1 NEPSE Index

NEPSE index, Sensitive index, Float index and Sensitive Float index, in Q3, have shown optimistic growth. NEPSE index increased by 4.6 percent in Mid-March 2017 in comparison to Mid-Feb 2017 and at the end of Q3, it reached 1697.13 points with an increment of 25.2 percent than that of previous month. Similarly, Sensitive index reached 367.52 points at the end of Q3, a rise of 24.8 percent in comparison to previous month Mid-March 2017. At Mid-March 2017, it rose by 4.6 percent than previous month. Float index increased at almost same pace like other indices. It has increased by 4.3 percent from Mid-Feb to Mid-March 2017 and by 27.4 percent from Mid-March to Mid-April 2017. At the end of Q3 it reached 127.31 points. Likewise, Sensitive Float index increased by 7.3 and 27.2 percent respectively from Mid-Feb to Mid-March 2017 and Mid-March to Mid-April 2017. It reached 114.4 points at the end of Q3. The growth in the three months of Q3 is in upward trend. The detail of NEPSE indices is presented in Table-2.3

Table – 2.3
NEPSE Index (Three Months of Q3)

S.N.	Index	Mid-Feb 2017	Mid-March 2017	Mid-April 2017	% Change	
					Mid-March	Mid-April
1	NEPSE Index	1296.23	1355.23	1697.13	4.55	25.23
2	Sensitive Index	281.46	294.41	367.52	4.60	24.83
3	Float Index	95.81	99.95	127.31	4.32	27.37
4	Sensitive Float	83.84	89.93	114.40	7.26	27.21

2.2 Market Turnover:

The monthly turnover of this quarter is in increasing trend. Turnover was Rs. 8.04 billion in the first month of Q3 (Jan/Feb 2017) which increased to Rs. 9.52 billion in second month of Q3 (Feb/March 2017) with an increment of 18.4 percent. In third month of Q3 (March/April 2017), it rose significantly by 207.5 percent with total turnover of Rs. 29.27 billion. The total turnover in Q3 of this fiscal year is Rs. 46.84 billion which is an increment of 17.3 percent in comparison to Rs. 39.95 billion turnover of Q2. Similarly comparing Q3 of this fiscal year to that of corresponding period of previous fiscal year, turnover in this Q3 has increased by 36.1 percent. Turnover was Rs. 34.42 billion in Q2 of pervious fiscal year. In first nine months of this fiscal year turnover was Rs. 161. 85 billion recording sharp growth of 91.4 percent in comparison to turnover of Rs. 84.58 billion in first nine months of previous fiscal year.

Average daily turnover reached Rs. 793.9 million in Q3 of this fiscal year, an increase of 12.86 percent in comparison to Q2 of this fiscal year. Average daily turnover was Rs. 610 million in Q3 of previous fiscal year. It has increased by 21.51 percent in the review period.

2.3 Sectorwise Turnover

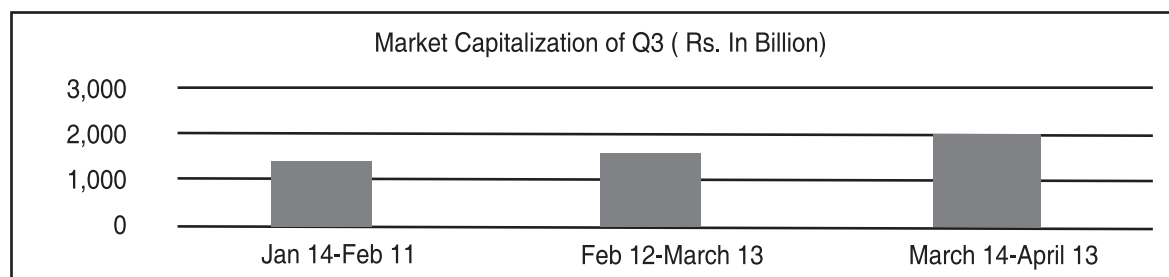
Banking sector shares were traded in high volume in Q3 of this fiscal year. Banking sector shares worth Rs. 20.33 billion were traded in Q3 of this fiscal year which is 43.7 percent of total turnover. Banking sector was followed by insurance sector with turnover of Rs. 13.01 billion which is almost 28 percent of total turnover. Development bank shares worth Rs. 6.12 billion were traded which covers 13.2 percent of total turnover in review period. Similarly, Promoter share of Rs. 3.47 billion was traded in Q3. It covers 7.5 percent of total turnover. Promoter share is followed by hydropower with coverage of 3.7 percent, finance with 1.6 percent, others with 1.3 percent, hotels with 0.6 percent, mutual funds with 0.5 percent and manufacturing and processing with 0.1 percent of total turnover. The trading of trading sector was very negligible in the review period. The detail of sectorwise turnover is presented in Table-2.4.

Table – 2.4
Sectorwise Turnover (Three Months of Q3)

S.N.	Sector	Q3 of FY 2016/17 (In Rs. billion)				
		Jan 14-Feb 11	Feb 12-March 13	March 14-April 13	Total in Q3	% in Total Turnover
1	Banking	3.76	4.61	11.96	20.33	43.74
2	Trading	0.00003	-	0.004	0.004	0.00
3	Hotels	0.03	0.079	0.15	0.26	0.56
4	Development Bank	0.84	1.01	4.27	6.12	13.17
5	Hydropower	0.24	0.30	1.17	1.71	3.68
6	Finance	0.13	0.18	0.41	0.72	1.55
7	Insurance	1.46	2.65	8.90	13.01	27.99
8	Manu.& Processing	0.02	0.008	0.014	0.04	0.09
9	Mutual Funds	0.02	0.07	0.13	0.22	0.47
10	Others	0.29	0.14	0.17	0.60	1.29
11	Promoter Share	0.92	0.46	2.09	3.47	7.46

2.4 Market Capitalisation

Market capitalisation reached Rs. 1951 billion at the end of Q3 of this fiscal year which showed an increment of 17.5 percent in comparison to market capitalisation of Rs. 1660 billion of previous quarter. Market capitalisation was 75.1 percent to Gross Domestic Product (GDP) in the review period which was 63.9 percent in previous quarter. It increased by 12.73 percent in comparison to corresponding period of previous fiscal year. Float market capitalisation, which calculates the market capitalisation of tradable shares only was Rs. 684 billion in Q3 which was Rs. 569 billion in previous quarter. It rose steeply by 38.6 percent in comparison to Rs. 493 billion market capitalisation on corresponding period of previous fiscal year. Float market capitalisation was 26.3 percent to GDP in Q3 and was 21.9 percent to GDP in Q2. The market capitalisation of Q3 is presented in following chart.



2.5 Sectorwise Market Capitalisation

Commercial Bank almost covered 55 percent of total market capitalisation as on Mid-April 2017, followed by Insurance sector with coverage of 15.4 percent whereas Development Bank covered 13.6 percent, the rest by Others sector, Hydropower, Finance, Manufacturing and Processing, Hotels and Trading with weightage of 7.1, 3.6, 2.8, 2, 1.5, 0.1 percent respectively. The detail of sectorwise market capitalisation of three months of Q3 and percentage share of each sector to total market capitalisation is presented in Table – 2.5.

Table – 2.5
Sectorwise Market Capitalization

Sector	Q3 of FY 2016/17 (In Rs. billion)			
	Mid-Feb	Mid-March	Mid-April	%in Mid-April
Commercial Bank	813.92	851.21	1071.28	54.91
Development Bank	192.60	200.53	265.95	13.63
Finance	44.23	43.20	53.99	2.77
Insurance	175.99	210.35	301.25	15.44
Hydropower	53.01	55.72	70.57	3.61
Manuf. & Processing	38.36	38.56	39.18	2.01
Hotels	23.95	29.15	1.50	
Trading	1.20	1.20	1.22	0.06
Others	117.62	112.22	118.57	6.07

2.6 Mutual Fund's NAV:

Ten mutual funds schemes promoted by different 6 BFIs were in operation till the end of Q3 of this fiscal year. Total fund mobilization from IPO issue by these schemes is Rs. 800.50 million. The NAV report of these 10 mutual funds schemes with regard to each month end of Q3 of this fiscal year is presented in Table – 2.6.

Table – 2.6
NAV of Mutual Fund Schemes (Three months of Q3)

S.N.	Name of Mutual Funds Scheme	Q3 of FY 2016/17			% Change	
		Mid-Feb	Mid-March	Mid-April	Mid-March	Mid-April
1	Siddhartha Investment Growth Scheme -1 (SIGS 1)	22.61	23.48	28.54	3.85	21.55
2	Siddhartha Equity Oriented Scheme (SEOS)	13.17	13.50	16.03	2.51	18.74
3	Nabil Balance Fund -1	20.53	21.33	24.87	3.90	16.60
4	Nabil Equity Fund	9.63	9.74	10.19	1.14	4.62
5	NMB Sulav Investment Fund -1	14.63	14.95	17.24	2.19	15.32
6	NMB Hybrid Fund L-1	10.19	10.26	10.57	0.69	3.02
7	Laxmi Value Fund -1	11.03	11.55	13.46	4.71	16.54
8	NIBL Samriddhi Fund -1	12.09	12.77	15.98	5.62	25.14
9	NIBL Pragati Fund -1	9.77	9.91	10.74	1.43	8.38
10	Global IME Samunnat Scheme -1	8.45	8.74	10.31	3.43	17.96

