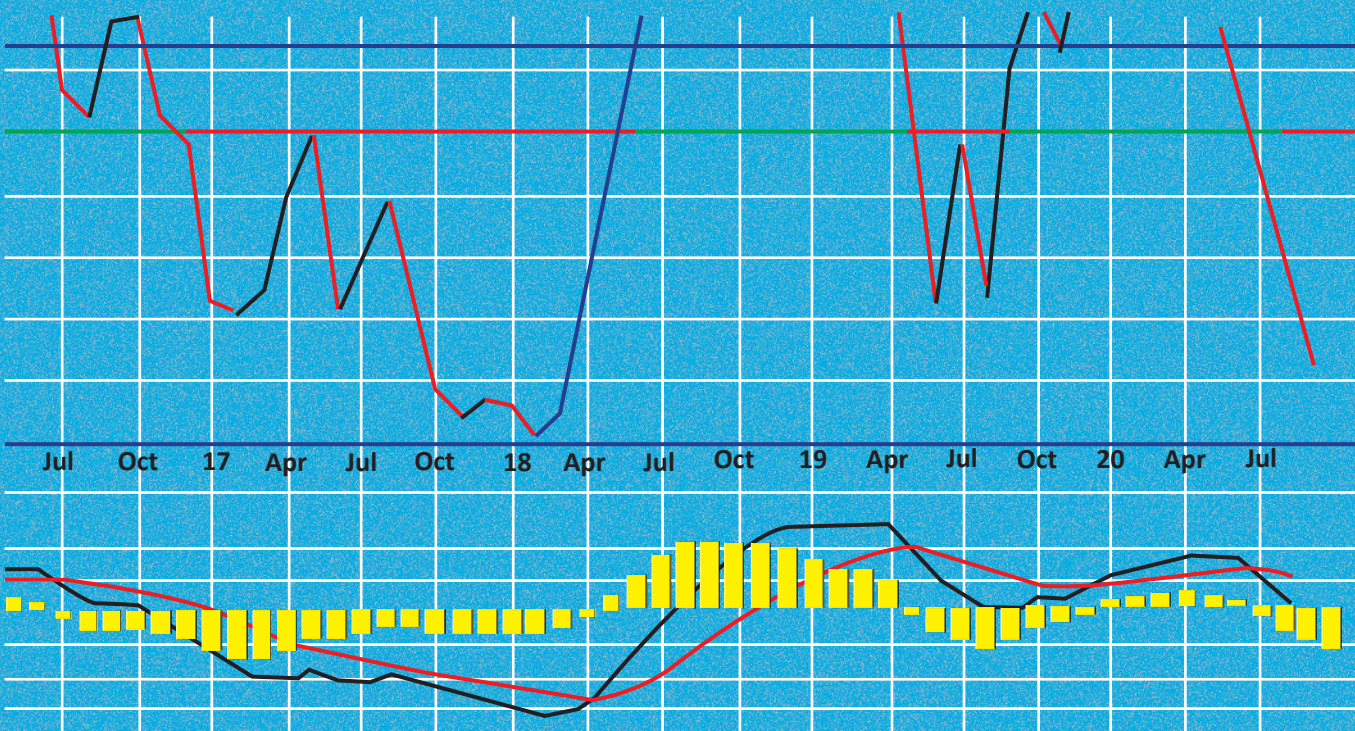


Issue 9, (Mid-Jan to Mid-April, 2019)

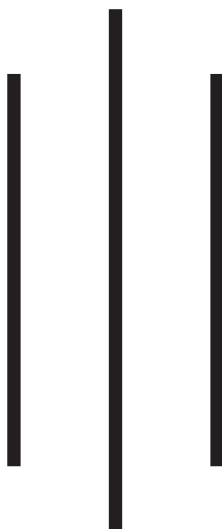
QUARTERLY SECURITIES MARKET INDICATORS

(Third Quarter, FY 2018/19)



Securities Board of Nepal
Jawalakhel, Lalitpur, Nepal

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QUARTERLY SECURITIES MARKET INDICATORS (Third Quarter, FY 2018/19)

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Editorial

The Quarterly Securities Market Indicator (QSMI) has been constantly published by Securities Board of Nepal (SEBON) since FY 2016/17. The indicator aims to provide the detailed statistical information of Nepalese securities markets along with the some key figures of global securities markets. It includes the recent reforms and development initiatives and other activities carried out by SEBON and annual data of some indicators as well.

The tables, graphs and charts have been incorporated in this publication to streamline the context so that securities market investors can better understand the terminology of securities markets. The Editorial Board is sincere in making this publication more realistic, authentic, and useful by covering the overall aspects of Nepalese securities markets. Editorial Board hopes that the publication will help the general investors, students, researcher and lecturer of universities and other stakeholders to analyse the securities markets as per their need and requirements. It is only a small step towards meeting the interest and expectation of the stakeholders of the securities markets in Nepal.

Editorial Board appreciates the seniors and colleagues of SEBON who have respectively guided and supported to make this publication better. Nepal Stock Exchange Ltd., CDS & Clearing Ltd. and other market participants are also the part of thanks. Any comments and suggestions on any of the features/sections of this publication may be sent to sebon.research@sebon.gov.np. Editorial Board assures that any valuable suggestions/feedbacks will be duly considered in next issue of this publication. This publication is available to all stakeholder at free of cost and a readable version of this indicator is also available at www.sebon.gov.np.

Editorial Board

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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/Feb	Magh
Feb/Mar	Falgun
Mar/Apr	Chaitra

4. The Nepalese fiscal year generally begins on July 16 and ends on July 15.
5. 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., 2016/17) 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 1stQuarter, "Q2" for 2nd Quarter, "Q3" for 3rd Quarter and "Q4" for 4th Quarter.

Quarterly Securities Market Indicators

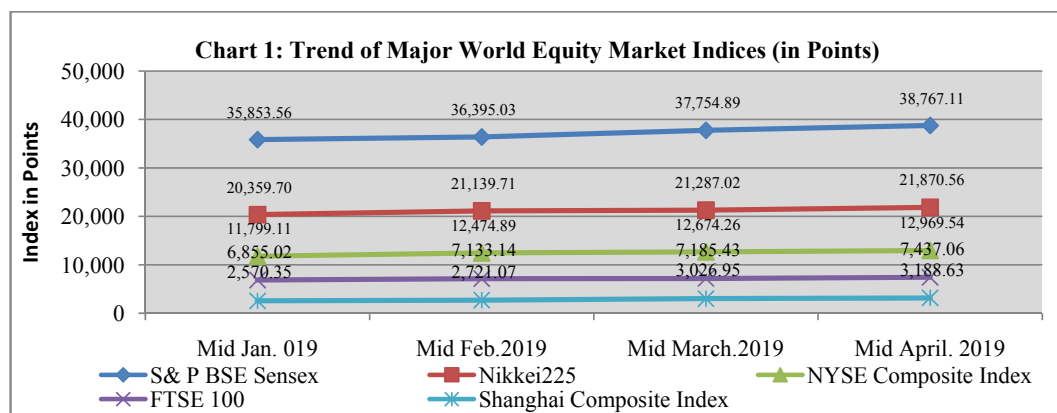
(Mid-Jan to Mid-April, 2019), Issue 9

1. Global Securities Markets

World economy is classified into three regions such as Americas region; Europe, Middle East and Africa Region (EMEA); and Asia Pacific Region in order to simplify the analysis of global securities markets. In this indicators, the global securities market have been analysing in terms of major world equity market indices, market capitalisation, value and number of trades in equity shares and new listing and investment flows through IPOs. During the first quarter of 2019, equity markets across the globe recorded a comeback from a weak end to 2018 though market remained mixed in terms of market capitalisation, turnover, new listing and investment flow throw IPOs

1.1 Major world equity market indices: During the first quarter of 2019, major equity market indices upsurged in Mid April 2019 in comparison to Mid-Jan 2019. Amongst the advance markets, NYSE Composite index of New York Stock Exchange increased by 9.92 percent to 12,969.54 points in Mid-April 2019 in comparison to Mid-Jan 2019. Considering rising global risks, the US Federal Reserve took a dovish stance by pausing interest rate increases and signaling no increases for the rest of the year. Nikkei 225 of Japan increased by 7.42 percent to 21,870.56 points at the same time.

In Asia Pacific Region, trend of most market indices reversed to upward. S&P BSE SENSEX of India went up by 8.13 percent during the same period touching 38,767.11 points in Mid-April 2019. In the same way, FTSE 100, the index of London Stock Exchange increased by 8.49 percent to 7,437.06 points at the end of Mid April 2019. In the meantime, Shanghai Composite index, an index of Shanghai Stock Exchange increased significantly by 24.05 percent to 3,188.63 points at the same time. Optimism over a trade agreement with the US and ongoing government support for the Chinese domestic economy were beneficial. The trend of major world equity market indices is depicted in Chart 1.



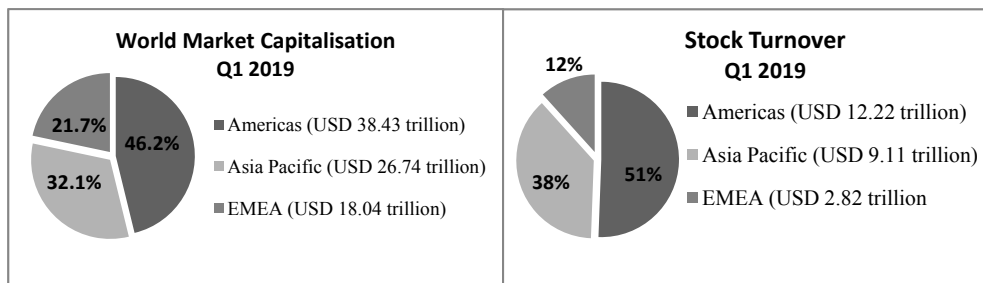
1.2 Market capitalisation: According to report published by World Federation of Exchanges, WFE, in April 2019, domestic market capitalisation was up by 12.2 percent at end of Q1 2019 to 84.7 trillion USD on end 2018. This was due to a rebound in market valuations across all regions after a sharp decline in Q4 2018. However, market capitalisation was still down by 2.8 percent in Q1 2018, due to decline in all regions except the Americas.

1.3 Value & number of trades in equity shares: Value of trades in equity shares was down by 14.9 percent and 10.1 percent in Q1 2018 and Q4 2018 respectively. This was due to declines across all regions. The only exception was the Asia-Pacific region where Q1 2019 volumes were up 35.3 percent in Q4 2018.

Numbers of trades in equity shares (volumes) were up 5.9 percent and 2 percent respectively in Q1 2018 and Q4 2018 respectively. The uptick on these quarters was entirely driven by the Asia-Pacific region where volumes were up in Q1 2018 (+16%) and Q4 2018 (+21.6%). The Americas and EMEA region recorded a decline in volumes on Q1 and Q4 2018.

1.4 New listings and investment flows through IPOs: New listings and investment flows through IPOs saw a sharp decline across all three regions when compared to Q1 and Q4 2018. New listings through IPOs in Q1 2019 were down by 47.2 percent and 49.6 percent respectively on Q1 and Q4 2018. Investment flows through IPOs were down 64.1 percent and 72.9 percent on Q1 and Q4 2018. The structure of global securities market in terms of market capitalisation and stock turnover is presented in chart 2.

Chart 2: Structure of Global Securities Markets



Source: World Federation of Exchanges, WFE

The Nepalese securities market is also on the track of globalisation as Nepal government issued new Foreign Investment and Technology Transfer Act, 2019 with the provision of any public limited company established in Nepal is allowed to issue securities in foreign market with the approval of SEBON and Nepal Rastra Bank. In addition, SEBON issued Specialised Investment Fund Regulation, 2019 with the provision of allowing Non Resident Nepalese (NRN) operate investment vehicle such as private equity, venture capital, etc.

2. SAARC Securities Markets

Most of the equity market indices of SAARC member countries portrayed mixed scenario in Mid April 2019 as compared to Mid Jan 2019. S&P BSE SENSEX of India increased by 8.13 percent to 38,767.11 points at the end of Mid-April 2019 as compared to Mid Jan

2019. It was 35,853.56 points in Mid-Jan 2019. The Indian economy continues to benefit from various growth drivers such as favourable demographics, infrastructure investment, urban consumption growth and increasing income levels. However, index CSEALL: IND of Sri Lanka, decreased by 6.62 percent to 5,585.30 points in Mid-April 2018. It was 5,981.02 points in Mid-Jan 2019.

In the meantime, KSE 100, index of top 100 companies listed in Karachi Stock Exchange of Pakistan also decreased by 5.26 percent to 37,337.87 points in Mid-April 2019 which was 39,412.55 points in Mid-Jan 2019. Similarly, DSE Broad Index of Dhaka Stock Exchange, decreased by 8.74 percent to 5,326.39 points in Mid April 2019 against 5,836.23 points in Mid Jan 2019. NEPSE Index reached to 1,184.02 points in Mid April 2019, marginally increased by 0.51 percent against 1,178.03 points in Mid Jan 2019. The major equity market indices of SAARC countries are presented in Table-1.

3. Nepalese Securities Markets

The size of Nepalese securities market has increased in Q3 of FY 2018/19 as compared to corresponding period of last FY 2017/18. Fund mobilisation through primary market increased significantly during the review period due to the increased in the volume of IPOs and debenture and mutual fund issue. However, right offerings decreased in the review period. Comparing with the Q2 of current FY 2018/19, primary market scenario showed mixed growth in Q3 of FY 2018/19. It is attributed to the decreasing debenture issue and absence of FPOs during the review period. According to review of first nine month of current FY, IPOs volume and right offerings decreased significantly as compared to the corresponding period of last FY.

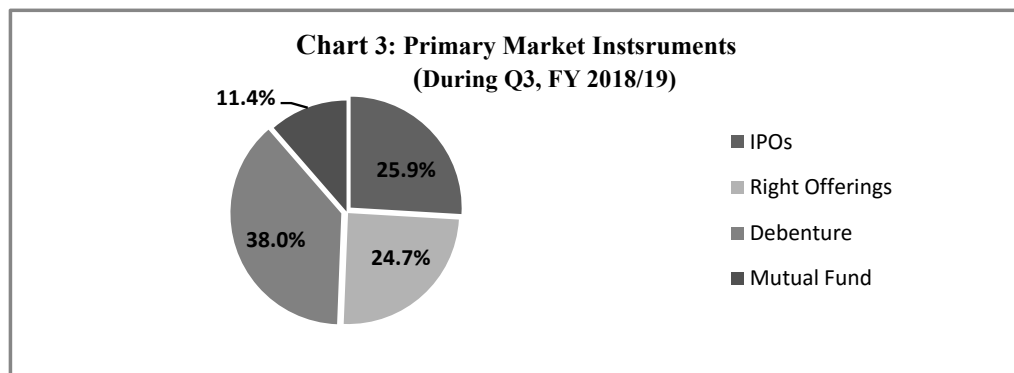
Some indicators of secondary market, except number of listed companies and securities, float market capitalisation traced the downtrend in Q3 of FY 2018/19 as compared to Q3 of last FY. During the review period (Q3 of FY 2018/19), most of the indicators like quarterly turnover of securities, NEPSE index, market capitalisation, listed companies and securities reversed to uptrend as compared to Q2 of same fiscal year. The positive momentum in secondary market during the review period is assumed to be driven by the regulators' initiation to implement the policy suggestion given by committee that is formed to trace the problem of money and capital market and investor being optimistic on upcoming fiscal policy of Nepal Government, etc. The glimpse of primary and secondary market of Q3 of FY 2017/18 and that of corresponding period of previous FY has been presented hereunder.

3.1 Primary Market

On QoQ basis, fund mobilisation through primary issues of securities is decreased by 17.2 percent in Q3 of FY 2018/19 as compared to Q2 of same fiscal year. However, it increased as compared to Q3 of last FY. It is due to the occurrence of huge IPOs, debenture and mutual fund issue in Q3 of current fiscal year. In review period, 18 companies raised total fund of Rs. 10.53 billion through primary market. Out of which, 10 companies issued securities through IPOs of share worth Rs. 2.73 billion, five listed companies offered right shares worth Rs. 2.6 billion. During the review period, two corporate bodies issued debenture worth Rs. 4 billion and one close ended mutual funds of Rs. 1.2 billion issued. No FPOs issued during the period in Q3 of same FY. The summary of primary market indicators of last three quarters of FY

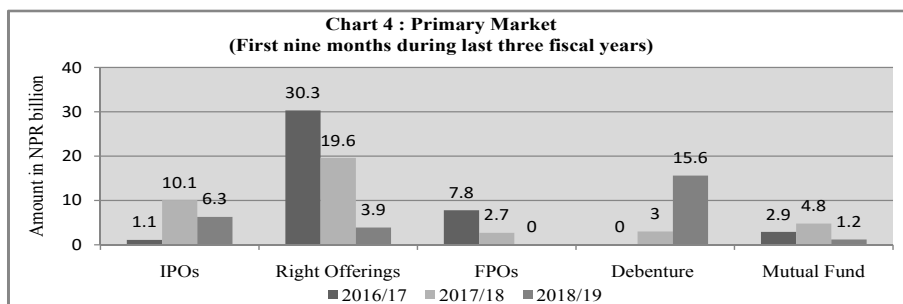
2018/19 is presented in Table-2.

In Q3 of FY 2018/19, debenture covered huge portion (almost 38 percent) of total offerings, followed by IPOs (26 percent). The mutual fund issuance occupied the least portion (11.4 percent) of total offerings in Q3 of FY 2018/19 whereas right offerings covered 24.7 percent. The scenario of primary market instruments issue during Q3 of FY 2018/19 is presented in Chart 3.



In the Q3 of FY 2018/19 as compared to the corresponding period of previous year, there is increment in the primary market. During the review period, IPOs is significantly increased by 2.41 times as compared to the Q3 of last FY. However, right offerings decreased by 35 percent. During the review period, two banks issued debenture worth Rs. 4 billion and one mutual fund of Rs 1.2 billion is also issued. The summary of primary market indicators of Q3 of three FYs is presented in Table-3.

On the basis first nine month of current FY, total fund mobilisation decreased by 32.84 percent in first nine months of FY 2018/19 as compared to the same period of FY 2017/18. During the period, SEBON approved IPOs worth Rs. 6.3 billion, a decrease of 37.62 percent which was Rs. 10.1 billion in same period of last FY. Similarly, the volume of right offerings and mutual funds issue followed the declining trend as before. However, debenture approval is significantly increased by more than 4 times with total amount of Rs. 15.6 billion. Primary market scenario during first nine months of last three fiscal years is presented in Table-4 and in Chart 4. And the summary of primary market of last three fiscal years is presented in Table-5.



3.1.1 Initial Public Offerings, IPOs and Subscription Status

SEBON approved IPO of 10 corporate bodies worth Rs. 2.73 billion in third quarter of FY 2018/19, significant increase of 241.25 percent and 233.33 percent in terms of number of issues and offering amount as compared to same quarter of last FY (*See Table 3*). In Q3 of last FY, three corporate bodies got approval in making IPOs worth Rs. 0.8 billion. During the review period, six hydropower companies got approval for issuing shares worth Rs 2.62 billion (96 percent of total offerings amount), followed by four micro-finance company for Rs. 257.74 million (four percent of total offerings amount). It shows that hydropower companies have shown higher attraction to market based financing. In recent period, one cement company as a manufacturing and processing company raised the capital by floating shares to public and local people as well at premium price. It shows that the outcome of SEBON's continuous effort and government policy to encourage the real sectors participation in securities markets is being positive. The detail of IPOs during Q2 of FY 2018/19 is presented in Table-6.

During Q3 of FY 2018/19, nine companies consisting five hydropower companies and two microfinance companies and manufacturing company floated shares to public through IPOs. The detail of subscription rate of offerings is presented in Table-7.

3.1.2 Right Offerings

SEBON approved right offerings worth Rs. 2.63 billion of five listed companies in Q3 of FY 2018/19. **On QoQ basis**, it represents significant increase of more than one times as compared to Q2 of same FY. In Q2 of FY 2018/19, only five listed companies got approval for right offering worth Rs. 1.14 billion. During the review period, only three insurance companies and two micro finance companies involved in right offerings. During the first nine months of current fiscal year, amount of right offerings decreased by 80.1 percent as compared to corresponding period of last FY. During the review period, 13 listed companies offered right share worth Rs. 3.9 billion. The detail of right offerings during Q3 of FY 2018/19 is presented in Table-8.

3.1.3 Debenture Issue Approval and Subscription Status

During Q3 of FY 2018/19, SEBON approved debenture issue of two commercial banks worth Rs. 4 billion. Of which, 60 percent was sold through the private placement and rest 40 percent for general public. In recent period, some commercial banks are in the pipeline to issue debenture as Nepal Rastra Bank allowed banks to issue debenture to the limit of 100 percent of their core capital. The detail of debenture issuance during review period is presented in Table-9.

During the Q2 of FY 2018/19, two commercial banks floated debenture on which 60 percent were placed privately and rest 40 percent were floated to public. The subscription status of debenture issue during Q3 of FY 2018/19 is presented in Table-10.

3.1.4 Bonus Share Registration

SEBON registered 36 listed companies bonus shares amounting to Rs. 12.14 billion in Q3 of FY 2018/19. Out of the 14 listed companies, 10 commercial banks, 11 development banks,

two finance companies, nine micro-finance companies, two hydropower companies and one hotel and one company from other sector have registered bonus share. The detail of bonus share registration during Q3 of FY 2018/19 is presented in Table-11.

3.2 Secondary Market

Secondary market trend is positive during the third quarter of this FY as compared to Q2 of FY 2018/19. Most of the indicators like NEPSE index, turnover, market capitalisation, number of listed companies are increased in the review period.

On QoQ Basis, NEPSE index slightly increased by 0.5 percent to 1184.02 points at the end Q3 of FY 2018/19. It was 1178.03 points at the end of Q2 of FY 2018/19. Similarly, at the end of Q3 of FY 2018/19, NEPSE float index increased by 1.8 percent to 86.91 points as compared to 85.34 points at the end of Q2 of FY 2018/19.

During the review period, quarterly turnover increased by 5.5 percent in comparison to the turnover of last quarter of same fiscal year. Similarly, market capitalisation and float market capitalisation both also increased by 1.8 percent and 2.7 percent and stood at Rs. 1462.5 billion and Rs. 514.02 billion respectively at the end of Q3 of current FY as compared to previous quarter. In Q3 of FY 2018/19, supply of listed securities increased by 3.3 percent as compared to that of Q2. Number of listed companies in NEPSE increased to 207 in Q3 of FY 2018/19 which was 202 at the end of Q2 of same FY. The summary of major indicators of secondary market as of Q3 of this FY 2018/19 in comparison to previous quarters is presented in Table-12.

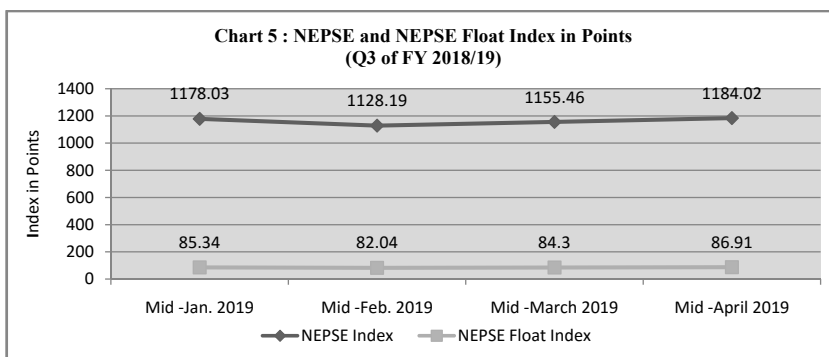
On YoY Basis, major indicators of secondary market revealed mixed scenario in Q3 of FY 2018/19 in comparison to corresponding period of last FY 2017/18. Quarterly turnover of securities in Q3 of FY 2018/19 was Rs. 21.1 billion, a decrease of 4.1 percent as compared to the corresponding period of last FY 2017/18. During the review period, average daily turnover also decreased to Rs. 0.4 billion, recording a decrease of 12.1 percent from Rs. 0.35 billion. Number of transaction was also decreased by 17.5 percent in the review period and the supply of listed securities increased significantly by 17.3 percent. The details of major indicators of secondary market as of Q3 of last three FY is presented in Table-13.

In the first nine month, of current FY secondary market portrayed mixed scenario. Major indicators such as number of listed companies and listed securities were positive except market capitalisation and NEPSE index. The summary of major indicators of secondary market at the end of first nine month of last FY is presented in Table-14. The summary of secondary market of last three fiscal years is presented in Table 15.

3.2.1 NEPSE Index

NEPSE index and other indices increased in Mid-April of FY 2018/19 in comparison to previous quarter of same FY. However, all market indices followed up trend during third quarter of current fiscal year. All indices increased by almost three percent during each month of third quarter.

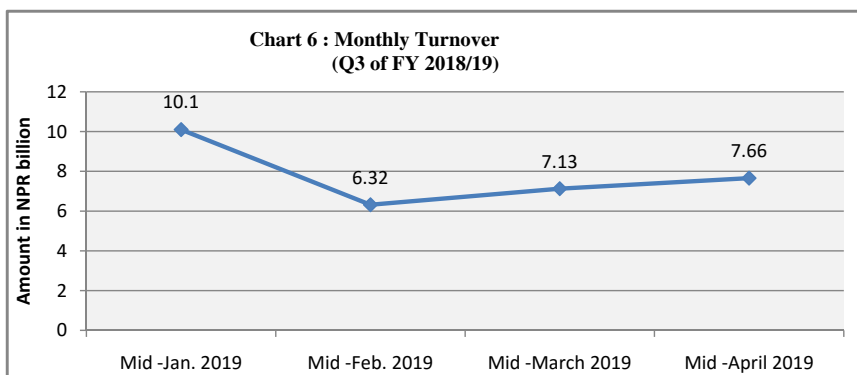
The month end data of NEPSE index and other indices during Q3 of FY 2018/19 is presented in Table-16 and depicted in Chart 5.



As we look over the sectorwise indices of secondary market, most of the indices recorded mixed trend in mid-April of FY 2018/19 in comparison with Q2 of FY 2018/19. However, trend of sectorwise index is almost positive at the end of mid March 2019 as compared to the mid-Feb 2019. In mid-April, the highest rise (5.4 percent) was seen in commercial bank sector, followed by finance (1.1 percent) as compared to last month. Similarly, highest fall (3.1 percent) was seen in Hydropower sector followed by finance sector (2.3 percent) during the same period. The MoM movement of sectorial indices of NEPSE in three months of Q3 of FY 2018/19 and comparison of review period with previous quarter is presented in Table-17. Similarly, the summary of NEPSE and other Indices of last three fiscal years is presented in Table 18.

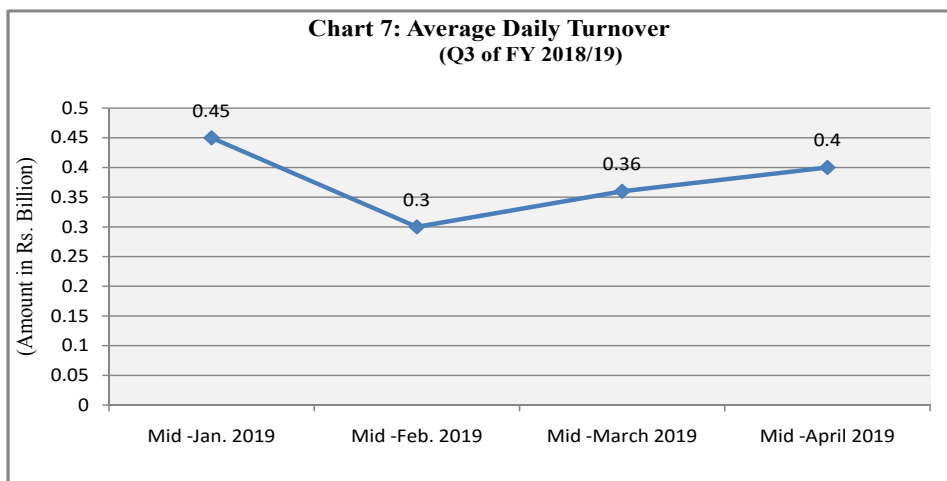
3.2.2 Market Turnover

Market turnover is the trading volume of listed securities of secondary market. The increasing turnover indicates the high liquidity of securities. Market turnover was Rs. 21.1 billion during Q3 of FY 2018/19, decrease of 4.1 percent in comparison to turnover of Rs. 22 billion on Q3 of FY 2017/18. However, the monthly turnover of the review quarter was in uptrend. It was Rs. 6.32 billion in first month, Rs. 7.13 billion and Rs. 7.66 billion in second and third month of the third quarter. NEPSE launched NEPSE Online Trading System (NOTS) on 6 Nov 2018. The monthly turnover of Q3 of FY 2018/19 is depicted in Chart 6.



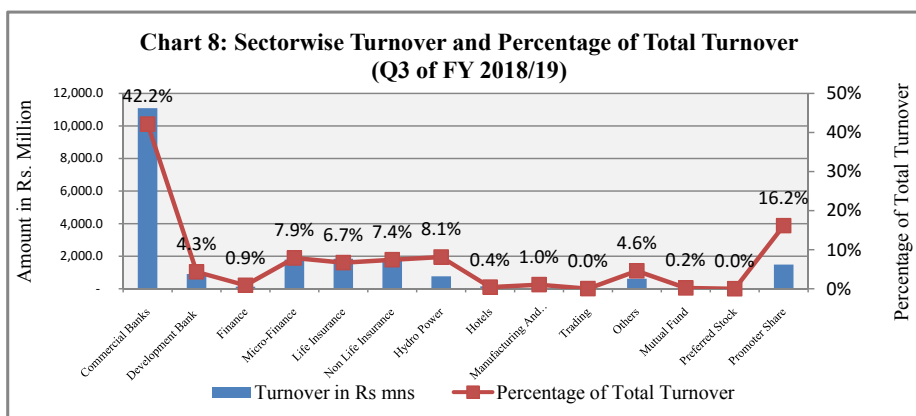
On QoQ basis, average daily turnover of Q3 of FY 2018/19 decreased by 12.1 percent

as compared to Q3 of last FY. It was Rs. 0.35 billion during Q3 of FY 2018/19. The trend of average daily turnover during each month of third quarter of FY 2018/19 is depicted in Chart 7.



3.2.3 Sectorwise Turnover

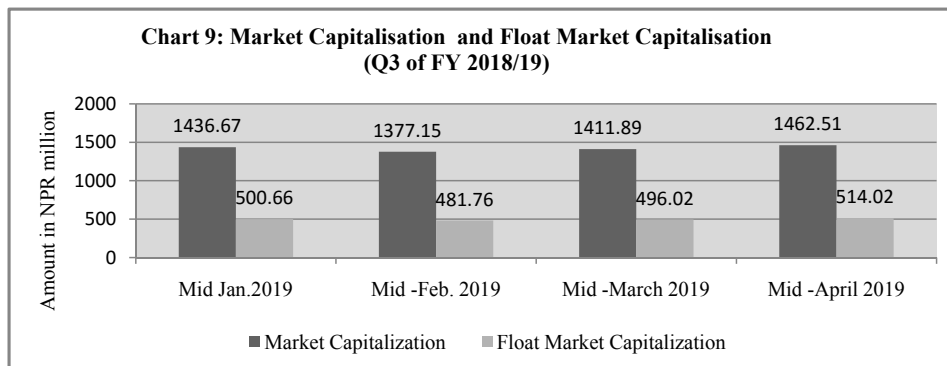
Turnover of secondary market is the total value of traded ordinary shares, preferred stocks, promoter shares of different listed companies representing from 11 sectors and mutual fund units as well. Among them, commercial banks occupied the highest 42.2 percent in Q3 of FY 2018/19. Mutual fund occupied 0.2 percent whereas preferred stock turnover is minimal in total turnover in Q3, FY 2018/19. The detail of sectorwise turnover is presented in Table 19 and overview of sectorwise representation in turnover is depicted in Chart 8.



3.2.4 Market Capitalisation

Market capitalisation which gives overview of market value of securities listed on stock exchange, increased by 1.8 percent to the level of Rs. 1462.5 billion as against to the end of Q2 of FY 2018/19. Float market capitalization which is the market capitalisation of only

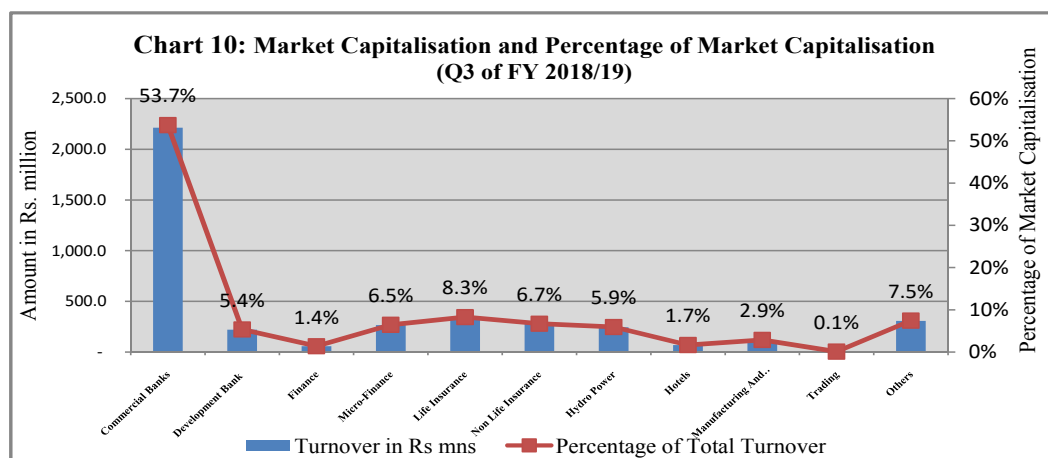
tradable shares of listed companies, increased by 2.7 percent in third quarter of FY 2018/ 19 and reached to Rs. 514.02 billion as against of Rs. 500.66 billion at the end of second quarter of FY 2018/19. The market capitalisation and float market capitalisation of each month during Q3 of FY are depicted in Chart 9.



3.2.5 Sectorwise Market Capitalisation

During Q3 of FY 2018/19, commercial banks occupied the highest portion (52.8 percent) of total market capitalisation and followed by Other sector (10 percent). The Other sector consists of Hydroelectricity Investment and Development Company Ltd (HIDCL), Nepal Doorsanchar Comapany Limited (NTC), Citizen Investment Trust (CIT) and Nepal Film Development Company Limited (NFD). The least portion (0.1 percent) of total market capitalisation was occupied by trading sector. Trading sectors consists of Bishal Bazar Company Limited (BBC), Nepal Trading Limited (NTL), Nepal Welfare Company Limited (NWC) and Salt Trading Corporation (STC).

Sectorwise market capitalisation and percent of total market capitalisation is presented in Table-20 and depicted in Chart 10.



4. Fixed Income Securities

Bond and debentures are the fixed income securities available in the Nepalese securities markets. These securities generate fixed income to its holders in the form of interest or dividend. Income provided by fixed income securities does not vary with the change in the income of concerned company. Thus, risk adverse investors prefer to invest in fixed income securities. The total size of bond markets is amount to Rs. 106.74 billion on which government development bond occupied almost 86 percent and rest by corporate bonds.

4.1 Listed Government Development Bonds

Development bond is a government bond issued by Nepal Government to raise internal funds. In general, it is issued for more than two years or more that provides the debt fund for intermediate or long term period to the government. It is issued on the basis of Dutch Auction System so its interest rate is determined by the auction system. This bond is required to be listed on stock exchange for the trading purpose. The total size of government development is amount to Rs. 106.74 billion. The detail of listed government bonds in Nepal Stock Exchange Ltd is presented in Table-21.

4.2 Corporate Bonds/Debentures

Corporate Bonds/Debentures are debt type financial instruments that provide fixed interest to the holders. Company issues such instruments to raise debt capital as an alternative to bank financing. In FY 1997/98, Shree Ram Sugar Mills Ltd had issued redeemable debenture worth Rs. 93 million for the first time in Nepalese securities markets. From banking sector, Himalayan Bank Ltd is the first bank that issued debenture worth Rs. 360 million in FY 2001/02. Such debentures are required to be listed on Nepal stock Exchange Ltd. for secondary trading. In FY 2017/18, corporate debentures worth Rs 575.43 million were traded manually in NEPSE. The total size of corporate bond is amount to Rs. 16.77 billion. The detail of listed corporate bonds in Nepal Stock Exchange Ltd is presented in Table-22.

5. Preferred Stocks

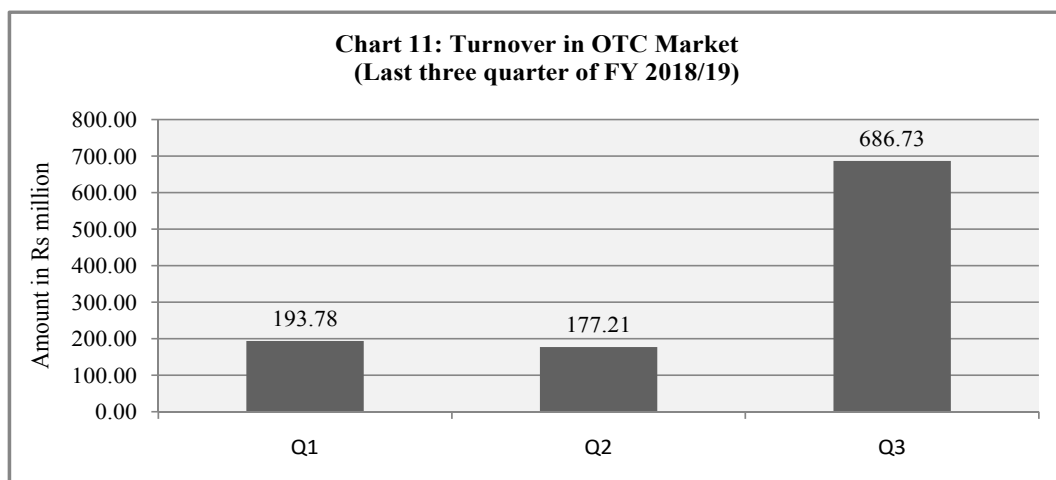
Preferred stock which is known as hybrid securities is a fixed income securities that provide stipulated dividend to its holder. The size of preferred stock is very nominal in securities market of Nepal. Historically, some companies had issued preferred stock in market. In FY 1993/94, Necon Air Ltd and Birat Shoes Ltd both had issued preferred stock worth Rs. 14 million and Rs 2.5 million respectively. The issue managers of the issue were Citizen Investment Trust and NIDC Capital Markets Ltd respectively. Since FY 1993/94, five corporate bodies had issued preferred stocks worth Rs. 636.5 million out of which Everest Bank Ltd has issued convertible preferred stock worth Rs. 400 million in FY 2006/07. The detail of preferred stocks issue for last 25 years is presented in Table-23.

6. OTC Market

SEBON, exercising the power as per Section 117 of Securities Related Act, 2006, approved OTC Market Byelaws, 2008 under the Rule 23 of Stock Exchange Regulations, 2008 and NEPSE implemented the same on June 4, 2008. Then after, this market was almost passive with transactions of very few companies including shares of Nepal Bank Limited at the very beginning.

SEBON informed Office of the Company Registrar that the shares of unlisted and delisted securities of public limited companies can be traded on OTC market and also directed NEPSE to operate OTC market effectively. As a result, OTC market operation has been regularised after a notice, issued by Office of the Company Registrar relating to transaction of shares of unlisted, delisted and those public limited companies ineligible for listing on stock exchange can be traded on OTC market was published in the review period.

In recent period, turnover in OTC market has been growing significantly. In Q3 of FY 2018/19, a total of 6.11 million shares of 16 companies from different sectors were traded with total value of Rs. 686.73 million representing the growth of 287 percent. In Q2, a total of 1.36 million shares of 14 companies from different sectors were traded with total value of Rs. 177.22 million. The detail of OTC market during last three quarters of FY 2018/19 is presented in Table-24 and in Chart 11.



7. Mutual Funds' Net Assets Value

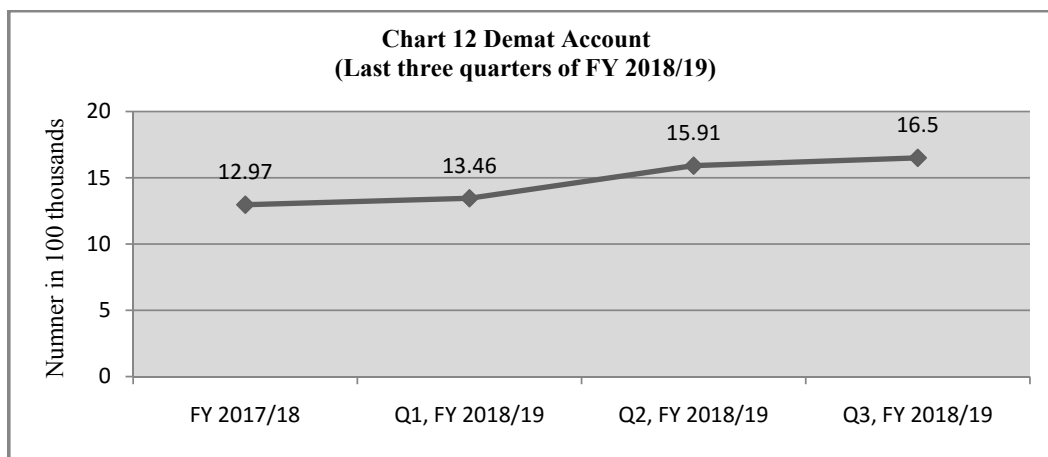
On QoQ basis, performance of mutual fund is encouraged in Q3 of FY 2018/19 as compared to Q2 of same FY. The highest growth (3.8 percent) is recorded by Citizen Mutual Fund whereas Global IME Samunnat Shceme-1 faced no changes in its NAV. On MoM basis, all mutual funds' NAV increased at the end of mid-April as compared to previous month. In April, nine mutual funds' NAV were above par value except four mutual funds.

The NAV report of mutual fund schemes of each month of Q3 of FY 2018/19 is presented in Table-25.

8. Demat Account and Dematerlisation Trends

Demat Account is the account on which securities like share, bond, preferred stock, mutual fund, etc. are deposited in electronic or dematerlised form. After the implementation of Central Depository Service Regulations, 2010, depository participants commenced the operation of demat account opening from FY 2012/13. A Total of 256 demat accounts were opened and 6,561 securities were dematerialised in that FY.

After the implementation of full-fledged dematerialised trading system from Mid-January 2016, the number of demat account and dematerialised securities increased significantly. SEBON made it mandatory to have demat account for IPO application from Mid-July 2016 for Kathmandu valley and from Mid-January 2017 all over the country. At present, allotted shares of primary issues, right shares and bonus shares are being deposited in respective demat account of investors. The number of demat accounts reached 1.50 million at the end of Q3 of FY 2018/19 which was an increase of 4.1 percent in comparison to Q2 of 2018/19. The detail of dematerlisation during current FYs has been presented in Table-26 and in Chart 12.



9. Reform and Development in Securities Markets

SEBON performed various reform and development activities during Q3 of FY 2018/19 to develop and expand the securities markets. It eased application procedure of local peoples of project affected areas and also provisioned to apply for the auction shares from different places of outside the valley. SEBON directed NEPSE to implement the margin trading facilities and to facilitate opening branch of stockbroker outside of Kathmandu.

9.1 Major Reforms/ Initiatives

The securities markets reform and development initiatives taken by SEBON during Q3 of FY 2018/19 are briefly stated as under:

- Provision for Locals people of project affected areas to give application through ASBA:** SEBON had made the optional provision for local peoples of project affected areas to apply IPOs through ASBA and C-ASBA from 13th February 2018. This provision simplifies the application process, eases money returning for the non-allotted shares, lessens the frequent visit to the office of issue manager to take share certificate and helps share to be dematerialised. Also due to locking period of local and project affected areas shares, SEBON directed CDSC to make the provision of not imposing any charge for the annual renew of the Demat account opened in the purpose of applying the shares for local and project affected areas.

- **Provision of Interest Rate for Margin Trading and its Monitoring:** On 1st February 2019, SEBON directed NEPSE to implement the Margin Trading Directives, 2018. The directive was issued by SEBON to provide the margin trading facilities as per international standards and increasing liquidity of market thereby increasing the scope of stockbrokers. The provision of interest rate in margin trading and monitoring includes following points.
 - The interest rate on the loan provided by stockbroker for the purpose of margin trading is set as per the agreement between the stockbroker and the client.
 - Stockbroker shall pre inform SEBON and NEPSE about the interest rate of margin trading provided to their client.
 - Awareness programme shall conduct by NEPSE and stockbroker to increase the awareness about margin trading to reduce the risk associated with it.
 - NEPSE as a frontline regulator shall monitor or supervise the margin trading activities regularly to make the trading more clear, transparent and competitive.
 - In case of undue circumstances between the stockbroker and client related to interest rate of margin trading, SEBON shall take necessary intervention, inspection and supervision.
- **Establishment of the branches of stockbrokers:** On 4 Feb 2019 SEBON informed the stockbrokers to develop necessary infrastructure who have submitted application to open branch offices in the FY 2017/18. Eight Securities brokers got approval to open branches in districts that are economically active and not having presence of brokers. The target places are Mahendranagar district (Kanchanpur), Birendranagar (Surkhet), Dang (Ghorahi & Tulsipur), Rupandehi (Bhairawa) and Janakpur (Dhanusa) district.
- **Provision to apply for the auction shares from Outside of Kathmandu:** On 21 March 2019 SEBON issued a circular to the merchant bankers to make necessary provisions to apply for the auction shares from different places of outside of the Kathmandu. As per the federal structure of the country, SEBON directed merchant banker to provide such facilities in Biratnagar and Birtamod of province no. 1, Birgunj and Janakpur of province no. 2, Hetauda and Narayanghad of province no. 3, Pokhara & Baglung of Gandaki province, Butwal, Gorahi, & Nepalgunj of province no. 5, Surkhet of Karnali Province, Dhangadi & Mahendranagar of Far- western Province.
- **Provisions of PAN in secondary market:** SEBON planned to facilitate in implement in the provision of PAN in secondary market. On 14 March 2019, after interacting with the stakeholders of the Securities Market and decision made by the high level Committee formed by the Ministry of Finance, SEBON provisioned the compulsory of PAN for the transactions of five lakhs at a time and above and optional for less than Rs five lakhs at a time. Government of Nepal, in its Policy and planning of FY 2018/19, had made a provision of PAN while buying shares from the secondary market.
- **New Provisions in the Circuit Break System:** On 2 April 2019, NEPSE revised the provision of circuit break in the secondary market as directed by SEBON to make this mechanism more effective. The system was developed in 2006 to manage the volatility of market. The new provision for the circuit break is as follows:

- If the price fluctuates by 4 percent for the beginning 1 hour of trading hour, market shall postpone for 20 minutes.
 - If the price fluctuates by 5 percent for next hour of trading hour, market shall postpone for 40 minutes,
 - If the price fluctuated by 6 percent for the third hour of trading hour, market shall close for whole day.
- **Provisions for applying minimum 10 units of share in primary issue:** With the effective implementation of ASBA, increasing number of small investors and proportional distribution of 10 units of share to all possible applicants, SEBON made a provision to apply for the minimum 10 units of shares replacing the initial provision of applying for minimum 50 units of shares in initial public offerings(IPOs)

9.2 Other Activities

Beside development activities, SEBON performed other activities related to capital market as well. It organised some interaction programme with stakeholders related to implementation of PAN in secondary market. SEBON organised an interaction programme with Supreme Court Bar Association to aware the lawyer about the securities markets. It also performed education programme in different part of the country in order to increase the capital market literacy. The details of such activities are briefly stated hereunder:

- **Interaction Programme between the SEBON and Supreme Court Bar Association:** On 8th February 2019 an interaction programme was organised between SEBON and Supreme Court Bar Association about the Securities Markets, Inspection and Legal aspects, practices of the courts with 120 participants. The programme was organised in order to aware lawyer regarding the securities and commodities market.
- **Interaction about PAN in Securities Markets:** SEBON organised an interaction programme with the officers of revenue office, NEPSE, CDSC, merchant bankers Association, stockbrokers association and different investor's forum on 25 February 2019 with motive to collect suggestions and opinions regarding PAN. SEBON is focused to implement the Policy and program FY 2018/19 of the Government of Nepal with regard to PAN.
- **Investors Training Programme about Securities Markets:** Investors training about the securities markets was organised on 9-11 March 2019 in Lahan and Janakpur (Provinces No 2) where locals, industrialist, businessperson, students, investors, government officials, journalist and general public participated actively. Queries regarding the securities markets were addressed by Chairman of the SEBON. A special training package was conducted in the schools and colleges to disseminate idea about securities markets from the grass root level where 300 students participated. With the collaboration of IFC, SEBON conducted awareness programme in Solukhumbu and Rasuwagadhi on 28 February 2019.



Statistical Tables

Table 1
Major Equity Market Indices of SAARC Countries (in Points)

S.N	Countries	Indices	Mid Jan. 019	Mid Feb.2019	Mid March.2019	Mid April. 2019
1	India	S& P BSE Sensex	35,853.56	36,395.03	37,754.89	38,767.11
2	Sri Lanka	CSEALL: IND	5981.02	5960.62	5632.79	5585.3
3	Pakistan	KSE 100	39412.55	40544.11	38928.93	37337.87
4	Bangladesh	DSE Broad Index	5836.23	5731.95	5655.82	5326.39
5	Nepal	NEPSE Index	1178.03	1128.19	1155.46	1184.02

Source: Bloomberg and Nepal Stock Exchange Ltd.

Table 2
Primary Market Indicators
(Last Three Quarters of FY 2018/19) (Amount in Rs.Billion)

SN	Offerings	FY 2018/19						Percentage Change			
		Q1		Q2		Q3		In Number		In Amount	
		No.	Amount	No.	Amount	No.	Amount	Q2/Q1	Q3/Q2	Q2/Q1	Q3/Q2
1	IPOs	4	1.7	7	1.88	10	2.73	75.0	42.9	10.6	45.2
2	Right Offerings	3	0.2	5	1.14	5	2.6	66.7	0.0	470.0	128.1
3	FPOs	0	0	0	-	0	-	-	-	-	-
4	Debenture	1	1.8	4	9.7	2	4	300.0	-50.0	438.9	-58.8
5	Mutual Fund	0	0	0	-	1	1.2	-	-	-	-
	Total	8	3.7	16	12.72	18	10.53	100.0	12.5	243.8	-17.2

Table 3
Primary Market Indicators
(Q3 of Three Years) (Amount in Rs. Billion)

SN	Offerings	FY 2016/17		FY 2017/18		FY 2018/19		Percentage Change			
		No.	Amount	No.	Amount	No.	Amount	In Number		In Amount	
								2017/18	2018/19	2017/18	2018/19
1	IPOs	4	0.3	3	0.8	10	2.73	-25.00	233.33	166.67	241.25
2	Right Offerings	18	17.4	9	4	5	2.6	-50.00	-44.44	-77.01	-35.00
3	FPOs	1	3.3	0	0	0	-	-100.00	-	-100.00	-
4	Debenture	-	-	0	0	2	4	-	-	-	-
5	Mutual Fund	1	-	0	0	1	1.2	-100.00	-	-	-
Total		24	21	12	4.8	18	10.53	-50.00	50.00	-77.14	119.38

Table 4
Primary Market
(Based on First nine months)

SN	Particulars	Fiscal Year (Amount in NPR billion)						Percentage Change			
		2016/17		2017/18		2018/19		In Number		In Amount	
		Number	Amount	Number	Amount	Number	Amount	2016/17		2017/18	
1	IPOs	12	1.1	12	10.1	21	6.3	0.00	75.00	818.18	-37.62
2	Right Offerings	48	30.3	39	19.6	13	3.9	-18.75	-66.67	-35.31	-80.10
3	FPOs	3	7.8	3	2.7	0	0	0.00	-100.00	-65.38	-100.00
4	Debenture	-	-	1	3	7	15.6	-	600.00	-	420.00
5	Mutual Fund	3	2.9	4	4.8	1	1.2	33.33	-75.00	65.52	-75.00
Total		66	42.1	59	40.2	42	27	-10.61	-28.81	-4.51	-32.84

Table 5
Primary Market (Based on Annual Data)

SN	Particulars	Fiscal Year (Amount in NPR billion)						Percentage Change			
		2015/16		2016/17		2017/18		In Number		In Amount	
		Number	Amount	Number	Amount	Number	Amount	2016/17		2017/18	
1	IPOs	14	2.76	17	1.51	21	8.3	21.4	29.4	-45.3	449.7
2	Right Offerings	37	9.4	76	45.64	55	25.7	105.4	-27.6	385.5	-43.7
3	FPOs	3	5.83	4	7.99	6	11.5	33.3	25	37	43.9
4	Debenture	-	-	-	-	1	3	-	-	-	-
5	Mutual Fund	1	1	4	4.25	4	4.8	300	0	325	12.9
Total		55	18.99	101	59.39	87	53.3	83.6	-13.9	212.7	-10.3

Table 6
IPO Approval
Q3 of Fiscal Year 2018/19

S.N.	Name of Company	Sector	No. of Share Registered		Amount of Share Registered	Public Issue	% of Issued Capital	% of Issued Capital	Issue Manager	Date of Approval	Remarks
1	Himalaya Urja Bikas Co. Ltd.	Hydropower	1,485,000	100	148,500,000	148,500,000	15.00%	-	Nabil Investment Banking Ltd.	4th Feb 2019	General Public
2	Union Hydropower Ltd.	Hydropower	2,912,550	100	291,255,000	353,434,000	47.12%	-	Laxmi Capital Market Ltd.	11th Feb 2019	General Public
3	Mountain Hydro Nepal Ltd.	Hydropower	1,250,000	100	125,000,000	181,611,000	14.53%	-	Siddhartha Capital Ltd.	13th Feb 2019	General Public

4	Sparsha Laghubitta Bittiya Sanstha Ltd.	Microfinance	829,630	100	82,963,000	26,963,000	32.50%	67.50%	Sanima Capital Ltd.	15th Feb 2019	General Public
5	Trishuli Jal Vidhyut Company Ltd.	Hydropower	18,525,000	100	1,852,500,000	370,500,000	15.00%	60.00%	Global IME Capital Ltd.,	14th March 2019	General Public Under GON Citizen's Hydro-power Project (Call amount 10% of face value)
6	Ganapati Micro-finance Bittiya Sansatha Ltd.	Microfinance	1,035,000	100	103,500,000	33,500,000	32.37%	67.63%	NIBL ACE Capital Ltd.	21st March 2019	General Public
7	Sanjen Jala-vidhyut Company Ltd. (For General Public)	Hydropower	5,475,000	100	547,500,000	547,500,000	15.00%		Citizen Investment Trust	24th March 2019	General Public
8	Rasu-wagadhi Hydropower Co.Ltd. (For General Public)	Hydropower	10,263,150	100	1,026,315,000	1,026,315,000	15.00%		Siddhartha Capital Ltd.	24th March 2019	General Public
9	Nepal AgroC	Microfinance	497,778	100	49,777,800	16,177,800	32.50%		Nepal SBI Merchant Banking Ltd.	1st April 2019	General Public
10	Gurans Laghubitta Bittiya Sanstha Limited	Microfinance	775,000	100	77,500,000	25,000,000	32.26%		NIBL ACE Capital Ltd.	9th April 2019	General Public
Total			43,048,108		4,304,810,800	2,729,500,800					

Table 7
Subscription Status of IPOs
(Q3 of FY 2018/19)

SN	Name of Company	Issue Date	Target Group	Public Issue	Total Collected	Subscription
				Amounts (Rs.)	Amounts (Rs.)	Times
1	Mountain Hydro Nepal Ltd.	11/23/2075	Public	176,779,000	339,481,000	1.92
			Employee	36,322,200	832,000	0.02
			Mutual Fund	9,080,600	400,000	0.04

2	Shivam Ce- ment Ltd.	7/6/2075	Remaining Locals	115,936,000.00	96,989,000	0.84
			Public	1,188,000,000.00	1,557,258,000	1.31
			Employees of Company	66,000,000		0.00
			Mutual Fund	66,000,000	6,000,000	0.09
4	Himalaya Urja Bikash Company Ltd.	12/20/2075	Public	136,620,000	489,305,000	3.58
			Employees of Company	4,455,000		0.00
			Mutual Fund	7,425,000	19,137,500	2.58
5	Universal Power Company Ltd.	10/25/2075	Public	885,759,000	924,213,000	1.04
			Employees of Company	18,645,800	345,000	0.02
			Mutual Fund	46,637,000	156,772,100	3.36
6	Panchthar Power Com- pany Ltd.	11/13/2075	Public	165,314,000	337,432,000	2.04
			Mutual fund	8,751,200	20,751,200	2.37
			Staffs of company	3,500,500	959,800	0.27
7	Asha Laghu- bitta Bittiya Sanstha Limited	10/18/2075	Public	62,993,000	1,184,915,000	18.81
			Mutual fund	3,370,000	30,303,000	8.99
			Staffs of company	1,037,000	1,037,000	1.00
8	Sparsha Laghubitta Bittiya Sans- tha Limited	11/26/2075	Public	25,200,000	812,294,000	32.23
			Mutual fund	1,348,200	13,483,800	10.00
			Staffs of company	414,800	414,800	1.00
9	Trisuli Jalabidyut Company Ltd.	12/7/2075	Public	359,385,000	6,455,290,000	17.96
			Staffs of com- pany	11,115,000		0.00
* unsubscribed shares were included in public shares.						

Table 8
Right Issue Approval
Q3 of FY 2018/19

S.N.	Name of Company	Sector	Ratio	No. of share	Amount of Issue	Issue Manager	Date of Approval
1	Mero Micro Finance Bittiya Sanstha Ltd.	Micro finance	1:1	3,289,000.00	328,900,000.00	Global IME Capital Ltd.	27 th Jan 2019
2	Nepal Insurance Co.Ltd.	Insurance	1:0.65	4,014,652.00	401,465,200.00	Global IME Capital Ltd.	27 th Jan 2019
3	Asian Life Insurance Co.Ltd.	Insurance	1:0.6	7,540,352.73	754,035,273.00	NIBL Ace Capital Ltd.	10 th Feb 2019
4	Gramin Bikash LaghuBitta Bittya Sanstha Ltd.	Micro finance	1:0.5	3,275,000.00	327,500,000.00	NIBL Ace Capital Ltd.	13 th March 2019
5	Everest Insurance Company Ltd.	Insurance	1:3	8,219,475.00	821,947,500.00	Siddhartha Capital Ltd.	10 th April 2019
Total				6,338,479.73	2,633,847,973.00		

Table 9
Debenture Issue Approval
Q3 of FY 2018/19

S.N.	Name of Company	No. of Unit Registered	Rate	Amount of Debenture Registered	Public Issue	Private Placement	Issue Manager	Date of Approval
					Amount	Amount		
1	NMB Bank Ltd. (10% NMB Bank Debenture 2085)	3,000,000	1000	3,000,000,000	1,200,000,000	1,800,000,000.00	Siddhartha Capital Ltd.	26 th Feb.2019
2	Sunrise Bank Ltd. (10% Sunrise Bank Debenture 2080)	1,000,000	1,000	1,000,000,000	400,000,000	600,000,000.00	Parbhu Capital Ltd.	15 th March 2019
Total				4,000,000,000	1,600,000,000	2,400,000,000.00		

Table 10
Subscription status of Debenture
 (Q3 of FY 2018/19)

S.N.	Name of Company	Issue date	Public Issue Amount	Target group	Total Collected Amount	Subscription Times
1	NIC Asia Bank Ltd.	10/13/2075	1,600,000,000.00	Public	141,088,000.00	0.09
			2,400,000,000.00	Private Placement	2,303,600,000.00	0.96
2	Global IME Bank Ltd.	11/15/2075	600,000,000.00	Public	354,778,000.00	0.59
			900,000,000.00	Private Placement	1,591,000,000.00	1.77
			30,000,000.00	Mutual Fund	3,000,000.00	0.10
3	NMB Bank Ltd.	11/30/2075	1,200,000,000.00	Public	99,505,000.00	0.08
			1,800,000,000.00	Private Placement	1,585,000,000.00	0.88

Table 11
Bonus Share Registratiom
 Q3 of FY 2018/19

S.N.	Name of Company	Sector	Bonus Rate%	Total No. of Share	Amount of Issue	Date of Registration
1	Mahalaxmi Bikas Bank Ltd.	Development Bank	8.00%	2,107,037.96	210,703,796	15 th Jan.2019
2	Hamro Bikas Bank Ltd.	Development Bank	2.40%	118,137.00	11,813,700	23 rd Jan 2019
3	Nirdhan Utthan Laghubitta Bittiya Sanstha Ltd.	Microfinance	20.00%	2,000,000.00	200,000,000	27 th Jan 2019
4	Central Finance Ltd.	Finance	8.76%	663,846.00	66,384,600	5 th Feb 2019
5	Shine Resunga Development Bank Ltd.	Development Bank	17.70%	2,440,499.00	244,049,900	30 th Jan. 2019
6	Muktinath Bikas Bank Ltd.	Development Bank	18.25%	4,729,969.00	472,996,900	1 st Feb. 2019
7	Western Development Bank Ltd.	Development Bank	17.41%	747,562.00	74,756,200	1 st Feb. 2019
8	Soaltee Hotel Ltd.	Hotels	10.00%	6,661,163.00	66,611,630	5 th Feb. 2019

9	Saptakoshi Development Bank Ltd	Development Bank	3.00%	152,553.00	15,255,300	6 Feb. 2019
10	Nic Asia Bank Ltd.	Commercial Bank	10.00%	8,031,117.00	803,111,700	7 th Feb. 2019
11	Chilime Jalabidhyut Company Ltd.	Hydropower	20.00%	7,930,226.30	793,022,630	12 th Feb. 2019
12	Mega Bank Nepal Ltd.	Commercial Bank	1.00%	1,030,948.75	103,094,875	19 th Feb. 2019
13	Sana Kishan Bikas Laghubitta Bittiya Sanstha Ltd.	Microfinance	25.00%	1,572,069.82	157,206,982	19 th Feb. 2019
14	National Micro-finance Bittiya Sanstha Ltd.	Microfinance	25.00%	305,270.00	30,527,000	27 th Feb. 2019
15	Butwal Power Company Ltd	Hydropower	10.00%	2,218,834.00	221,883,400	27 th Feb. 2019
16	Sindhu Bikas Bank Ltd.	Development Bank	5.63%	280,808.166	28,080,817	6 th March 2019
17	Deprox Laghubitta Bittiya Sanstha Ltd.	Microfinance	10.00%	703,100.4018	70,310,040	6 th March 2019
18	kabeli Bikas Bank Ltd.	Development Bank	35.00%	737,066.00	73,706,600	13 th March 2019
19	Citizens Bank International Ltd.	Commercial Bank	3.60%	2,914,457.73	291,445,773	13 th March 2019
20	NMB Bank Ltd.	Commercial Bank	10.00%	8,743,784.22	874,378,422	13 th March 2019
21	Sangrila Development Bank Ltd.	Development Bank	4.00%	1,002,554.00	100,255,400	13 th March 2019
22	Bank Of Kathmandu Ltd.	Commercial Bank	14.00%	9,902,054.00	990,205,400	19 th March 2019
23	Siddhartha Bank Ltd.	Commercial Bank	5.00%	4,232,192.64	423,219,264	19 March 2019
24	RSDC Laghubitta Bittiya Sanstha Ltd.	Microfinance	10.00%	575,920.00	57,592,000	26 th March 2019
25	Hydroelectricity Investment and Development Company Ltd.	Other	10.00%	10,000,000.00	1,000,000,000	26 th March 2019
26	Global IME Bank Ltd.	Commercial Bank	16.00%	14,221,401.33	1,422,140,133	26 th March 2019

27	Samata Laghubitta Bittiya Sanstha Ltd.	Microfi-nance	6.6667%	37,920.00	3,792,000	27 th March 2019
28	Kankai Bikas Bank Ltd.	Develop-ment Bank	3.00%	150,000.00	15,000,000	29 th March 2019
29	RMDC Laghubitta Bittiya Sanstha Ltd.	Microfi-nance	10.00%	726,726.00	72,672,600	29 th March 2019
30	Shree Investment and Finance Compa-ny Ltd.	Finance	1.23%	98,500.00	9,850,000	29 th March 2019
31	Laxmi Bank Ltd.	Commercial Bank	8.50%	6,988,416.91	698,841,691	4 th April 2019
32	Nepal Investment Bank Ltd.	Commercial Bank	18.00%	19,443,082.00	1,944,308,200	4 th April 2019
33	Bhargav Bikas Bank Ltd.	Develop-ment Bank	5.5556%	264,000.00	26,400,000	7 th April 2019
34	Himalayan Bank Ltd.	Commercial Bank	5.00%	4,057,265.00	405,726,500	7 th April 2019
35	Swabalamban Laghubitta Bittiya Sanstha Ltd.	Microfi-nance	25.00%	1,257,777.00	125,777,700	10 th Aprl 2019
36	Summit Laghubitta Bittiya Sanatha Ltd.	Microfi-nance	23.53%	400,000.00	40,000,000	10 th Aprl 2019
Total				127,446,258.23	12,145,121,152.78	

Table 12
Secondary Market Indicators
(Last Three Quarters)

SN	Indicators	Unit	2018/19			Percentage Change	
			Q1	Q2	Q3	Q2/Q1	Q3/Q2
1	No. of Listed Companies	Number	198	202	207	2.0	2.5
2	No. of listed Securities	Million	3687.6	3943.2	4072.2	6.9	3.3
3	Turnover	Rs in billion	23	20	21.1	-13.0	5.5
4	Average Daily Turnover	Rs in billion	0.4	0.33	0.35	-16.7	5.5
5	Trading Days	Days	62	60	60	-3.2	0.0
6	No. of Scripts Traded	Number	213	213	208	0.0	-2.3
7	No. of Securities Traded	No. in million	86.7	67.7	75.04	-21.9	10.8
8	No. of Transactions	Number	287753	246791	350135	-14.2	41.9

9	Total Paid up Value of Listed Shares	Rs in billion	361	385.94	407.6	6.9	5.6
10	Market Capitalisation	Rs in billion	1481.2	1436.67	1462.5	-3.0	1.8
11	Float Market Capitalisation	Rs in billion	515	500.66	514.02	-2.8	2.7
12	Turnover/Market Capitalisation	Percentage	6.2	2.78	1.92	-55.1	-30.9
13	Turnover/Float Market Capitalisation	Percentage	17.9	7.99	5.47	-55.4	-31.5
14	NEPSE Index	In Points	1241.63	1178.03	1184.02	-5.1	0.5
15	NEPSE Sensitive Index	In Points	264.1	250.49	253.64	-5.2	1.3
16	NEPSE Float Index	In Points	90.36	85.34	86.91	-5.6	1.8

Source: Nepal Stock Exchange Ltd.

Table 13
Securities Market Indicators
(Q3 of Three Fiscal years)

SN	Indicators	Unit	FY			Percentage Change	
			2016/17	2017/18	2018/19	2017/18	2018/19
1	No. of Listed Companies	Number	210	196	207	-6.7	5.6
2	No. of listed Securities	Million	2767.6	3470.7	4072.2	25.4	17.3
3	Turnover	Rs in billion	46.84	22	21.1	-53.0	-4.1
4	Average Daily Turnover	Rs in billion	0.79	0.4	0.35	-49.4	-12.1
5	Trading Days	Days	59	56	60	-5.1	7.1
6	No. of Scripts Traded	Number	175	201	208	14.9	3.5
7	No. of Securities Traded	Million	118.65	59.4	75.04	-49.9	26.3
8	No. of Transactions	Number	355, 909	27,444	350135	-92.3	1175.8
9	Total Paid up Value of Listed Shares	Rs in billion	269.75	339.3	407.6	25.8	20.1
10	Market Capitalisation	Rs in billion	1951.15	1,497.80	1462.5	-23.2	-2.4
11	Float Market Capitalisation	Rs in billion	683.73	505.1	514.02	-26.1	1.8
12	Turnover/Market Capitalisation	Percentage	9.6	5.88	1.92	-38.8	-67.3
13	Turnover/Float Market Capitalisation	Percentage	27.4	17.42	5.47	-36.4	-68.6

14	NEPSE Index	Points	1697.13	1277.5	1184.02	-24.7	-7.3
15	NEPSE Sensitive Index	Points	299.92	272.5	253.64	-9.1	-6.9
16	NEPSE Float Index	Points	99.69	92.1	86.91	-7.6	-5.6
Source: Nepal Stock Exchange Ltd.							

Table 14
Secondary Market Indicators
(Based on First nine months data)

SN	Indicators	Unit	Fiscal Year			Percentage Change	
			2016/17	2017/18	2018/19	2017/18	2018/19
1	Number of Listed Companies	Number	210	196	207	-6.7	5.6
2	No. of listed Securities	Number in million	2767.5	3470.7	4072.2	25.4	17.3
3	Annual Turnover of Securities	NPR billion	161.85	94.4	64.7	-41.7	-31.5
4	Average Daily Turnover	NPR million	0.94	0.56	0.36	-40.4	-35.7
5	Trading Days	Days	172	169	1 82	-1.7	7.7
6	No. of Scripts Traded	Number	248	251	255	1.2	1.6
7	Number of Traded Securities	Number in million	310.75	225.8	229.9	-27.3	1.8
8	Number of Transaction	Number	987355	978485	884679	-0.9	-9.6
9	Total paid up value of listed Shares	NPR billion	269.75	339.3	407.64	25.8	20.1
10	Total Market Capitalisation	NPR billion	1951.5	1497.8	1462.5	-23.2	-2.4
11	Float Market Capitalisation	NPR billion	683.73	505.1	514.02	-26.1	1.8
12	Turnover/Total Market Capitalisation	Percentage	11.06	8.4	5.899	-24.1	-29.8
13	NEPSE Index	Points	1697.13	1277.55	1184.02	-24.7	-7.3
14	NEPSE Sensitive Index	Points	367.52	272.45	253.64	-25.9	-6.9
15	NEPSE Float Index	Points	127.31	92.12	86.91	-27.6	-5.7

Source: Nepal Stock Exchange Ltd.

Table 15
Secondary Market Indicators
(Based on Annual Data)

SN	Indicators	Unit	Fiscal Year			Percentage Change	
			2015/16	2016/17	2017/18	2016/17	2017/18
1	Number of Listed Companies	Number	229	208	196	-9.2	-5.8
2	Annual Turnover of Securities	NPR billion	164.65	205.02	121.4	24.5	-40.8
3	Average Daily Turnover	NPR million	706.6	891.4	521	26.2	-41.6
4	Number of Traded Securities	Number in million	303.6	392.9	294	29.4	-25.2
5	Number of Transaction	Number in million	0.839	1.357	1.311	61.7	-3.4
6	Total Market Capitalisation	NPR billion	1890.13	1856.82	1435.14	-1.8	-22.7
7	Float Market Capitalisation	NPR billion	632.66	641.69	483.9	1.4	-24.6
8	Turnover/Total Market Capitalisation	Percentage	8.71	11.04	8.5	26.8	-23.4
9	Total Market Capitalisation/GDP	Percentage	84.1	71.44	47.7	-15.1	-33.2
10	Float Market Capitalisation/GDP	Percentage	28.15	24.69	16.1	-12.3	-34.8
11	NEPSE Index	Points	1718.2	1582.7	1212.4	-7.9	-23.4
12	NEPSE Sensitive Index	Points	369.1	336.0	255.2	-8.9	-24.1
13	NEPSE Float Index	Points	125.4	116.1	87.2	-7.4	-25.0
14	NEPSE Sensitive Float Index	Points	109.0	104.2	77.9	-4.4	-25.2

Source: Nepal Stock Exchange Ltd.

Table 16
NEPSE Index and Other Indices
(Each months of Q3, FY 2018/19)

in Points

SN	Indices	Mid -Jan. 2019	Mid -Feb. 2019	Mid -March 2019	Mid -April 2019
1	NEPSE Index	1178.03	1128.19	1155.46	1184.02
2	NEPSE Sensitive Index	250.49	240.02	246.08	253.64
3	NEPSE Float Index	85.34	82.04	84.3	86.91
4	NEPSE Sensitive Float Index	78.5	75.3	77.54	80.38

Source: Nepal Stock Exchange Ltd.

Table 17
Sectoral Indices of NEPSE
 (Each month of Q3, Fiscal Year 2018/19)

SN	Indicators	Q3 of FY 2018/19	Q3 of FY 2018/19			Percentage Change	
			Mid-Feb.	Mid-March	Mid-April	Mid-March	Mid-April
1	Banking	1009.76	967.54	997.82	1052.11	3.1	5.4
2	Development Bank	1415.6	1427.84	1467.93	1479.69	2.8	0.8
3	Finance	611.28	599.48	611.14	618.12	1.9	1.1
4	Micro-finance	1400.32	1415.96	1415.19	1395.16	-0.1	-1.4
5	Hotels	1736.75	1718.55	1754.52	1729.52	2.1	-1.4
6	Hydro Power	1213.26	1152.1	1175.59	1138.74	2.0	-3.1
7	Life Insurance	6096.96	5707.03	5959.67	5991.52	4.4	0.5
8	Non Life Insurance	5625.69	5402.44	5505.04	5435.72	1.9	-1.3
9	Manufacturing and Processing	2240.13	1954.13	1997.44	1981.74	2.2	-0.8
10	Trading	248.2	254.06	250.55	244.89	-1.4	-2.3
11	Others	756.66	720.37	708.73	705.7	-1.6	-0.4

Source: Nepal Stock Exchange Ltd.

Table 18
NEPSE Index and other Indices
(Based on Annual Data)

SN	Indicators	Unit	FY			Percentage Change	
			2016/17	2017/18	2018/19	2017/18	2018/19
1	NEPSE Index	Points	1803.74	1559.18	1241.63	-13.6	-20.4
2	NEPSE Sensitive Index	Points	391.40	328.34	264.1	-16.1	-19.6
3	NEPSE Float Index	Points	135.04	112.75	90.36	-16.5	-19.9
4	NEPSE Sensitive Float Index	Points	108.99	104.17	77.92	-4.4	-25.2

Source: Nepal Stock Exchange Ltd.

Table- 19
Sectoral Turnover
(Three months of Q3, FY 2018/19)
Amount in Rs Million

SN	Sector	Mid-Feb.	Mid-March	Mid-April	Total	Proportion
1	Commercial Banks	2,216.6	2,290.2	4,393.0	8,899.8	42.2%

2	Development Bank	257.3	251.7	404.4	913.4	4.3%
3	Finance	56.9	58.1	73.4	188.5	0.9%
4	Micro-Finance	737.5	450.5	475.5	1,663.6	7.9%
5	Life Insurance	416.7	560.5	434.7	1,411.9	6.7%
6	Non Life Insurance	574.2	448.1	548.8	1,571.1	7.4%
7	Hydro Power	914.5	417.9	383.0	1,715.4	8.1%
8	Hotels	50.6	14.8	25.1	90.5	0.4%
9	Manufacturing And Processing	22.0	17.9	181.6	221.5	1.0%
10	Trading	7.1	1.1	0.1	8.3	0.0%
11	Others	589.9	199.8	178.1	967.8	4.6%
12	Mutual Fund	13.4	17.8	16.7	47.9	0.2%
13	Preferred Stock	0.0	-	-	0.0	0.00005%
14	Promoter Share	459.6	2,402.0	549.8	3,411.4	16.2%
Total		6,316.2	7,130.5	7,664.1	21,110.9	100%

Source: Nepal Stock Exchange Ltd.

Table- 20
Sectoral Market Capitalisation
(Each month of Q3, FY 2018/19)

Amount in Rs Billion

SN	Sector	Mid-Feb.	Mid-March	Mid-April	Proportion
1	Commercial Banks	709.4	731.6	771.5	53.7%
2	Development Bank	72.0	74.0	74.6	5.4%
3	Finance	18.8	19.2	19.4	1.4%
4	Micro-Finance	88.7	89.3	88.0	6.5%
5	Life Insurance	109.6	115.3	116.2	8.3%
6	Non Life Insurance	91.4	93.2	92.0	6.7%
7	Hydro Power	79.4	82.8	82.2	5.9%
8	Hotels	22.7	23.2	22.9	1.7%

9	Manufacturing And Processing	34.7	35.4	48.5	2.9%
10	Trading	1.5	1.5	1.4	0.1%
11	Others	14.9	146.4	145.8	7.5%
Total		1,243.1	1,411.9	1,462.5	100%

Source: Nepal Stock Exchange Ltd.

Table 21
Listed Government Development Bonds
Q3, FY 2018/19

SN	Name of the company	Coupon Rate	Maturity Period	Listed Unit ('000')	Listed amount (Rs in million)
1	Development Bond-2076kha	6.50%	12	10,400.00	1,040.00
2	Development Bond-2076ka	6.50%	12	9,000.00	900.00
3	Development Bond-2076ga	6.50%	12	4,600.00	460.00
4	Development Bond-2076	6.50%	12	22,000.00	2,200.00
5	Development Bond-2080	3.97%	8	120,000.00	12,000.00
6	Development Bond-2083	4.44%	11	130,000.00	13,000.00
7	Development Bond-2085	4.74%	12	130,000.00	13,000.00
8	Development Bond-2086	4.94%	13	130,000.00	13,000.00
9	Development Bond-2088	4.94%	15	110,000.00	11,000.00
10	Development Bonnd-2080	3.56%	6	70,000.00	7,000.00
11	Development Bond-2086Kha	4.32%	12	50,000.00	5,000.00
12	Development Bond-2088ka	4.99%	14	50,000.00	5,000.00
13	Development Bond-2084kha	5.15%	10	50,000.00	5,000.00
14	Develoipment Bond-2081ka	5.00%	7	31,400.00	3,140.00
15	Development Bond-2079ng	5.45%	5	50,000.00	5,000.00
16	Development Bond-2081kha	5.88%	7	50,000.00	5,000.00
17	Development Bond-2085kha	6.48%	11	50,000.00	5,000.00
Total				1,067,400.00	106,740.00

Source: Nepal Stock Exchange Ltd.

Table 22
Corporate Bonds/Debentures
Q3, FY 2018/19

S.N.	Name of the company	Coupon Rate	Listed Unit('000')	Listed amount(Rs in million)
1	Siddhartha Bank- 2075	11.00%	400.00	400.00

2	Siddhartha Bank Ltd. Bond 2076	8.00%	303.52	303.52
3	Bank of Kathmandu- 2076	8.00%	400.00	400.00
4	Global IME Bank - 2076	10.00%	400.00	400.00
5	Laxmi Bank-2076	8.00%	400.00	400.00
6	Nepal SBI Bank -2078	12.50%	400.00	400.00
7	Everest Bank Ltd. -2079	8.00%	468.85	468.85
8	Nepal SBI Bank -2079	8.00%	400.00	400.00
9	Nepal Investment Bank Bond 2077	8.00%	500.00	500.00
10	Himalayan Bank-2077	8.00%	600.00	600.00
11	Citizens Bank Bond 2077	8.50%	500.00	500.00
12	Nepal SBI Bank-2080	7.90%	200.00	200.00
13	NIC Asia Bond -2077	7.25%	500.00	500.00
14	NIB Bond 2078	8.00%	750.00	750.00
15	NMB Bond 2077	7.00%	500.00	500.00
16	Bank of Kathmandu 2079	8.00%	600.00	600.00
17	Siddhartha Bank Debenture 2078	7.50%	500.00	500.00
18	Everest Bank Ltd. -2078	8.00%	600.00	600.00
19	NIC Asia Debenture 2081/82	9.00%	3,000.00	3,000.00
20	NIC Asia Debenture 2082/83	11.00%	1,830.00	1,830.00
21	SBL Debenture 2082	10.50%	2,162.56	2,162.56
22	Sanima Debenture 2085	10.00%	1,354.71	1,354.71
Total			16,769.64	16,769.64

Source: Nepal Stock Exchange Ltd.

Table 23
Preferred Stock

SN	FY	Number of Issue	Amount in Rs. Million
1	1993/94	2	16.5
2	1998/99	1	80
3	2001/02	1	140
4	2006/07	1	400
Total		5	636.5

Note: No preferred stock has been issued since 2006/07.

Table 24
OTC Market

SN	Particulars	FY 2018/19			Percentage Change	
		Q1	Q2	Q3	Q2/Q1	Q3/Q2
1	No. of Companies	11	14	16	27.27	14.29
2	No. of Traded Securities	1,984,391.00	1,362,876.00	6,112,128.00	-31.32	348.47
3	Turnover in Rs	193,784,323.00	177,217,948.00	686,730,914.00	-8.55	287.51

Source: Nepal Stock Exchange Ltd.

Table 25
NAV of Mutual Fund Scheme
Each month of Q3, FY 2018/19)

SN	Name of Mutual Fund Scheme	End of Q2 FY 2018/19	Q3 of FY 2018/19			Percentage Change		
			Mid Feb.	Mid. March	Mid. April	Mid. March	Mid. April	Q3/Q2
1	Siddhartha Equity Oriented Scheme	10.61	10.51	10.68	10.81	1.6	1.2	1.9
2	Nabil Equity Fund	8.77	8.61	8.71	8.78	1.2	0.8	0.1
3	NMB Sulav Investment Fund-1	11.33	11.18	11.31	11.53	1.2	1.9	1.8
4	NMB Hybrid Fund L-1	10.67	10.6	10.7	10.82	0.9	1.1	1.4
5	Global IME Samunnat Scheme-1	8.77	8.5	8.6	8.77	1.2	2.0	0.0
6	NIBL Samriddhi Fund-1	10.1	9.91	10.08	10.28	1.7	2.0	1.8

7	NIBL Pragati Fund-1	7.67	7.44	7.59	7.87	2.0	3.7	2.6
8	Laxmi Value Fund-1	10.89	10.71	10.9	11.19	1.8	2.7	2.8
9	Laxmi Equity Fund	8.72	8.55	8.65	8.89	1.2	2.8	1.9
10	Sanima Equity Fund	10.58	10.53	10.66	10.86	1.2	1.9	2.6
11	Citizen Mutual Fund	10.39	10.39	10.63	10.78	2.3	1.4	3.8
12	NIC Asia Growth Fund	10.42	10.36	10.5	10.71	1.4	2.0	2.8
12	Siddhartha Equity Fund	10.57	10.42	10.73	10.86	3.0	1.2	2.7

Table 26
Demat Account and Trend of Dematerlisation
Three quarters of FY 2018/19

SN	Particulars	Unit	FY 2017/18	Q1 of FY 2018/19	Q2 of FY 2018/19	Q3 of FY 2018/19	Q2/Q1	Q3/Q2
1	Demat Account	100 thousands	12.97	13.46	15.91	16.5	18.2	3.7
2	Ordinary Shares	10 million	110.25	114.44	119.83	132.14	4.7	10.3
3	Convertible Preferred Stock	100 thousands	5.81	5.83	5.85	5.88	0.3	0.5
4	Promoter Share	10 million	105.03	106.91	108.57	114.6	1.6	5.6
5	Mutual Fund Unit	10 million	141.44	143.05	145.31	145.42	1.6	0.1
6	Debenture	10 million	0.22	0.29	0.46	0.75	58.6	63.0

Source: CDS and Clearing Ltd





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