

## NEPSE at 1200 mark; some even comparing it to previous all-time low; Is it right time to pour in your bucks into the red blazing market Find out from expert.

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It is no hidden secret that the only stock market of our country has been facing a tumultuous fall for quite a long time now. The market capitalization which had once crossed Rs 2100 arba mark has shrunk by more than Rs 600 arba in a mere couple years. Every penny lost is the grave decline to the investors' property and undoubtedly a major blow to the confidence to their sentiment.

It now feels like "Once upon a time story" when people go to reminiscences of those days when index at NEPSE had peaked up to 1880 mark a couple of years back. Since then, the southward pull has been so powerful that there is no looking up and the index at current is threatening to languish below 1200 mark making holes in lot of pockets and coffers.

At this juncture, there are people with two different sets of minds. There's an anxious group of people who strongly believe that the game is soon going to be over for them as the index has high probability of slipping further into the danger zone from where there's no retreat for their investments. On the other hand, there is a gang of eager baggers who believe that the market has come down significantly providing them the most fertile time to throw their seeds of hard-earned bucks to the stocks and expect ripe fruits overnight.

Against all these backdrops, we have tried to reach out to few experts and market observers who have more than a decade of good and bad times in Nepalese share market with a request to make the current picture of our share market clear to above described types of people. Each single one of them has wanted to stay anonymous taking into consideration their views can influence the sentiment of our market and here are the extracts of their observations.

A senior investor/analyst believes that these days different media which call themselves eyes and ears of share market has failed miserably to act as real eyes and ears. Some irrational media coverage have been doing more harm to our share market rather than good. Further, the market currently has an overall weak sentiment, as per the analyst and it should not be further

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surprising that the market continues to lose further points in coming 6 months or so. In fact, few of the sectors such as microfinance and insurance are still overrated and require further correction if their indexes need to reflect their real performance. There are some chances that the market may show some small-scale rebounds however long-term recovery appears highly unlikely until all the wires of market are plugged at their proper places. Therefore, it was inferred that the time is yet not ripen to pour in the entire bucks a layman investor has with him/her but planned and strategized investment would always pay off.

Another investor/analyst who doesn't like to look over the technical aspect at all believes that until and unless the basic fundamental aspects of the market come in the right track, the market cannot bounce back at any cost. There are many factors and parties responsible for that and each one of them should realize that lost in share market is not their personal lost alone but the grand loss of entire nation. Currently, the tendency of market has become highly unpredictable and it is advised that the investors calculate their risk taking and bearing capacity before throwing in their cash to the burning market as the wrong decision may led their cash to evaporate in that fire like Rs 600 arba or so.

Another analyst who puts more weight over technicalities of share market believes that the market should first recover from its current overall bearish mood with all the present indicators showing further decline. It won't be a matured decision to jump into the share market at a current scenario believing that the shares have shredded considerable value in the past few months leaving no room for further decline. The analyst suggests a single-word mantra to fight back the current bearish mood of the market and it is "patience". "In share markets of every kind, it is definitely a sweet dream of everybody to make handsome profit. However, making money should take a back-seat as per me it's more important for the investors to survive in share market rather than just making money. If you survive the brunt of cruelty of share markets and have some cash in your hand to invest, the market will be right there and you will

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have next chance to enter the market and probably book some profit.” The willing investors therefore should wait and watch as per the expert and trace closely the movement of the market and its different indicators.

Another observer who has significant knack over the technical movements of the market echoed the earlier opinions expressing that the overall market has depressed mood and further decline has to be viewed as necessary correction. Something positive about the final analyst was the approach with which the current free-fall was dealt. “The market made all-time high of 1881 and people are failing to read both sides of that event in that case. The market had picked up from 292 or so and logged gain of more than 1500 points. People are prioritizing only the 1881 mark but have forgotten rock-bottom of 292. Now, having lost some 600 points, they are anxious that the market has started coming to its knees once again. What can be expected that further natural decline of market seems highly likely and has to be treated naturally. Nevertheless, as day follows the night, a turning point seems fast approaching from where our market shall definitely retrieve northward.”

Now, having scrolled and read through all these anonymous expert opinions, what do you think dear readers? Do you also think that the stocks have become quite cheaper and feel an urge of investing? At the hind side, do you believe the market is destined to crumble to its knees where it needs to pick up from scratch thereby offering investors like you and me to buy stocks in par value or perhaps even below?

Source : Sharesansar, 26<sup>th</sup> March 2018