

Nepse drops 2.66pc as stock investors in wait-and-see mode

Investor optimism following formation of a new government could not sustain in the trading week between February 18 and 22, resulting in the Nepal Stock Exchange (Nepse) index recording a week-on-week drop of 37.97 points or 2.66 per cent.

According to share market analysts, share investors are mostly in a watch-and-see mode owing to the uncertainty revolving around the political front.

Opening at 1,424.95 points on Sunday, the benchmark index had fallen by 11.05 points by the day's closing. The share market remained closed on Monday as the country celebrated Democracy Day. On Tuesday, the local bourse plunged by 17.18 points to retreat below the threshold of 1,400 points. Nepse continued southbound for the remainder of the week — down 9.64 points on Wednesday and dipping by 0.10 point on Thursday to close the week at 1,386.98 points.

The sensitive index fell by 2.67 per cent or 8.05 points to 293.25 points. Similarly, float index also slipped by 2.88 per cent or 2.96 points to 99.85 points.

Altogether, 4.25 million shares of 176 companies that amounted to Rs 1.71 billion were traded through 18,604 transactions. The traded amount was 10.75 per cent higher than the preceding week when 16,638 transactions of 3.79 million shares of 179 companies worth Rs 1.54 billion had been undertaken.

Contrary to the previous week when all the subgroups had landed in the green, the secondary market was splattered in red this time around.

Hydropower led the pack of losers, with the subgroup slumping by 4.46 per cent or 81.26 points to 1,742.11 points, weighed down by share value of Chilime diving by 4.60 per cent to Rs 850 and Sanima Mai by 3.21 per cent to Rs 392.

Trailing close behind, microfinance plunged by 4.42 per cent or 76.21 points to 1,649.53 points.

Insurance subgroup retreated by 3.97 per cent or 289.68 points to 6,998.96 points. Share price of insurance companies like Shikhar lost 6.86 per cent to Rs 1,141 and Premier lost 7.77 per cent to Rs 1,245.

Hotels dropped by 3.09 per cent or 65.05 points to 2,039.40 points, and development banks fell by 3.03 per cent or 49.29 points to 1,579.54 points. Finance slipped by 2.27 per cent or 16.33 points to 701.43 points.

Banking lost 2.21 per cent or 27.49 points to 1,214.89 points. This was because of commercial banks like Nabil down 1.27 per cent to Rs 1,090 and Everest dropping by 2.91 per cent to Rs 835.

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Share value of Nepal Telecom — the company with highest market capitalisation in Nepse — falling by 1.17 per cent to Rs 757 caused others sub-index to retreat 1.45 per cent or 11.09 points to 752.39 points.

Trading shed 1.36 per cent or 3.04 points to 219.92 points, while manufacturing dipped by 0.33 per cent or 8.31 points to 2,467.35 points. Unilever fell by 0.08 per cent to Rs 27,966, while share price of Himalayan Distillery went down by 3.14 per cent to Rs 1,201.

Nepal Life Insurance Co (Promoter Share) led the group of companies with highest weekly turnover with Rs 112.06 million.

It was followed by Om Development Bank with Rs 80.04 million, Century Commercial Bank with Rs 73.33 million, Rastriya Beema Co Ltd (Promoter Share) with Rs 67.69 million and Sanima Bank with Rs 60.47 million.

Meanwhile, Century Commercial Bank was the forerunner both in terms of trading volume and the number of transactions, with 364,000 of its shares changing hands through 1,121 transactions.

NEW LISTING

Company	Type	Unit
Sanima Equity Fund	Ordinary	130,000,000

Source: The Himalayan Times, 25th Feb 2018