गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED
(A Subsidiary of GARIMA BIKAS BANK LIMITED)
समृद्धिको सारथी

THE ANALYTICS

MONTHLY GARIMA INSIGHT

BHADRA 2080
(18 AUGUST 2023 - 17 SEPTEMBER 2023)
VOL: 2, ISSUE 2

Headwinds and Tailwinds of Market Ahead

Insight into the Realm of Hedge Funds

NEPSE SCANNER

MACROECONOMIC FACTORS

MARKET SCANNER

+977-014529149/50, 01-5970175 Kamalpokhari, Kathmandu, Nepal www.garimacapital.com

Market Update:

Headwinds and Tailwinds Of Market Ahead

SYNOPSIS:

It was believed that banks would decrease the interest rate on FD for the month of Ashoj. Contrary to the popular opinion, some of the banks have increased interest rate on FD and the market, in response, dwindled by more than 40 points on 31st Bhadra 2080. The increase in interest rate on FD has left the investors in a confused state of mind and it has also dampened the growth expectations. Even though, the NRB has turned a deaf ear to the request by concerned stakeholders to increase the 12-crore limit on margin lending, there are reasons to believe that NRB will comply this time around because the finance minister has been very vocal with regard to the revival of stock market.

There is a ray of hope that NRB will revise the 12-crore limit on margin lending towards the higher side after the arrival of Governor from India. Despite the discouraging Q4 report, the dividend announcement from top-tier BFI's has been fairly good. We still stand by our conviction that BFI's are likely to post weak financials in the first quarter because of the NPL fiasco that still has not manifested to the fullest. On the other hand, Hydropower companies have the higher possibility of going up both from the technical and fundamental perspective. Therefore, we have maintained higher exposure on the hydropower sector and plan to do so until the first quarter.

Tailwinds:

1. *As per the recent macroeconomic data published by Nepal Rastra Bank, remittance figure in the first month stood at Rs. 116 arba and Balance of Payment (BOP) stood at Rs. 32.9 billion. Notwithstanding the endogenous factors, we are in a sound position in terms of external macroeconomic situation.*
2. *Considering the number of tourist arrival last year in the month of August i.e. 41,304, the number of tourists arrival last month is 67,153 ,which signifies a massive YoY growth of around 62.82%.*
3. *Although the volume has not been encouraging as of late, the new Brokers have begun to buy aggressively at around 1980 index zone. The Hydropower sector in particular, seems to have the highest potential to go up has it is already trading at a major support zone.*
4. *The fact that government has allowed banks to incorporate 60% of local level deposit as denominator component in CD ratio calculation has ensured abundance of liquidity in the system.*
5. *The recent circular pertaining to Working Capital comes as big respite to the BFI's and loan seekers alike. It has extended the limit for manufacturing companies and also postponed the requirement for loan seekers to submit audited financials for availing working capital loan.*
6. *Hydropower companies, in particular, have received a wave of positive news in the recent period. With the MCC project entering into an enforcement stage, the work of transmission line completion is likely to be expedited.*
7. *Since the end of Asad 2080, lending has increased by more than 40 arba with BFI's emphasizing heavily on margin lending loans. At a present index level, market participants are more than willing to avail margin lending facility and inject fresh funds in the market.*

Headwinds:

1. *The NPL of BFI's are likely to increase in the Q1 due to the recent circular which states that the non-performing loan can be promoted as good loan only after the continuous repayment of loan and interest for 6 months post the clearance of loan overdue.*
2. *Even though a couple of months has passed since the ending of last fiscal year, the contractors have still not been able to receive the rightful payment.*
3. *The finance minister looks desperate to institute policy changes in order to revive the stock market. However, the difference of opinion with the NRB officials have not ignited a great deal of hope. The rigidity of NRB officials has dampened the market expectation for the worse.*
4. *Contrary to popular opinion, some of the BFI's have decided to ramp up the interest rate on FD. This means that the interbank deposit flow is likely to continue and the loan interest rate will also not decrease as anticipated previously.*

Key Highlights of Current Macroeconomic and Financial Situation of Nepal
(Based on First Month Data Ending Mid-August, 2023/24)

- ✓ *CPI-based Inflation remained 7.52 % vs 8.26 % a year ago.*
- ✓ *Imports decreased 1.6 %, exports decreased 8.7 % and trade deficit decreased 0.7%*
- ✓ *Remittances inflow amounted Rs.116.02 billion, which is 25.8 % higher than last year Mid-Aug.*
- ✓ *BoP remained at a surplus of Rs.32.90 billion as against the deficit of Rs.22.627 billion last year.*
- ✓ *Gross foreign exchange reserves stood at $11.85 billion (equivalent to NPR 1573.12 billion), which is an increment of 25.8% on Y-o-Y basis.*
- ✓ *Government expenditure amounted to Rs.35.04 billion and revenue collection Rs.78.87 billion, resulting the fiscal surplus of Rs.43.8 billion.*
- ✓ *No. of tourist arrival has nearly doubled in 8 months of 2023 as compared to corresponding period of 2022 i.e. 601,360 vs 326,667.*
- ✓ *Broad money (M2) decreased 2.4 %. On y-o-y basis, M2 increased 10.8 %.*
- ✓ *Deposits at BFIs decreased 2.3 % and private sector credit decreased 0.1 %. On y-o-y basis, deposits increased 11.9 % and private sector credit increased 3.8 %.*

Concluding Remark:

By and large, the banks have increased the interest rate on FD and this has decreased the possibility of further decline in the lending rate by BFI's. However, the lending rate is already on the lower side with banks trying to dole out margin lending at discounted rate. The fact that government has allowed banks to incorporate 60% of local level deposit as denominator component in CD ratio calculation has ensured abundance of liquidity in the system. The challenge now for BFI's is the increase the lending and the recent increase in interest rate coupled with the suppressed credit demand means that it is goind be an uphill climb for BFI's.

There are reasons to be optimistic in the subsequent in the quarters as Hydro companies are likely to post good financials due to increased flow of water in the monsoon season. Insurance companies have room to grow further and are being fueled by the news of rights issuance. Even though, the BFI's have exercised a great deal of caution in giving out loans given the present level of NPL, the NPL menace has not gone away because the recent circular is likely to increase the NPL of BFI's in the coming quarter while ensuring that higher NPL remains sticky.

This article is featured in Sharesansar.

The Specialized Investment Fund Rules, 2075 state the Hedge Fund as a fund established to invest in any risky sectors. While this meaning is very incomprehensible and the Board, SEBON, has yet to issue a directive on operation of the hedge fund in Nepal, this article aims to shed some light on the different hedge fund strategies, features, performances, and evolving issues of the industry.

Hedge funds are alternative investment vehicles that pool investments like mutual funds but are private in nature, target high- to ultra-high-net-worth accredited investors or institutions (limited partners), and adopt various involved strategies that limits/hedge the financial risks to produce positive absolute returns. The industry enjoys the least regulation (including legal) and transparency, with a large investment universe to bet on to seize market anomalies; nonetheless, portfolios are highly concentrated.

Despite the several ups and downs, the Hedge Fund industry has seen significant growth over the decades, soaring from approx. $500 billion in 2000 to the current level above $4.5 trillion, a 10.5% CAGR, although growth from 2023 to 2028 is projected to be a 3.14% CAGR. The industry found its major boom in the 1990s (despite the 1998 LTCM collapse) and 2000s, thanks to the dot-com bubble burst that drew the major interest of institutional investors. The 2008 Global Financial Crisis (GFC) not only eroded one-fourth of the total asset size but also brought in regulatory intervention.

The growth was further shadowed by the dismal performance of the hedge fund (that questioned the merits of fees charged, i.e., 1-2% management fee plus 20-30% performance fee) in the second half of the 2010s until the outburst of COVID-19 in 2020. The industry is heavily concentrated in North America - US, which manages approx. three-fourths of the total industry's AUM and has approx. two-thirds of the total active institutional investors (limited partners) and fund managers (general partners). Big funds like Bridgewater Associates, Renaissance Technologies, AQR Capital Management, etc. are based in the US. [Note: Since the industry is least transparent and regulated, the records of the industry's size, growth, and performances are susceptible to biases like survivorship, selection, etc. which hide the true picture].

Hedge funds are found to maintain a low correlation with traditional asset classes, acting as diversifiers and return enhancers for portfolios. Empirical studies (1998 - 2018) spot the outperformance of the majority of hedge funds over the MSCI World Index but underperformance over the S&P 500 Index, despite a significantly low standard deviation. As per the Aurum Hedge Fund (Aurum) report, in 2022, global equities and global bond markets suffered 20% and 16.7% losses, respectively, while the hedge fund industry reported just 2.4% drawdown (demonstrating hedge funds tendency to thrive in volatile markets).

5 years (2018-2022) scrutiny of hedge fund composite vs. Equities vs. Bonds showed hedge funds outdoing the others in terms of returns (4.22% vs. 2.95% vs. -1.95%), volatility (5.91% vs 17.99% vs 6.44%), and Sharpe ratio (0.46 vs 0.16 vs -0.52). YTD 2023 (i.e., till 12 Sept.) returns of Hedge fund is 4.74%, lagging tellingly behind equities. The performance of a hedge fund can be screened based on its strategy. [Note: The performances as delineated here are based on the report of Aurum, which scrutinizes the data of approx. 3500 active hedge funds representing approx. $3 trillion AUM.] Some major hedge fund strategies are:

A. Equity Strategy:

Approx. half of the total hedge funds and one-third of total portfolios around the world are managed under equity strategies. Popular funds under this strategy are: i) Equity long bias, which takes a net long position on the undervalued equities than short to the overvalued equities; ii) Equity short bias, which shorts the stocks to benefit during a bear market; iii) Equity market neutral, which, unlike the preceding two, effectively reduces the market risk exposure/portfolio beta to zero by taking both long and short positions on the equities. Aurum reports the Equity long/short (-9.63%) and long biased strategy (-13.15%) as the worst performers of 2022, but among the top performers (7.04%% and 4.66%, respectively) in YTD 2023.

B. Event Driven Strategy:

Corporate events like M&A activities, bankruptcy/distressed securities provide an opportunity for Hedge fund to arbitrage the potential mispricing of securities. Despite huge idiosyncratic risk, this strategy (along with the Relative value strategy, next) reports the lowest standard deviation. Some funds it includes are: i) merger arbitrage, where funds bet/long the securities that are agreed to be acquired at a premium and short the securities of the acquiring company; ii) distressed securities – bets are made on the securities of distressed companies that are believed to revive again; iii) Activist - assume the same function as that of Private Equity like acquiring ownership and participating in the management of generally undervalued companies, but the process may turn hostile. Aurum finds a net loss of 8.34% in 2022 for Event strategy (Activist -9.4%, Merger +1.8%, Distressed -3.82%). YTD 2023, event strategy reported net return of 4.99% (Activist +11.18%, Distressed +5.48%, Merger +3.08% despite deal risk).

C. Macro and Managed Future Strategy:

Both of these strategies produced the most diversification during the 2008 GFC; in fact, managed future funds or systematic diversified funds generated the positive returns. The strategy takes the broad investment perspective and invest in the market of currency, commodity, equity, bond, interest rates, emerging economy, etc. around the world so as to benefit the directional or relative value movement in such portfolios. In 2022, Macro Fund yielded 6.73% net return where Global macro and Commodities segments produced 12.23% and 11.48% return respectively. Emerging markets made a net loss of 9.01%. Managed futures, aka. CTA (Commodity Trading Advisors that invest in futures or other derivatives in systematic ways), yielded the most in 2022 i.e. 15.19%. Coming to 2023, Global macro and CTA produced loss of -0.81% -2.51% respectively while Commodities and Emerging market segments generated 2.19% and 5.43% respectively.

D. Relative Value or Arbitrage Strategy:

This strategy also tends to exploit the mispricing of the same or related securities by taking long on undervalued and short on overvalued assets, thus limiting market risk and profiting through price correction by convergent strategies. Fixed income arbitrage, convertible arbitrage, volatility arbitrage, etc. are some funds under this strategy. In convertible arbitrage, convertible bonds are purchased while corresponding stocks are shorted simultaneously; volatility arbitrage profits from the difference between the implied volatility and (future) realized volatility in the option market, i.e. the Fund long the option for lower estimated implied volatility and vice-versa. The arbitrage strategy produced 3.58% net return in 2022 while Tail Protection strategy (i.e. abnormal movements of market/securities) gained 10.15%, volatility arbitrage 6% but convertible arbitrage -4.85%. YTD 2023, arbitrage strategy is the least performer, yielding only 0.57% net return; Tail -7.19%, volatility arbitrage 0.98%, and Convertible bond 5.59%.

Apart from the above, some other popular strategy/funds are Credit strategy (focus on credit instruments like high-yield bonds), Multi-strategy (adopts multiple strategies), Quant strategy (performs quantitative analysis), etc. Fund of these all strategies tend to have a single manager while Funds of (Hedge) Funds (which invest in other Hedge funds) are managed by multiple managers.

Contrary to hedge fund strategies, which are supposed to offset investment risks, many a time Funds are exposed to colossal risks of demise. The situation gets worse because of its highly leveraged position. One classic case, perhaps the biggest in the industry, is the fall of US based Hedge Fund known as Long-Term Capital Management (LTCM). LTCM came into operation in 1994 with a $1.25 billion fund. They adopted the arbitrage or relative value strategy (along with market neutral) which hinged on the price convergence principle. The strategy yields return as long as the market function normal and rational. By early 1998, LTCM had the balance sheet size above $125 billion with equity only $5 billion, massive leverage of 30 to 1 which rocketed to above 50 in August 1998 before things started to fall apart. Not only this, the off-balance size of LTCM (swap and future exposure) was worth over $1.2 trillion. Among the several position LTCM had taken, the company had a long position on US interest rate swaps while shorting US government bonds (a position LTCM would have gained had the spreads narrowed), as well as shorting equity options at high implied volatilities. Although warning flames ignited in July 1997 when the Asian Financial Crisis happened, real trouble began on July 17, 1998 when Salomon Brothers started liquidating its dollar interest arbitrage position precipitating 10% loss to LTCM; to top it all off, disaster occurred on August 17 when Russia declared moratorium (stoppage) on 281 billion Ruble ($13.5 billion) of its Treasury debt following the devaluation of its currency Ruble. This led investors deluge into fight-to-quality instruments (spurring a liquidity run), widening the spreads and shooting up the actual volatility, producing more than 65% losses on its swaps and equity volatility. The company was forced to disclose its classified strategies and its financial picture to prospective investors which further created chaos in the market. The huge on-and off- balance-sheet leverage position/exposure of LTCM posed a systemic threat to the global financial system. Thus, on September 23, a consortium of 14 Banks led by the Fed bailed out LTCM through an injection of $3.65 billion funds for a 90% equity stake.

The evolution of artificial intelligence, including machine learning, cryptocurrencies, a decentralized environment, digital assets, global concern over climate change, pandemics like COVID-19, increasing pressure for transparency and regulation, etc., are forcing the hedge fund industry to devise their strategies and products accordingly, such as hybrid hedge/private equity strategies. Over this period, the hedge fund industry has gone into a consolidation phase, limiting the number of funds and cooling off the heated market. In fact, a study finds that over 90% of hedge fund assets are managed by only 30% of fund managers. Institutional investors are more inclined toward large hedge funds.

In Sept. 2022, Ministry of Finance (Nepal) brought in the "Hedging Related Regulation, 2075" that allowed NRB to provide hedging to project constructions with foreign investments: i) Hydro projects of at least 100 MW; ii) at least 200 KVA transmission line of at least 30 km; iii) Rail, metro, mono rail of at least 10 km; iv) Fast tract of at least 50 km; v) Infrastructure like health, education, agriculture, tourism, IT, etc. of at least Rs. 2 billion investments. Lastly, the prospect of Hedge Fund market in Nepal is futile for a foreseeable period due to its very unfit characteristics, like the requirement of the least regulation/transparency, high leverage, innovative products, derivatives, AI-ML support, high net worth investors, industry talents, etc. Despite South Asia being the most emerging market, Nepal finds no investment inflows from foreign hedge funds, but if this is to happen, the Nepalese market will likely experience major disruptions and volatilities.

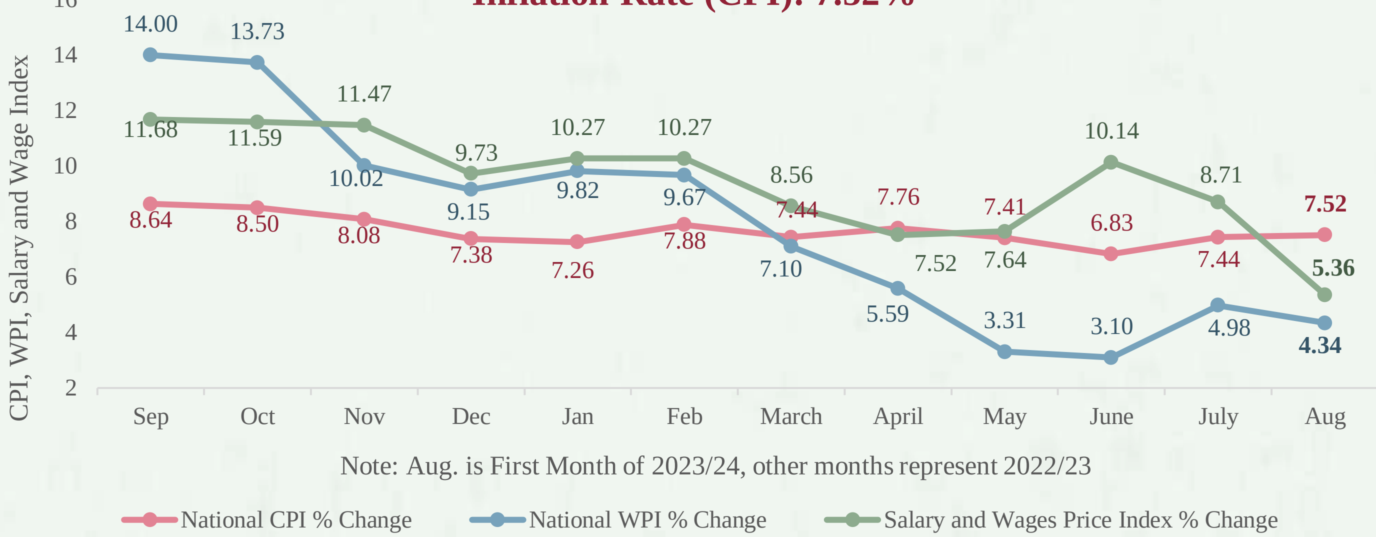
1. ***""When money realizes that it is in good hands, it wants to stay and multiply in those hands."***

– Wealth for All: Living a Life of Success at the Edge of Your Ability

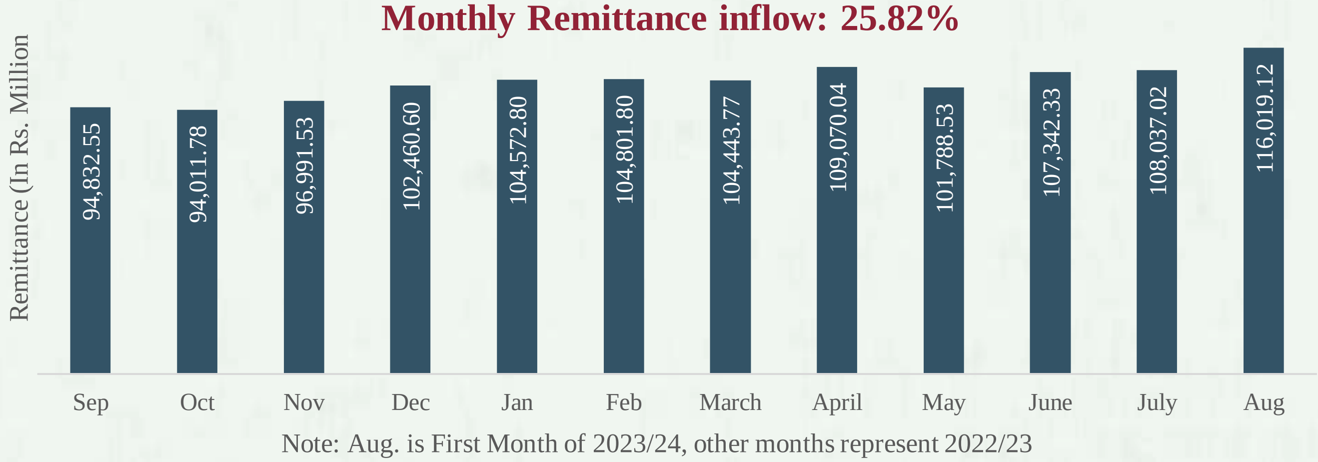
17

WHERE DO THE FACTORS STAND?

Inflation Rate (CPI): 7.52%



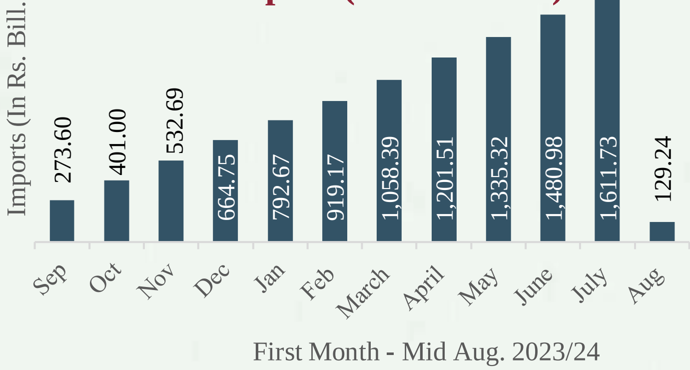
Monthly Remittance inflow: 25.82%



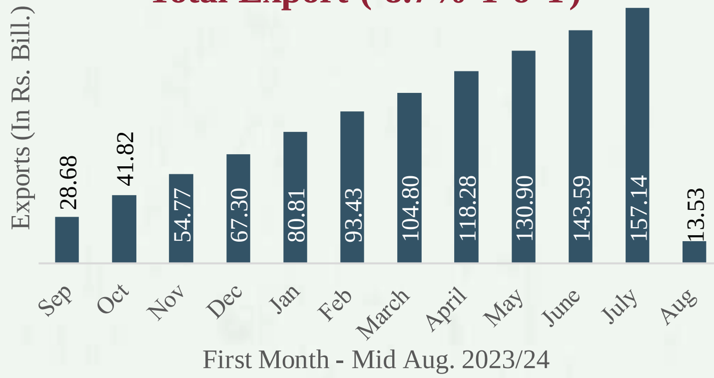
Liquidity Indicator (As on 17th August 2023):

- BFI's Deposits: NPR. 5,710 billion
- BFI's Lending: NPR. 4,899 billion
- **CD Ratio: 82.81%**
- Inter-bank Intereset Rate: 4.80%

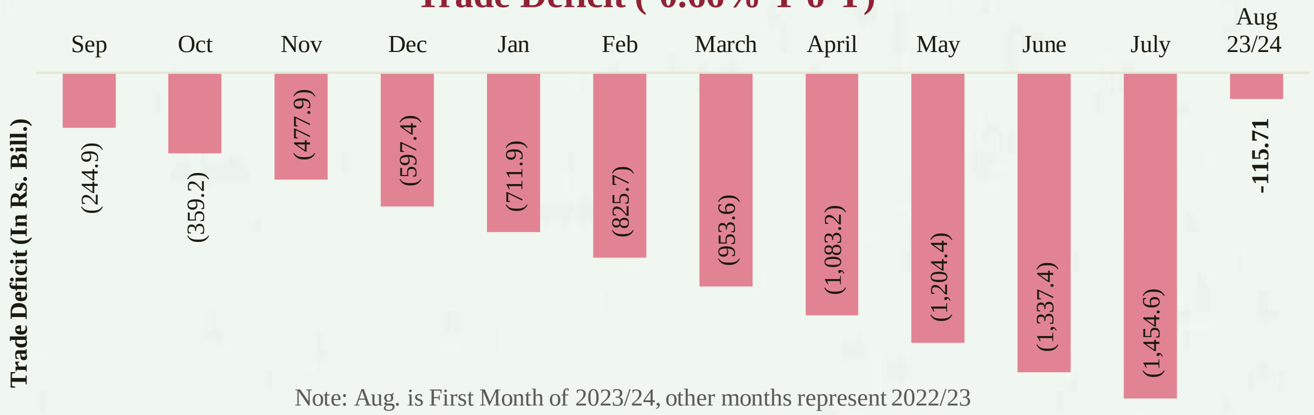
Total Import (-1.6% Y-o-Y)



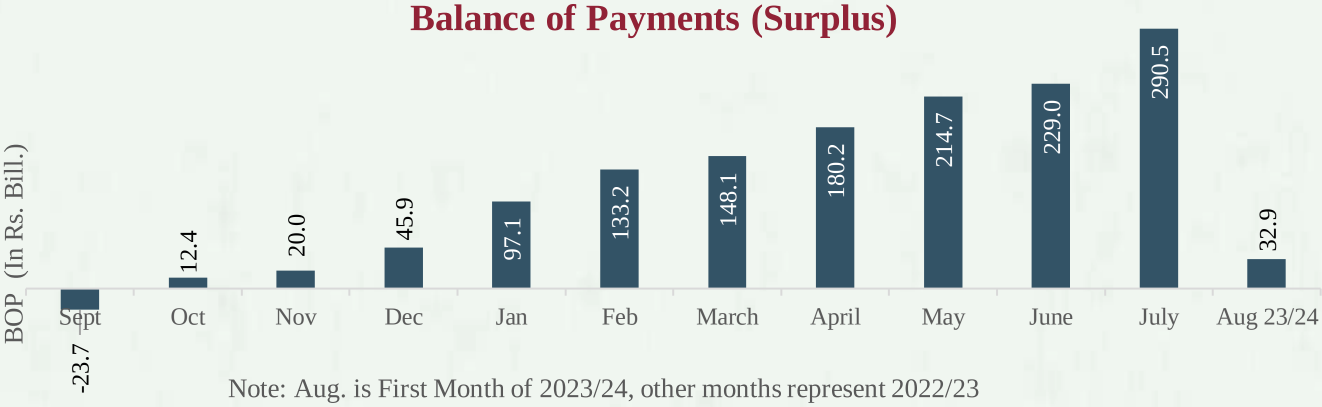
Total Export (-8.7% Y-o-Y)



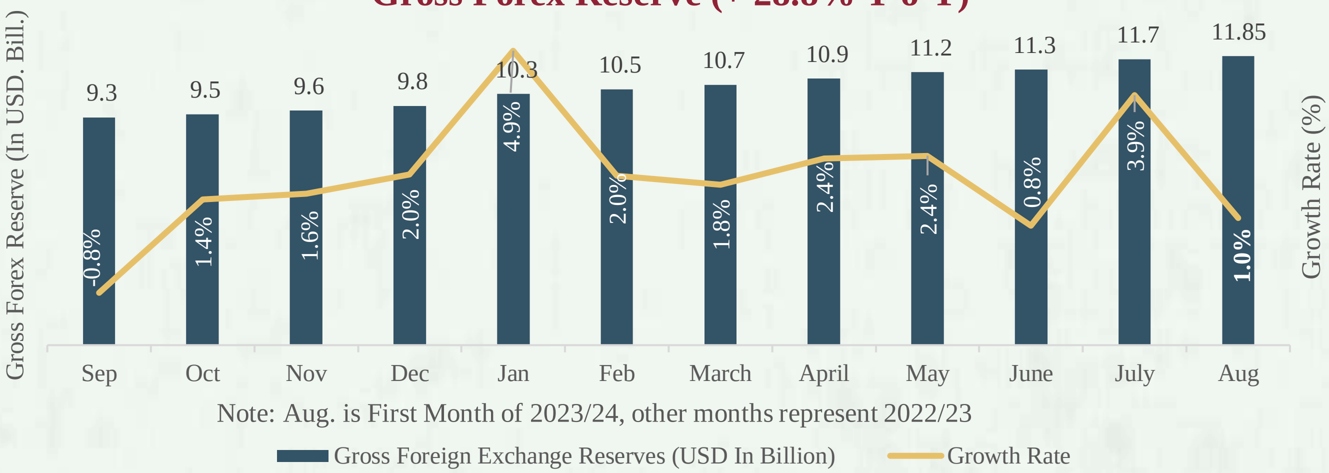
Trade Deficit (-0.66% Y-o-Y)

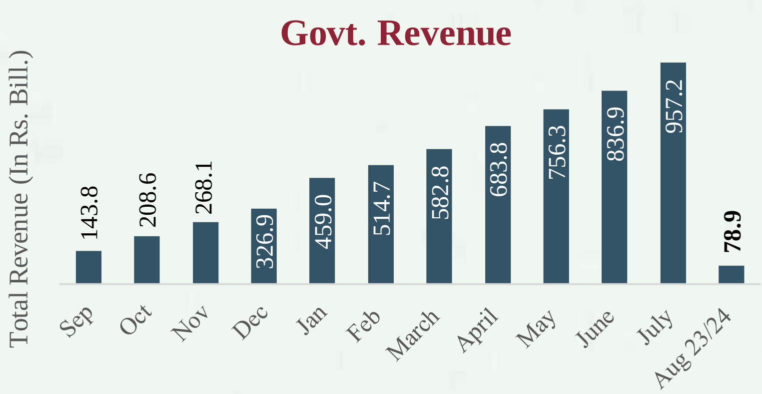


Balance of Payments (Surplus)

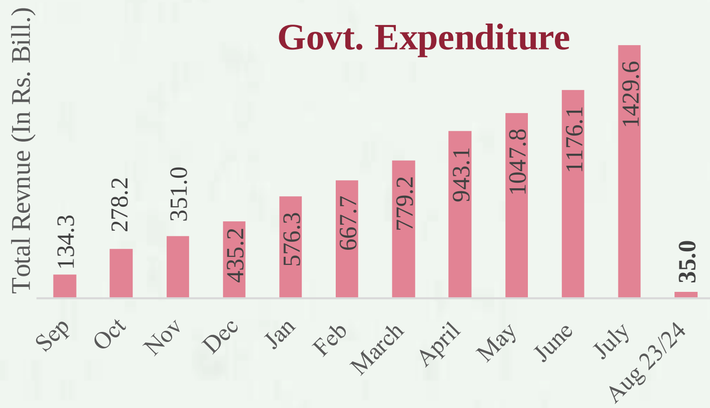


Gross Forex Reserve (+ 28.8% Y-o-Y)

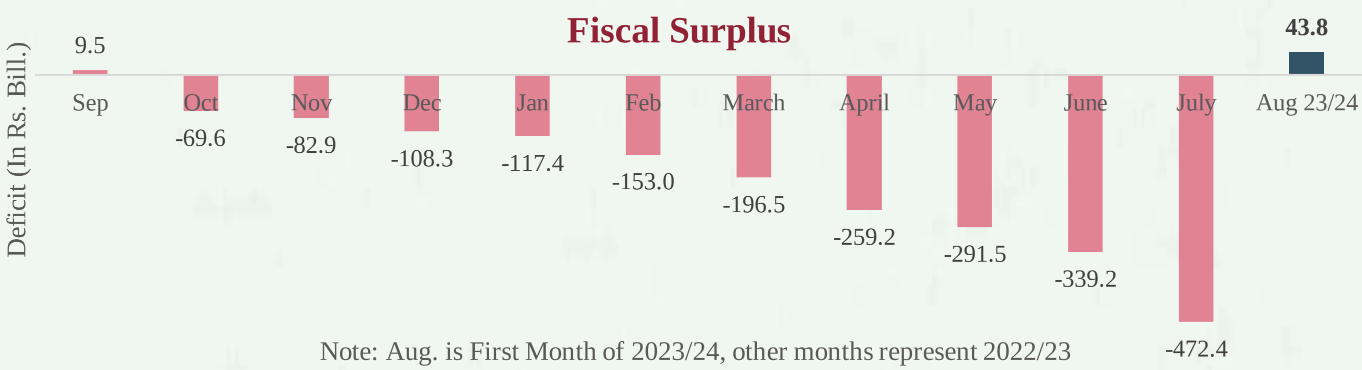




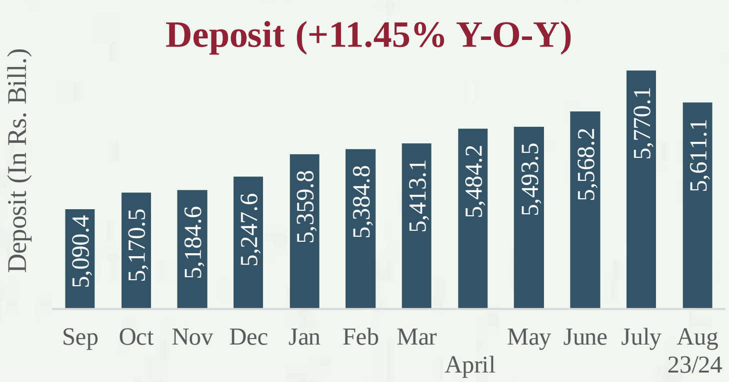
Note: Aug. is First Month of 2023/24, other months represent 2022/23



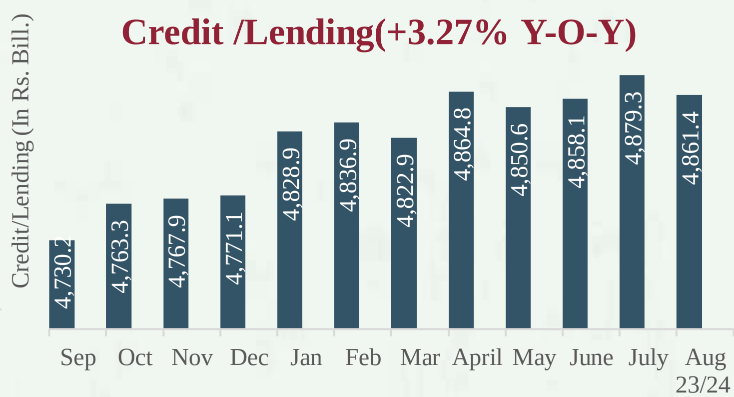
Note: Aug. is First Month of 2023/24, other months represent 2022/23



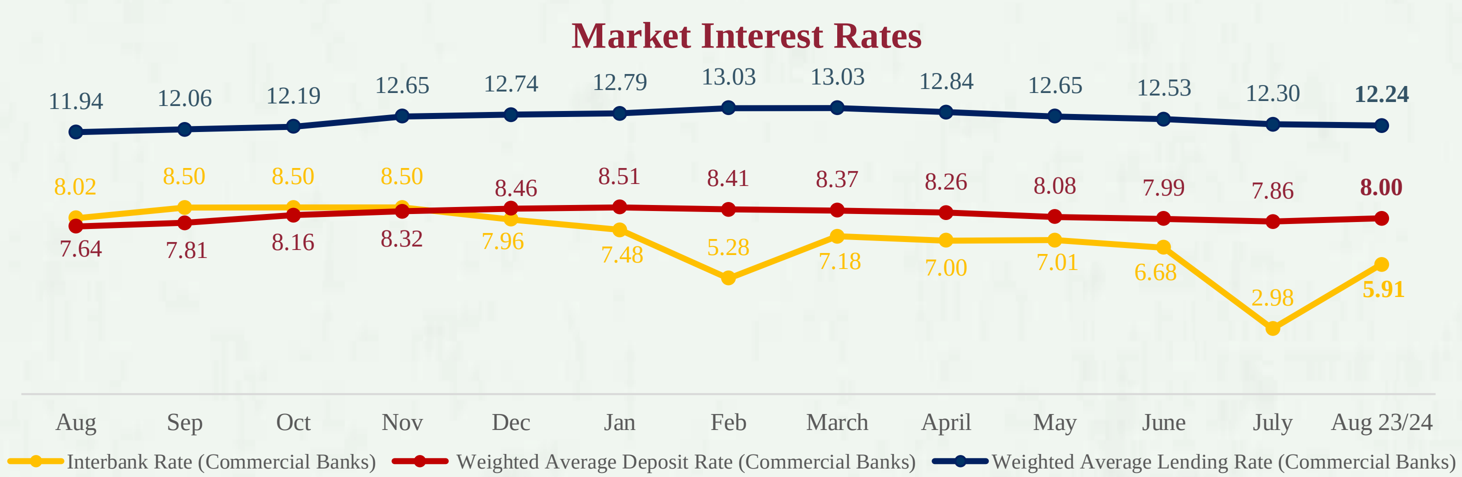
Note: Aug. is First Month of 2023/24, other months represent 2022/23



Note: Aug. is First Month of 2023/24, other months represent 2022/23



Note: Aug. is First Month of 2023/24, other months represent 2022/23

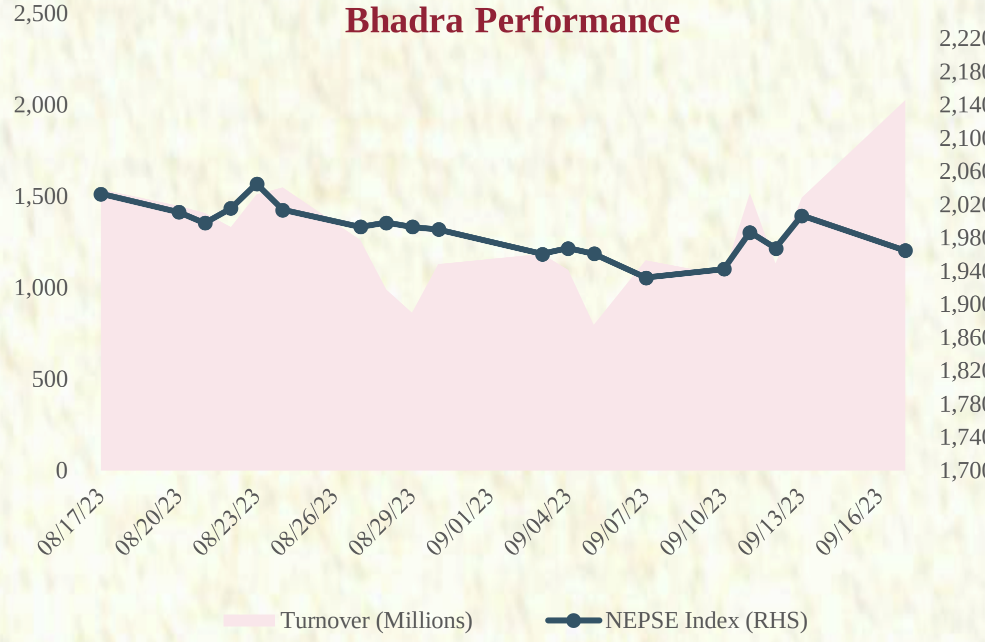


Short-term Interest Rates:

- 28 days: 6.12%
- 91 days: 5.87%
- 364 days: 6.43%

Market Update:

NEPSE SCANNER



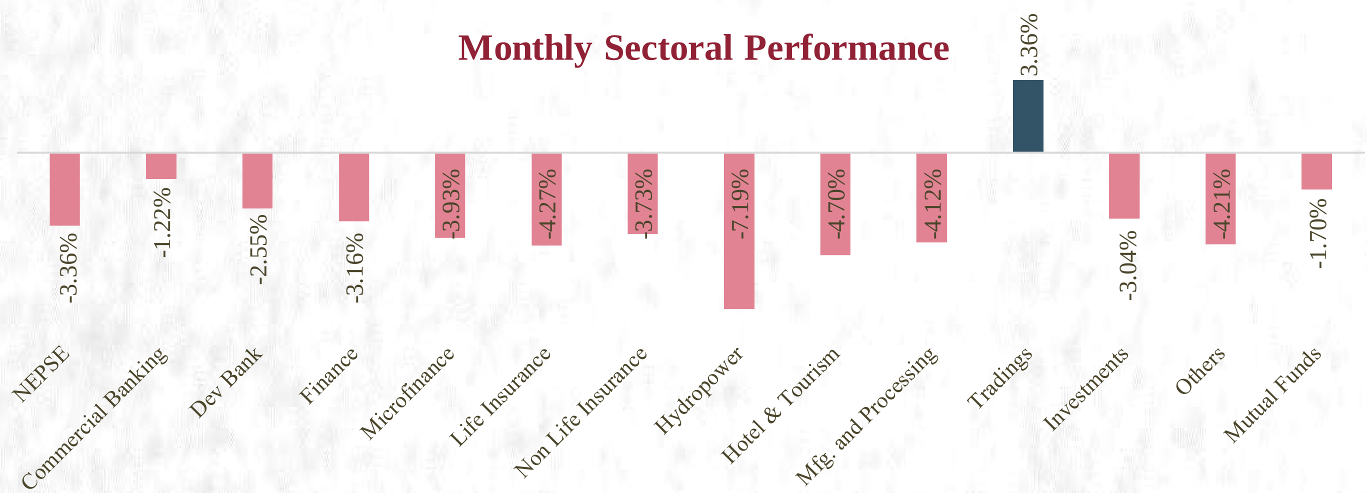
- NEPSE dropped to 1964.91 level from 2033.13 (previous month end), losing 68.22 points (3.36%); it peaked the high of 2052.20 and bottomed the low of 1929.66 in the review month.
- Sensitive, float, and sensitive float index simultaneously plunged by 2.25%, 3.10%, and 2.21% respectively.
- However, by the Month end, the turnover, volumes and transaction size, all found significant increment of 31.6%, 41.16%, and 66.27% respectively as compared to the month end of previous period. Despite this, Monthly average of these metrics computes to Rs.1.27 billion (-49.41%), Rs.4.24 million (-43.47%), and Rs.37.06 thousand (-36.23%) respectively.
- Market cap decreased by 2.68% to Rs. 2.96 trillion, out of which approx. 35% are only floated. Sensitive market cap which covers A class stocks saw a 3.69% decline and the size of Float and Sensitive float market cap sinked by 2.77% & 4.22% respectively.

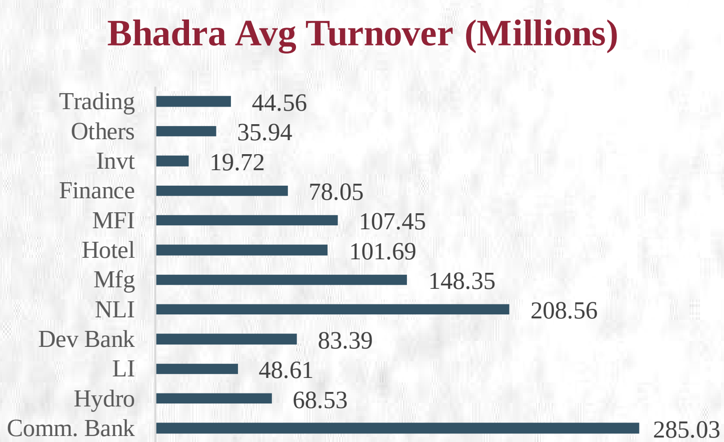
Metrics	**17.09.23**	**17.08.23**	**Monthly Change**
NEPSE	1,964.91	2,033.13	-3.36%
Sensitive	378.68	387.38	-2.25%
Float	136.44	140.8	-3.10%
Sensitive Float	125.43	128.27	-2.21%
Turnover (Million)	2,028.47	1,541.37	31.60%
Shares Volumes	5,659,458	4,009,263	41.16%
Total Transactions	72,477	43,591	66.27%
Total Scrips Traded	278	271	2.58%
Market Cap (Rs. Million)	2,961,335.60	3,043,009.18	-2.68%
Sensitive Market Cap (Rs. Million)	1,154,675.93	1,198,959.01	-3.69%
Float Market Cap (Rs. Million)	1,043,843.70	1,073,585.96	-2.77%
Sensitive Float Market Cap (Rs. Million)	399,283.07	416,869.52	-4.22%
Average Return	14.03%	15.29%	-1.25%
Std. Deviation	24.35%	24.46%	-0.11%
10 Day 10% VAR	-6.38%	-6.39%	0.01%
Market Cap / GDP Ratio	55.03%	56.55%	-1.52%

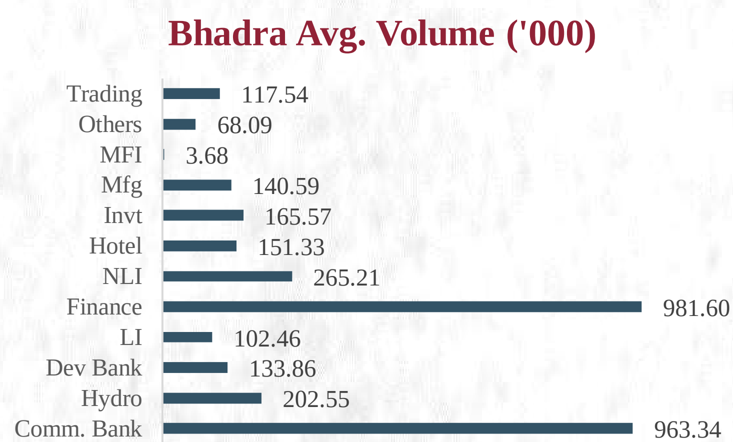
- Avg. market return decreased to 14.03% from 15.29%, Standard Deviation reduced faintly to 24.35% (11 basis point drop) and 10-day 10% VAR stood at 6.38%.
- Market is under-valued as per Market capitalization to GDP ratio (Buffett Indicator).
- In the review period, market traded for 18 days only as compared to last month of 24 days.

Average Turnover	Average Volume	Average Transaction Size	Average Market cap
NPR 1.276 Bn	*NPR. 4.246Mn*	*NPR. 37.07K*	*NPR. 2.972Tn*
-49.41%	*-43.47%*	*-36.23%*	*-4.35%*

SECTOR SCANNER

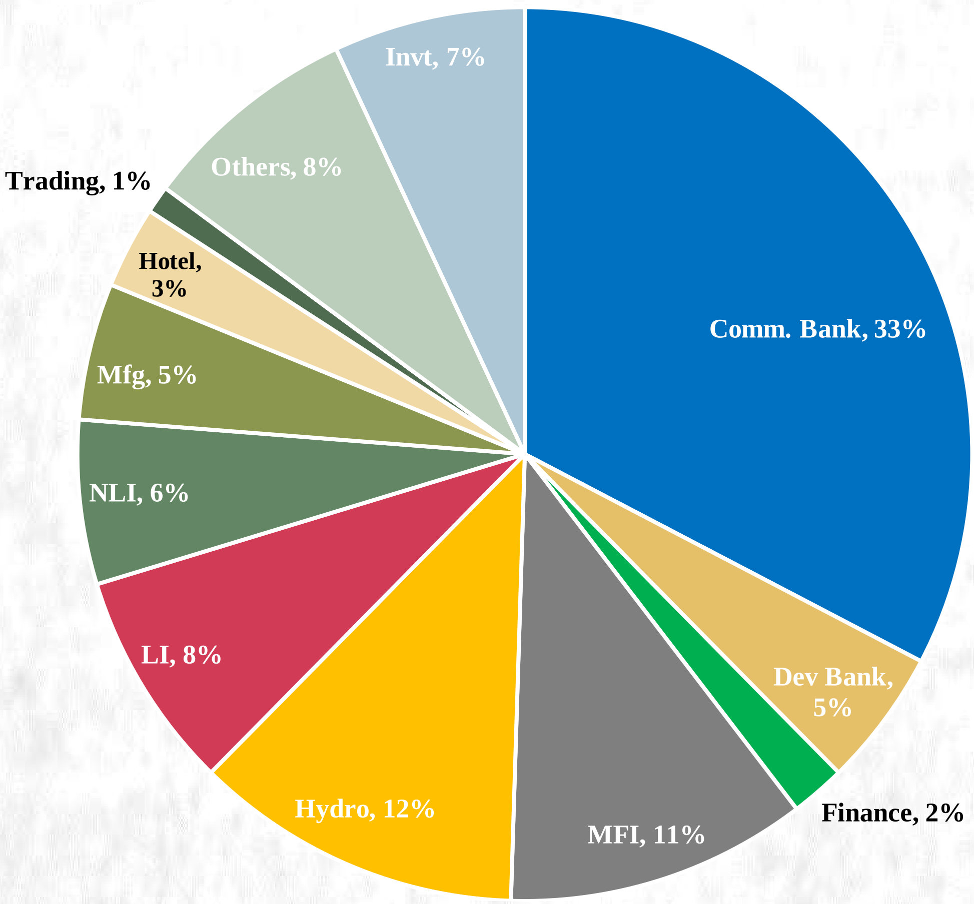






- Of 13 sectors, only Trading sector closed green, rising 3.36% in the review period. All other sectors saw drawdown, especially the Hydropower (-7.19%), Hotel & Tourism (-4.7%), and Life Insurance Sectors (-4.27%).
- Sectors such as Commercial Banks, Hydropower, Life Insurance and Manufacturing & Processing lead the market during the month of Bhadra in terms of Turnover: 23.09%, 17%, 11.7% and 8.78% respectively. Commercial Banks, Hydropower and Mutual Funds led in terms of Volumes (29.63%, 29.29% and 21.67% respectively) while Hydropower, Life Insurance and Commercial Banks led in Transaction size (33.65%, 17.03% and 13.74% respectively).
- Pie- chart below shows the approximate market capitalization of 12 sectors as on last trading day of Bhadra i.e. Sunday, but excludes Promoter shares, Debentures, and Mutual Funds. BFI sector (A, B, C, D Class) covers approx. 50%, Commercial Bank alone 33%. Hydro and Microfinance has 12% and 11% coverage respectively. Insurance sector occupy 14% (Life – 8% and Non-Life – 6%). Trading sector has the least capitalization, *amounting approx. Rs.17.4 billion.*

Sectoral Market Capitalization

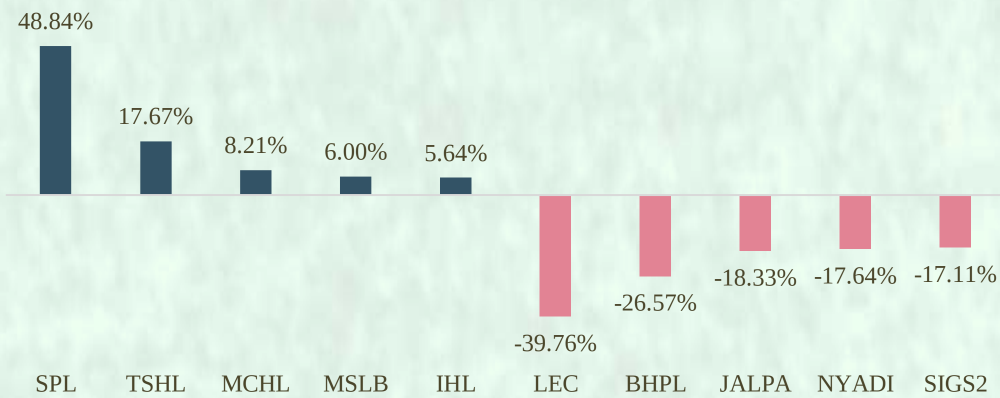


***2.* "Build wealth through ownership. It's not solely about the sweat of your brow, but the power of your capital to generate wealth."**

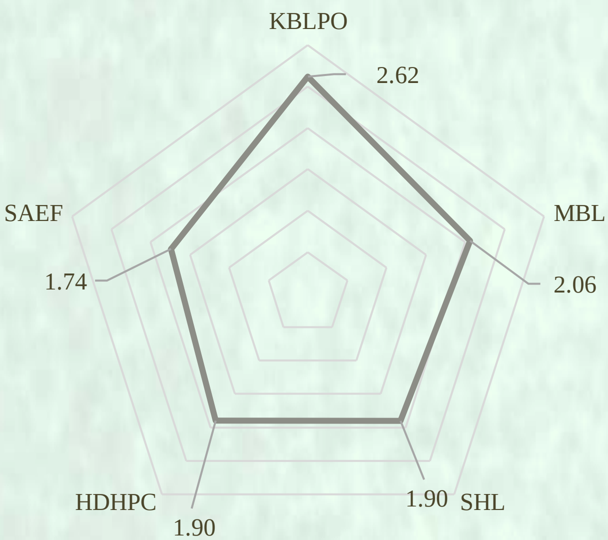
— Arif Naseem

STOCK SCANNER

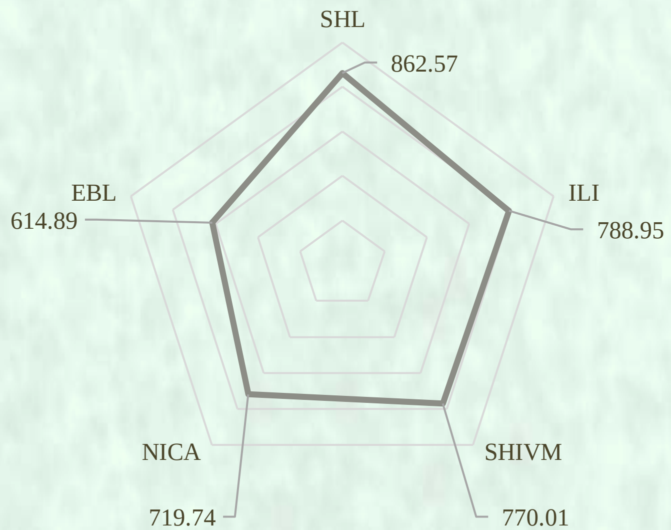
Top 5 Gaining and Losing Stocks/Scrips



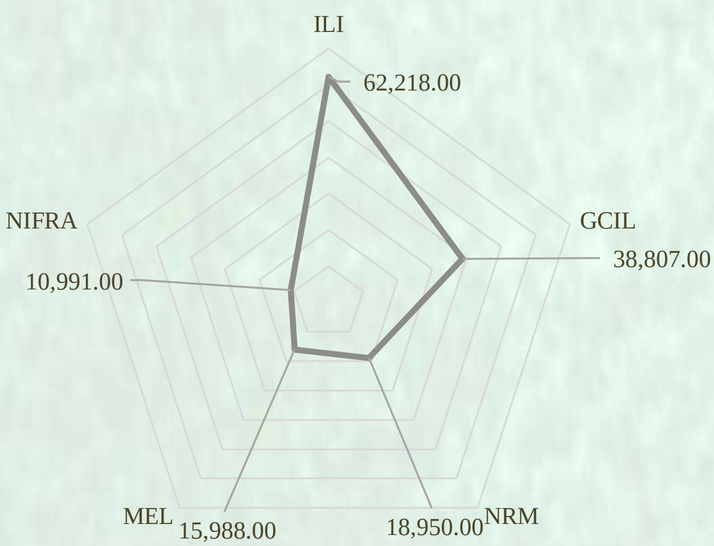
Stocks with Highest Volume (Millions)



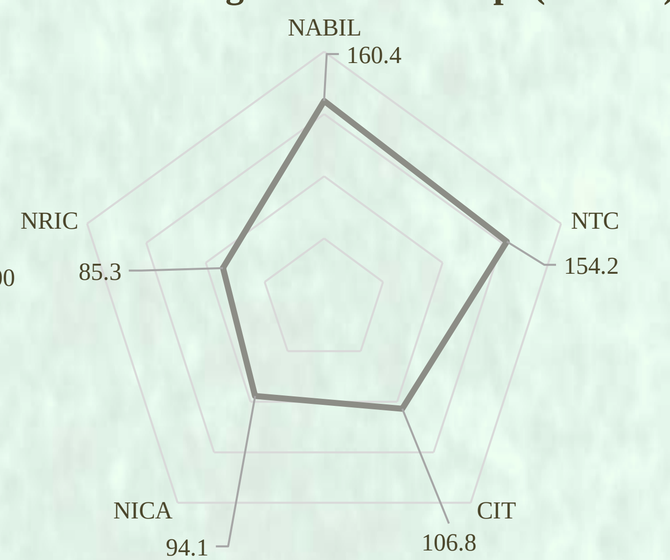
Stocks with Highest Turnover (Millions)



Stocks with Highest Transaction Size



Stocks with Highest Market Cap. (Billions)



TECHNICAL OUTLOOK…

Technical Indicator (17th Sept.)	Value
RSI	42.95
MACD line	-23.96
Signal line	-26.31
Bollinger Upper Band	2049.13
Bollinger Middle Band	1990.53
Bollinger Lower Band	1931.93
ADX	26.76
Exp. Moving Avg. (9 Day)	1975.99
Exp. Moving Avg. (50 Day)	2003.90
Exp. Moving Avg. (50 Day)	2021.02
Exp. Moving Avg. (200 Day)	2027.59

Technical Overview:

Index closed at 1964.91 on last day of Bhadra, losing 42.14 points, forming the Bearish engulfing candle which warns further down market. Month observed the continual formation of lower lows where the middle Bollinger band acted as the immediate resistance. Further, RSI has failed to trade above 50 while MACD has slided to a siginifcant negative territory. The EMA 9D, EMA 26D, EMA 50D, and EMA 200D are all above the current index level, which suggest the short-term and long-term bearish sentiments in the market. The diminished volume level however hints the weakening bearish sentiments. On a fibonacci measure, market fell just below the 61.8% fib. Level i.e. 1975, and our support and resistance as per fib. is 1900 and 2025 respectively.

Key Bulletins of the Month

1. Effective for the Month of Ahwin, 7 Commercial Banks raised the Deposit Rate, 8 Commerical Banks decreased the Deposit Rate while 4 Commerical Banks made no changes. Individual Deposit Rate: Maximum 11.054%, Minimum 7.79% (SCB).
2. Electricity Bill 2080 proposed to extend the permit period of hydroelectric reservoir projects (generations, transmission or distribution of electricity) to 45 years from earlier provision of 35 years, applicable only in the case of projects that require a new permit.
3. Ministry of Finance allowed the BFI's to account 60 percent of the local-level accumulated funds as deposits, the provision likely to boost the desposit size of the banks.
4. SEBON has made the 7th Amendment to the Securities Registration and Issuance Regulations, 2080: permits the issue of green bonds; restricts the companies (other than those requiring periodic renewal of license) with less than 10 years of operation to issue IPO; companies that previously operatated as private limited for two years and carried audit of its operation after conversion to public limited can issue the IPO; IPO issue at premium is allowed to companies with a paid-up capital of 1 billion or more and two consecutive years of net profit and for companies below 1 billion of paid up capital should have 3 consecutive years net profit, however the premium calculation will be different for both type of companies; paid up capital is redefined as "the amount paid according to the shares agreed to be received by the shareholders of the company".
5. NEPSE has approved the license of 11 new broker companies - Garima Securities Limited, Pahi Investment Pvt. Ltd, Indira Securities Pvt. Ltd, NMB Securities Ltd, Akash Bhairav Securities Ltd, Sanima Securities Ltd, Milky Way Share Broker Company Ltd, Stochastic Securities Ltd, S.P.S.A Securities Ltd and Bluechip Securities Ltd.
6. MCC projects finally has come under implementation from 13th Bhadra, 2080.
7. NRB has revised the first time working capital loan limit; allowing the manufacturing industries to receive loan upto Rs.3 crores and Rs.1 crores for other industries.
8. CDSC restrict the view of IPO through third party applications; now IPO can be checked from https://iporesult.cdsc.com.np/

Dividend Announced during the month

Company	Ticker	FY	Bonus	Cash
1. Unique Nepal Laghubitta Bittiya Sanstha	UNLB	2079/80	19%	1%
2. Nesdo Sambridha Laghubitta Bittiya Sanstha Limited	NESDO	2078/79	-	17.9342%
3. Citizens Bank International Limited	CZBIL	2079/80	-	5.79%
4. NIC Asia Bank Limited	NICA	2079/80	29%	1.52%
5. Sanima Bank Limited	SANIMA	2079/80	9%	5.7%
6. Everest Bank Limited	EBL	2079/80	10%	10.53%
7. Machhapuchchhre Bank Limited	MBL	2079/80	13.3%	0.7%

Listing of IPO Shares in the Month of Review			
S.N.	**Company Name**	**Ticker**	**Sector**
1.	Laxmi Value Fund 2	LVF2	Mutual Fund
2.	Reliable Nepal Life Insurance Limited	RNLI	Life Insurance
3.	Laxmi Sunrise Bank Limited	LSL	Mutual Fund
4.	Kutheli Bukhari Small Hydropower Limited	KBSH	Hydropower

Existing / Upcoming Investment Events

S.N.	Company Name	Issue To	Open Date	Close Date	Issue Units	Issue Price
1.	Mid Solu Hydropower Company	Public	2023-09-15	2023-09-19	621,172.00	Rs.100
2.	Vision Lumbini Urja Company	Local	2023-09-05	2023-09-19	191,250.00	Rs.100
3.	Vision Lumbini Urja Company	Migrant	2023-09-05	2023-09-19	191,250.00	Rs.100

Thank You!!!

गरिमा क्यापिटल लिमिटेड
GARIMA CAPITAL LIMITED
[A Subsidiary of GARIMA BIKAS BANK LIMITED]
समृद्धिको सारथी

Contact Detail

Kamalpokhari, Kathmandu - 01
(Opposite to City Center)
Kathmandu, Nepal
01-4529149, 01-4529150
info@garimacapital.com