DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERCIAL BANKS

A Dissertation submitted to the office of the dean, faculty of management in partial fulfillment of the requirements for the master's degree

By

Sita Bhandari
Campus Roll No.: 181/076
T.U. Regd. No.: 7-3-39-1764-2019
Symbol Roll No.: 24147/2020
Shanker Dev Campus

Kathmandu, Nepal
September, 2024

CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERCIAL BANKS. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirement for any academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all sources and literature used are cited in the reference section of the dissertation.

…….

Sita Bhandari

REPORT OF RESEARCH COMMITTEE

Ms. Sita Bhandari has defended research proposal entitled DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERCIAL BANKS successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisors Mr. Dhruba Subedi of Shanker Dev Campus, T.U. and submit the thesis for evaluation and viva voce examination.

Signature: …….

Dhruba Subedi

Dissertation Supervisor

Dissertation Proposal Defended Date:

……

Dissertation Submitted Date:

……

Signature: …….

Asso. Prof. Dr. Sajeeb Kumar Shrestha

Head of Research Department

Dissertation Viva Voce Date:

……

APPROVAL SHEET

We have examined the dissertation entitled DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERCIAL BANKS presented by Ms. Sita Bhandari for the degree of Master of Business Studies. We hereby certify that the dissertation is acceptable for the award of degree.

Signature: …….
Dhruba Subedi
Dissertation Supervisor

Signature: …….
Internal Examiner

Signature: …….
Internal Expert

Signature: ……
External Expert

Signature: …….
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Head of Research Department

Signature: …….
Asso. Prof. Dr. Krishna Prasad Acharya
Campus Chief

ACKNOWLEDGEMENTS

This dissertation entitled DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERCIAL BANKS has been prepared for the partial fulfillment of the requirement for the degree of Master of Business studies.

I extend my deep sense of indebtedness to my respected supervisor Mr. Dhruba Subedi for his precious guidelines, inspiration and suggestion thoroughly during the period of this research. Without his valuable insight, I would not think of accomplishment of this thesis. I would like to express my gratitude to my honorable Research Department Head Asso. Prof. Dr. Sajeeb Kumar Shrestha and honorable Campus Chief Asso. Prof. Dr. Krishna Prasad Acharya of Shanker Dev Campus, who gave me opportunity to finish this study. I also like to thank to my other respectable teacher for guiding and inspiring me to complete this thesis.

I am deeply indebted to my respected teachers and friends for helping me during the period of research.

Thank You…

Sita Bhandari

TABLE OF CONTENTS

LIST OF TABLES

Page no.

LIST OF FIGURES

Page no.

ABBREVIATIONS

BFI	Bank and Financial Institutions
BS	Bank Size i.e. Total Assets
CV	Coefficient of Variation
DPR	Dividend Payout Ratio
DPS	Divided Per Share
DY	Dividend Yield
EBL	Everest Bank Limited
EPS	Earnings per Share
HBL	Himalayan Bank Limited
LEV	Leverage Ratio
MPS	Market Price per Share
NABIL	Nabil Bank Limited
NMB	NMB Bank Limited
NSBL	Nepal SBI Bank Limited
PER	Price to Earnings Ratio
ROA	Return on Assets
ROE	Return on Equity
ROI	Return on Equity
SCBNL	Standard Chartered Bank Nepal Limited
SD	Standard Deviation
VIF	Variance Inflation Factor

ABSTRACT

The objective of this study is to identify the variables that affect Nepal's commercial banks' market price per share. This study examines the effects of leverage, bank size, dividend yield, earning per share, dividend payout ratio, and market price per share. This study used a comparative descriptive and causal research approach. Covering ten-year research period, from 2013–14 to 2022–23, this study is based on secondary data gathered from the published annual reports of sample banks, including EBL, HBL, SCBNL, NSBL, NABIL, and NMB. With the help of the software SPSS, the data are analyzed using descriptive statistics, correlation, multiple regression, t-tests, f-tests etc. The results of this analysis indicate that the market price per share and dividend payment ratio have a very weak positive link. In a similar vein, it demonstrates a strong positive correlation between market price per share and bank earnings per share. On the other hand, the market price per share and the banks' dividend yield has relatively little negative association. In a similar vein, there is a strong positive association between bank leverage and market price per share. On the other hand, the market price per share and bank size has a weakly negative association. The results of the multiple regression model indicate that the market price per share is significantly positively impacted by both the dividend payout ratio and earnings per share. The market price per share of the bank's stock is significantly impacted negatively by its dividend yield. On the other hand, the share price of Nepalese commercial banks is not significantly impacted by debt or bank size. This is why the market price per share of Nepalese commercial banks is significantly influenced by bank-related dividend factors.

Keywords: *Dividend Payout Ratio, Dividend Yield, Earnings per Share, Leverage, Market Price per Share*

CHAPTER - I
INTRODUCTION

1.1 Background of the Study

The Nepalese stock market helps to mobilize funds for long-term economic viability. It provides the framework for the expansion of the actual sector, which includes the country's significant infrastructural development. However, the Nepalese securities market is still developing. Its continued advancement is essential. Shares of commercial banks make up most of the securities market in Nepal, and the Nepal Stock Exchange index is influenced by the pricing behavior of these institutions (Bam et al., 2018).

In comparison to other neighboring countries, the stock market in Nepal is quite tiny. By encouraging capital formation and boosting economic growth, the stock market contributes significantly to economic development. Nepal must work tirelessly to efficiently utilize the available money since it lacks it. This market's securities trading helps savers and capital users by transferring wealth, sharing risk, and pooling funds. Reserves can be directed toward the most profitable investment to generate economic activity. Considering the share prices of the firms they want to invest in, investors decide which shares to buy. There is theoretical support for the idea that shifts in financial basic factors and share prices are related (Bhandari & Pokhrel, 2012).

With the formation of SEBON as the market regulator in June 1993, the Nepalese capital market had the right framework. Ever since its establishment, SEBON has concentrated its efforts on improving the legal and regulatory environments that provide the foundation for the capital market's strong expansion. The highest authority governing the Nepalese securities market is SEBON. By overseeing and managing the whole capital market, selling and distributing securities, and buying, selling, or exchanging securities, SEBON aims to safeguard and advance the interests of investors. The establishment of SEBON was to promote equitable, healthy, efficient, and responsible securities transactions, therefore aiding in the growth of capital markets. On the other hand, its primary duties include licensing stock exchange and securities industry participants and keeping an eye on NEPSE's operations to determine whether they comply with legal requirements (Bhattarai, 2016).

The entities that own that percentage of the company's assets and profits are the stockholders. Common stock and preferred stock are the two categories of stocks. Typically, common stock comes with dividend rights and the ability to vote at shareholder meetings. While preferred stock lacks voting rights, it is entitled to a larger portion of assets and profits than shares alone (Bhandari & Pokhrel, 2012). Institutions mostly use the stock market to grow funds and deploy stocks. The market is the primary driver of industry and commerce development since it is crucial to the growth of the nation's industrial sector (Sen & Ray, 2013).

Equity markets are a vital source of funding for long-term economic development, they promote innovation, and they improve business efficiency. Additionally, they provide governments a practical way to earn money by selling state-owned businesses. Furthermore, when governments move their pension systems closer to the private sector, equity market investments become an increasingly significant component of peoples' assets. In summary, it is evident that the global economy's stocks market is becoming a more significant capital market (Nirmala & Sanju, 2011).

The ability to fund businesses' capital needs and earn substantial returns on investment is one of the main strategies for investing in stock shares. However, returns on these equity investments may vary depending on how well the stock performs and how the stock price moves. While supply and demand factors may lead to fluctuations in stock prices, there is no perfect or indisputable way to predict the exact movement of stock prices. Technical aspects, fundamental factors, and market attitudes are the three main categories of elements that influence the supply and demand of stock prices. But knowing these factors and how they could impact share prices is really important since it would enable companies to raise their market value and help investors make wise investment choices (Baral & Pradhan, 2018).

Some companies in Nepal pay dividends, and those that do usually don't do so on a regular basis. Some companies have never paid dividends to their shareholders. Dividends on shares is a crucial indicator of bank profitability and attracts investors. Before investing in the stock market, investors study the bank's dividend policy. However, due to the volatility of Nepal's commercial banks' dividend policies, investors cannot forecast future cash flow from cash dividends (Bhandari & Pokhrel, 2012).

The book worth of the firm has not been used to investigate the Nepalese stock market. Finding out the Nepalese commercial banks' pricing behavior is the paper's main goal. It is anticipated that the study's conclusions will help investors make money and help policymakers increase efficiency. A few firm-specific and macroeconomic factors, such as the broad money supply, interest rate, inflation, exchange rate, ROA, DPS, EPS, and PE ratio, have an impact on market price per share. The influence analysis of bank-specific factors, such as dividend payout ratio, dividend yield, income per share, leverage, and bank size, on Nepalese commercial banks' market price per share was the main emphasis of this study.

1.2 Problem Statement

The fluctuation in Nepalese prices the price of shares might fluctuate. How supply and demand interplay determines stock price. The stock price is determined by both quantitative and qualitative elements. Nepalese investors have made significant investments in recently founded businesses, particularly in the banking industry. Numerous internal and external factors have been identified by academics as influencing stock price. Company performance, a shift in the composition of the board, asset position, dividends, and profitability are examples of internal or company-specific characteristics. The economic cycle, investor attitude, market circumstances, government laws, natural disasters, and unforeseen events like lockouts and strikes are examples of external variables (Baral & Pradhan, 2018).

In developing nations such as Nepal, investors primarily consider the company's profitability when buying equity shares on the secondary market. It is widely accepted that shareholders engage in equity capital with the goal of growing their wealth as dividend payments to shareholders are among the finest measures of profitability. dividends are a major factor in figuring out the market value of company shares (Singh & Tandon, 2019). A dividend is the kind of return on investment that investors hope to get. However, choosing to pay out dividends is still a crucial and contentious aspect of managing (Adesina et al., 2017). The effect of dividend policies on share prices has long been a topic of discussion. But as of right now, no one, conclusive study has been conducted regarding the relationship between dividend payments and share market price (Kimani & Olweny, 2021). In order to forecast future stock prices, fundamental analysts utilize stock valuation ratios to determine a stock's present actual value and

project its future worth. Important internal characteristics, such as dividends, retained profits, size, earnings per share, dividend yield, leverage, payout ratios, and book value per share, have been identified by several academics as influencing share prices for various markets (Ajao & Robinson, 2022).

Within the corporate finance literature, the link between retained earnings, dividends, and share price is a topic of constant discussion. It is recommended that one should view a company's share price as the natural outcome of decisions made with consideration for the impact of shareholders and share market trading (Pandey & Sunar, 2022). Of all the groups taken into consideration, the unusual returns of the relatively small group of companies in the dividend does not change and earning increased category, whose announcement of no-change in dividend was associated with positive abnormal returns that were even larger than those of the dividend increased and earning increased (DI-EI) category, were primarily positive. Conversely, the bad news companies in the dividend decreased and earning decreased (DD-ED) group had the largest negative abnormal returns (Ajao & Robinson, 2022).

Gunasekarage and Power (2002) suggested that news about dividends and earnings is not a good predictor of a company's long-term success; instead, companies that lowered their payouts and declared lower earnings were able to make more money later. This issue is also a little unclear. The researcher plans to investigate the reasons for this mystery in relation to Nepal. Likewise, Majanga (2015) concluded that retained earnings have an influence on the Indian stock market, which is now recognized by the stock market. The typical substantial dividend impact and relatively poor retained profits effect in the Nepalese context demonstrate how appealing dividends are to Nepalese investors. The impact of dividends in the context of Nepal.

Haque et al. (2018) stated that the ex-dividend behavior of stock prices influences the decisions made by investors about their portfolio. They also mentioned that if share prices drop by the whole amount of dividends, taxable investors will, at the margin, increase their sells before ex-dividend days and delay their buying till after ex-dividend days. There is currently little empirical data of this type in Nepal, even though the ex-dividend date influence on stock prices is backed by logic and statistics from industrialized nations (Gunasekarage & Power, 2002).

It has been demonstrated that a dividend policy has a major effect on the stock price of the company listed on the National Stock Exchange. Earnings per share has a major positive impact on stock market price; dividend yield, return on equity, and profit after taxes have a negative impact. Ultimately, retention ratio and dividend per share have little effect on the stock market price of stocks listed on the National Stock Exchange (Singh & Tandon, 2019).

Several studies on the impact of dividends on stock prices globally have been carried out, primarily in developed countries. The preponderance of prior research suggests that dividend policy significantly affects stock price. The financial literature does not adequately address the effect of dividends on stock prices, especially in Nepal's banking and nonbanking industries. Baral and Pradhan (2018) investigated how dividend payments affected Nepalese commercial banks' stock prices. The outcome revealed that dividends had a large beneficial effect on share price. Based on their success in the stock market, the top gainer and top losing banks came to similar conclusions: price earnings ratio and earnings per share greatly increase the value of the top gainer commercial banks' shares. On the other hand, dividend per share, price-earnings ratio, and earnings per share have a large positive influence on the stock price of the leading independent commercial banks. Dividend per share is the primary factor affecting the stock price of the leading looser commercial bank (Bhattarai, 2016).

The results of empirical research on several markets showed that there is no clear correlation between dividends and stock market price per share. Therefore, the purpose of this study is to objectively evaluate Nepalese commercial banks' stock price behavior. For that reason, the following research topics have been highlighted by this study:

1. What is the position of dividend payout ratio, dividend yield, earnings per share, leverage and bank size, and share price of Nepalese commercial banks?
2. Is there any relationship between dividend payout ratio, dividend yield, earnings per share, leverage and bank size, and share price of Nepalese commercial banks?
3. What is the impact of dividend payout ratio, dividend yield, earnings per share, leverage and bank size on share price of Nepalese commercial banks?

1.3 Objectives of the Study

The major objective of this study is to determining factors of market price per share of commercial banks in Nepal. Moreover, the specific objectives are:

1. To examine the structure of dividend payout ratio, dividend yield, earnings per share, leverage and bank size, and share price of Nepalese commercial banks.
2. To analyze the relationship of market price of stock with dividend payout ratio, dividend yield, earnings per share, leverage and bank size of Nepalese commercial banks.
3. To analyze the impact of dividend payout ratio, dividend yield, earnings per share, leverage and bank size on market price of stock of Nepalese commercial banks.

1.4 Rationale of the Study

On the securities listed in NEPSE, a few research has been conducted. The majority of research done on the capital market to date has focused on risk and return, capital structure analysis, deposit mobilization, dividend policy, and financial performance assessment, among other topics. On the other hand, no research has yet been conducted on the fundamental viewpoint of the factors influencing share price. In order to achieve their own and organizational goals, investors, planners, researchers, students, and policy makers will find great value in the current study.

The purpose of this study is to establish a relationship between the MPS of Nepalese commercial banks and key financial metrics, such as DPR, DY, EPS, LEV, and SIZE, among others. The purpose of the relationship is to illustrate the position of Nepalese commercial banks regarding the factors that influence share price. Potential investors may find these facts useful in making wiser investment selections. Similarly, the position of share price in the share industry is discussed in this thesis. Furthermore, it is useful to examine the various financial indicators of the industry average with respect to banks.

The management of the individual banks should find this information useful in analyzing their operations and learning about the variables influencing bank share prices. Additionally, this research will assist various policy makers—including SEBON, NEPSE, and NRB—form better policies pertaining to the share market and

share prices. Its goal is to give investors and the corresponding companies that are used as a sample vital information.

This study offers significant insights into how dividends affect market pricing. The study's conclusions include implications and recommendations that investors and other researchers could find helpful. This study's data aids managers and other decision-makers in creating and implementing a suitable dividend policy. This report could be useful to the government in developing, implementing, and supervising policies.

1.5 Limitations of the Study

The study has some limitations. The main limitations of the study are as follows:

1. This study covers only six commercial banks i.e. EBL, HBL, SCBNL, NSBL, NABIL and NMB which may not represent overall Nepalese banking sector.
2. This study concentrates only stock price behavior of commercial banks and ignores the other financial aspects.
3. The period of the study was limited from fiscal year 2013/14 to 2022/23.
4. The study is basically based on secondary data collected from the annual reports of the sample banks and the data are collected form the websites of the banks.
5. Limited statistical tools as mean, standard deviation, coefficient of variation, correlation analysis, regression analysis and hypothesis testing are considered in this study. The study variables such as market price per share, dividend payout ratio, earning per share, dividend yield, leverage and bank size are considered for the data analysis.

CHAPTER - II
LITERATURE REVIEW

The study-related literature review is implied in this chapter. The objectives of this section are to cover some fundamental research on the ideas and empirical evidence of earlier studies that have an impact on the share price of Nepalese commercial banks.

2.1 Theoretical Review

A theoretical analysis is conducted on the dividend policy and the projected dividend distribution mechanism of the company. This study's section examines the factors influencing stock price and dividends as well as the legislation controlling dividend distribution in Nepal.

2.1.1 Agency theory

The agency cost hypothesis states that dividend policy is impacted by agency costs arising from the dispersion of ownership and control. Managers may from time to time choose a dividend policy that prioritizes their own advantages over maximizing value for shareholders. We can make sure that managers maximize shareholder value rather than mismanaging funds for personal benefit by lowering the free cash flows that are available to them through dividend payments (DeAngelo et al., 2006). In an attempt to attract new equity, companies expose themselves to the scrutiny and discipline of these markets.

Business managers are prone to operate in a non-value-maximizing (NVM) way, claims agency theory. Joshi (2012) asserted that the agency fees paid by NVM management would lower the firm's worth. However, if a manager's personal wealth was linked to the value of the company's common stock, these agency costs might be reduced. Thus, managerial ownership of shares, or insider holdings, may lower agency costs and increase the firm's worth.

2.1.2 Stability Theory of Dividend

The consistency of the dividend stream is referred to as "dividend stability". Put another way, dividend stability is the capacity to pay a dividend consistently, even while the

precise amount is subject to annual fluctuations. Dividend stability is viewed favorably by most company management as a policy. Furthermore, shareholders tend to value and prefer steady dividend payments over ones that fluctuate. A stable dividend could potentially increase the market price of the share, assuming no other changes (Pandey, 2010).

Stability is defined as the dividend payments made by the corporation remaining in relation to a trend line, preferably an upward sloping one. A consistent dividend policy can be assumed to be the cause of growing stock prices for a few reasons. Investors are often expected to place a higher value on dividends they can be confident of receiving because changeable dividends are riskier than stable ones. Consequently, the same average dividend amount received under a shifting dividend policy will likely be subject to a larger discount factor than payouts under a stable dividend policy. This suggests that a company with a consistent dividend policy will have a lower required rate of return or cost of equity capital than one whose payout changes. Secondly, dividend income constitutes a significant revenue stream for numerous investors. Due to the inconvenience of variable payments, these investors will pay more for a company that has a relatively set minimum dollar distribution. Third, dividend constancy is favored by the business and its investors to comply with legal listing requirements (Dhungel, 2013). There are three types of dividend payout stability. These consist of a constant dividend per share, a stable dividend payout ratio, and a low regular dividend with an extra payment.

i) Constant Dividend per Share

Regardless of fluctuations in profitability, annual dividend payments to shareholders are made at a steady rate under the constant dividend per share policy. This policy does not ensure that the dividend rate and dividend per share will stay the same. A company that reaches a new level of earnings and plans to retain it may choose to increase its annual dividend per share (Majanga, 2015).

ii) Constant Dividend Payout Ratio

The payout ratio is the proportion of profits to dividends. Some companies may have a constant payout ratio policy, which means they will set aside a specific portion of their net profits each year. Under this approach, the dividend will fluctuate in direct

proportion to earnings. The advantage of this method is that it protects a company from paying out either little or too much in dividends. It also simplifies the payment selection process. It ensures that dividends are paid out when profits are generated and retained when losses occur (Singh & Tandon, 2019).

iii) Low Regular Dividend Plus Extra Dividend

To reduce the possibility that stockholders would ever miss a dividend, the company employs this technique by paying them a fixed, regular sum. In addition, the company pays extra dividends on top of the regular payout during market-booming years. Once normal conditions are restored, the corporation stops paying the excess payout and starts paying dividends again. This type of policy allows a company to pay a steady dividend amount on a regular basis without ever falling behind on payments, and it also allows shareholders to supplement their income only when the company's earnings are higher than average all without having to promise to make significant payments as part of a future fixed dividend (Dhungel, 2013).

2.1.3 Residual Theory of Dividend

The residual theory of dividends is one school of thought that argues that a company's distribution should be interpreted as the amount left over after all rational investment options have been exhausted. A company's dividend policy may be viewed as one of its investing choices. A business is considered to believe in residual dividends when it operates in this manner. According to this theory, a company's ability to pay dividends depends on the availability of investment opportunities, and dividend policy is an after-investment residue (Kimani & Olweny, 2021).

The idea behind this hypothesis is that investors would prefer that a company retain and reinvest its revenues rather than pay dividends when the return on reinvestment outweighs the opportunity cost of investing. The dividend under the residual dividend policy is equal to the amount left over after investment, and new shares are sold to cover any shortfall for unpaid investments. The owners receive a dividend equal to one-tenth of the earnings if there are no investment opportunities. As a result, dividends are only the residue that is, the portion of the equity investment that is left over after all criteria have been satisfied (Rashid & Rahman, 2008).

2.1.4 Dividend as a Signaling Effect

The stock price could be impacted by this dividend adjustment. In other words, when it comes to some circumstances, the money talks louder than words. A company's management may use dividend payments to convey its opinions about the company's earning potential and liquidity to highlight this point (Poudel, 2016).

Because they have firsthand knowledge of the company's cash flows and earning potential, managers will therefore decide to give strong signals about the company's future. They might even use dividend payments to express their expectations if they are driven in the proper way. Thus, dividends could be interpreted by investors as a signal (Joshi, 2012). Companies that have good news about their profitability prospects ought to let investors know. Investors may believe that management is altering the anticipated future profitability of the company. The board of directors and management are informing investors that they honestly believe the situation is not worse than what the stock price suggests (Bhattarai, 2016).

2.1.5 Random Walk Theory

The random walk theory states that fluctuations in stock prices are independent of one another and follow the same distribution. Consequently, it is predicated on the idea that the past movement of a stock price or market cannot be used to predict its future movement. In conclusion, random walk theory claims that stocks move in an unpredictable and chaotic manner, negating the value of all long-term stock price forecast methods (Bhatta & Mishra, 2021). Assumption of random walk efficiency market theory are:

1. The random walk hypothesis states that fluctuations in stock prices are independent of one another and follow the same distribution.
2. According to the Random Walk Theory, one cannot predict the future movement of a market or stock price by looking only at its past movement or trend.
3. According to the random walk theory, increasing risk is necessary to outperform the market.
4. Technical analysis leads chartists to purchase or sell a security only after a move has occurred, which is why random walk theory considers it untrustworthy.

5. The random walk theory considers basic analysis to be unreliable due to the often-low quality and easily interpreted data.

2.1.6 Factors Influencing Share Price

The variables influencing share prices can be divided into two categories: macroenvironmental forces and microenvironmental influences (Baral & Pradhan, 2018):

Micro-economic Environment Factors

These include aspects unique to the industry as well as internal firm features. These could include of the company's profitability, earnings ratios, management caliber, and dividend policy, among other factors. A high dividend plan may attract pricey companies, but a low dividend policy may attract cheap equities (Bhandari & Pokhrel, 2012).

Macro-economic Environment Factors

The general economy in which the business operates is impacted by these factors. These factors include, but are not limited to, interest rates, the rate of inflation, foreign currency rates, and the government's budgetary controls over the economy. More than investors' sophisticated understanding of fundamental and technical research, political issues impact the share price of commercial banks in underdeveloped nations like Nepal (Joshi, 2012).

2.2 Empirical Review

The study's empirical review portion reviews a number of earlier research that were done in relation to the study's determining factors of stock price.

Nirmala and Sanju (2011) examined that the factors influencing share prices in the Indian market, completely modified ordinary least squares methods were applied to panel data covering three industries (auto, health care, and public-sector undertakings) from 2000 to 2009. According to their findings, share prices for all three sectors were significantly influenced by dividends, price-earnings ratios, and leverages. Share prices were only affected by the profitability variable in the car industry.

Sharma (2011) examined the correlation between the prices of equity shares and explanatory factors from 1994 to 2009, including dividends per share, price earnings ratio, profits per share, size in terms of sales, and net worth. Regression analysis and correlation models were utilized in this study to analyze the data. The outcome showed that the market price of a share is significantly influenced by earnings per share, dividends per share, and book value per share. Additionally, the study's findings showed that profits per share and dividend per share were the two factors that most strongly influenced market price. For these reasons, the study's findings supported a generous dividend policy and advised firms to pay dividends on a regular basis.

Al-Tamimi et al. (2011) analyzed the influencing factors of stock prices in the financial markets in the United Arab Emirates. This study looked at the variables influencing UAE stock prices. Regression analysis was performed in this study using data for 17 firms spanning the years 1990 to 2005. It was discovered that EPS significantly raises stock values. GDP and money supply have a small but favorable relationship. The impact of the consumer price index is significantly negative. Decision-makers can use the data from this study to predict future stock values. Additionally, businesses should focus more on the elements impacting earnings per share in their policies and plans.

Hashemijoo et al. (2012) analyzed the correlation between share price volatility and dividend policy, with an emphasis on consumer products and metrics of payout, yield, and dividend policy throughout the time frame (2005 to 2010). The study demonstrated that, because of their potential for development, businesses with modest dividend payouts and yields may be valued higher than their current assets. Therefore, companies with low payout ratios and low dividend yields may experience more share price volatility.

Masum (2014) examined commercial banks listed on the Dhaka stock exchange and the effect of dividend policy on stock price. The study's goal was to examine the link between the stock prices of thirty Bangladeshi commercial banks listed on the Dhaka Stock Exchange and their dividend policies. There are several advantages to employing the panel data approach, including the ability to apply the premise that banks are diverse, increased variability, less colinearity across variables, more meaningful data, more degree of freedom, and increased efficiency. While the retention ratio has a

negative but statistically insignificant link with stock market prices, the empirical assessment based on the fixed effect and random effect model shows a strong negative relation between dividend yield and stock price. This study also demonstrates that profit after taxes has a statistically significant negative influence on stock market values of Bangladeshi commercial banks, whereas return on equity and profits per share have statistically significant positive impacts on stock prices.

Almumani (2014) evaluated that the quantitative factors that influence share prices for the listed banks in Amman Stock Exchange over the period (2005-2011). The present investigation examined various factors such as dividend per share, earning per share, market price, book value, price earnings ratio, and size. To assess the independent and combined effects of explanatory variables on the dependent variables, ratio analysis, correlation, and linear multiple regression models were employed. The empirical findings demonstrated a positive link between the dependent variable (market price of shares) and the independent factors (EPS, DPS, size, P/E ratio, and book value per share).

Majanga (2015) analyzed the dividend effect on stock price: an empirical analysis of Malawi listed companies. The purpose of this study was to determine if a company's dividends and stock price are directly correlated, with a focus on the Malawi stock exchange. The study demonstrates a substantial positive connection between stock price and dividends, retention ratio, profit after tax, earnings per share, and return on equity over a seven-year period. The correlation analysis uses stock price as an independent variable. As a result, the study concludes that there is a significant positive correlation between a company's stock price and dividends on the Malawi Stock Exchange (MSE). The study also discovered that a lot of factors influence stock price, with dividends being one of them and having a major impact.

Adesina et al. (2017) analyzed dividend policy and share price valuation in Nigerian banks. This study looked at the value of share prices and dividend policies in Nigerian banks. The data received was analyzed using the Ordinary Least Square (OLS) regression model in this study. The study's conclusions demonstrate a strong positive correlation between market price and earnings per share. According to the study's conclusion, banks may improve performance by implementing a solid and effective

dividend policy and taking use of the recently launched e-dividend payment program. In order to draw in more investors, the business and Allied Matter Act (CAMA) 2004 as amended should be changed to require any business with a total asset worth over 10 billion to be listed on the Nigerian capital market.

Iftikhar et al. (2017) investigated impact of dividend policy on stock prices of firm. The main objective of this study was to examine how a company's dividend policy affects its stock price. Banking sector companies were chosen in order to investigate the effect of dividend policy on stock prices. The study's conclusions showed that, if developed and put into practice following a thorough analysis of the market's capital structure and the dividend policies of several companies, a firm's dividend policy may have a favorable and desired effect on its stock prices. The study's findings should aid academic institutions, students studying business, and researchers in comprehending the clear relationship between a company's stock price and its dividend policy.

Maswadeh (2018) examined the effect of dividends and earnings per share on the stock market value by moderating bank size. The purpose of this study was to examine the impact of profits per share and dividend payments on the stock market value of Jordanian banks that operate by moderating bank size as determined by total assets. The study employed a multiple and hierarchical regression approach to evaluate its hypotheses. It was discovered that the best predictor of the market value of bank shares is profits per share, with dividends having no discernible impact on the projection of the banks' stock market value. The forecast of stock market value was also found to be significantly impacted by bank size. These findings highlight the importance of earnings-per-share data as well as the quick impression and influence that financial statement consumers have on the market value of bank shares.

Haque et al. (2018) analyzed dividend policy and share price volatility: a study on Dhaka stock exchange. This study looked at how dividend policies affected the stock price volatility of manufacturing businesses that were listed on Bangladesh's Dhaka Stock Exchange (DSE). The relationship between the two primary dividend policy measurement variables, dividend yield and dividend payout, and share price volatility was examined using correlation and multiple regression analysis. The main regression model was broadened by include control factors such as debt, size, and earning

volatility. The research discovered a substantial inverse link between share price volatility and both of these variables (dividend yield and business size), which suggests that these two factors have a big influence on share price volatility among predictive variables.

Singh and Tandon (2019) examined the effect of dividend policy on stock price: Evidence from the Indian Market. The impact of dividend policy on market prices of Nifty 50 businesses listed on the National Stock Exchange was assessed in this study. Multiple panel data regression methods, including pooled regression, fixed effect models, and random effect models, have been used to examine the data. According to this study, the MPS is positively impacted by EPS, negatively impacted by DY, ROE, and PAT, and has no influence at all from DPS and RR. Thus, this study came to the conclusion that shareholders are more interested in the DY that the stock provides than in the total dividend given per share. This is due to the fact that a dividend payment raises the stock's market price, which lowers the dividend yield. Thus, it can be said that dividend policies have a big impact on company stock prices.

Usman et al. (2020) explored the effect of dividend policy on share price manufacturing companies in Indonesia. The empirical study's objective was to investigate and evaluate how dividend policy affects share prices. The panel data regression model was employed in this study to analyze the data. Regression study revealed that while retention ratio has no discernible negative impact on stock price, dividend per share has a considerable negative impact. Similarly, the stock price of banks is not much impacted negatively by return on equity. The stock price is significantly impacted negatively by dividend yield, whereas the stock price is significantly impacted positively by earnings per share.

Al-Afeef (2020) investigated factors affecting market capitalization: a practical study as 1978-2019. The purpose of this study was to examine every aspect that influences market capitalization. Using multiple regression models using a statistical program (SPSS) was the analytical strategy that was used. The findings demonstrated that each of the factors (No. of Transactions, EPS, Dividend Yield Ratio, P/E) had a statistically significant impact on market capitalization, whereas the factors (Turnover Ratio, P/BV) did not have a statistically significant impact. Because this study examined more

parameters than prior studies for a longer period of time and for all businesses listed on the ASE, its findings must be accepted to assist analysts and investors in making educated investment decisions.

Shammout (2020) analyzed the impact of stock characteristics on its market price in Jordanian commercial banks. The primary objective of the study was to determine how market stock price was affected by the stock characteristics indicated by Price Earnings Ratio (PER), Yield Per Share (YPE), Market to Book Ratio (MBR), Dividends Per Share (DPS), Dividends Payout Ratio (DPR), Earnings Per Share (EPS), and Book Value Ratio (BVR). The effect of the controlling and independent factors on the dependent variable has been demonstrated using multiple linear regression. It was discovered that a stock's market price at Jordanian commercial banks is significantly influenced by its attributes. Additionally, each book value ratio, dividend per share, market to book ratio, price-earnings ratio, and yield per share was found to have a statistically significant effect on the market price at the commercial banks in Jordan. Nevertheless, neither the dividend payment ratio nor the earnings per share had a statistically significant impact on the market price of Jordanian commercial banks.

Kimani and Olweny (2021) investigated relationship between dividend policy and stock price volatility among listed commercial banks in Kenya. Using the firm's size as a control variable, the study aimed to determine the link between the dividend payout ratio and stock price volatility of Kenya's listed commercial banks. The results indicated a negative correlation between stock price volatility and dividend payout ratio; among the Kenyan commercial banks that were chosen, a unit rise in the dividend payout ratio corresponded to a decrease in stock price volatility. In a similar vein, there was no correlation between stock price and dividend yield. The dividend pay-out ratio tends to have a positive impact on stock price volatility among the chosen commercial banks in Kenya when the firm size is large, and a negative impact when the firm size is small.

Ajao and Robinson (2022) examined the dividend policy determinants and stock price volatility in selected African stock markets. This study looked at how stock market volatility in Sub-Saharan Africa was affected by dividend policy. The data analysis in this study was conducted using the Generalized Autoregressive Conditional Heteroskedacity model. Significant effects of the factors on the stock price were

discovered. The price of stocks is significantly positively impacted by leverage. The size of the bank significantly lowers stock price. Similarly, dividend yield and earnings per share have a major negative and positive impact on stock price, respectively, whereas dividend payout ratio has a big positive impact.

Siagian et al. (2022) explored the impact of dividend policy analysis on fluctuations in stock price of food and beverage companies. The purpose of this study was to ascertain how dividend policies affected the stock prices of food and beverage firms that were listed on the Indonesia Stock Exchange. Regression analysis and correlation were used in this study to analyze the effects. The analysis for PT Sekar Laut's results revealed a very poor connection between stock price and dividend per share, indicating that dividend per share has a major impact on stock price. The study's findings for PT. Ultra Jaya demonstrated a substantial relationship between dividends per share and stock price, with dividends per share having a major impact on price. The study conducted for PT. Ades Alfindo Putra Setia revealed a noteworthy impact of dividend per share on stock price, with a robust link seen between the two.

Rubaiyath and Lalon (2023) investigated the impact of bank-specific determinants on stock price of listed commercial banks: evidence from emerging economy. This study used data from 2011 to 2020 for 10 listed commercial banks using a variety of estimating methods, including Fixed effects, Random effects, GLS, and Pooled OLS approach. It was discovered that the only explanatory factors identified to be significantly responsible for variations in the change in the bank's share price are bank size and book to market value. and take the necessary actions to increase the value of their stocks, such as working to raise the ratio that raises share price.

Abazu and Onuora (2023) analyzed the accounting information and stock price volatility of quoted consumer firms in Nigeria. The objectives of the study were to ascertain the impact of the dividend pay-out ratio on stock price volatility, investigate the impact of the dividend per share on volatility, assess the impact of the dividend yield ratio on volatility, and investigate the impact of retained earnings per share on volatility. In this study, the Panel Least Square (PLS) technique of data analysis was applied. The research revealed that the stock price volatility was not significantly impacted by dividends per share, retained earnings per share was, and dividend yield

ratio was not significantly impacted by stock price volatility. As the board should maintain a constant price ratio, shareholders should always view dividends as a source of revenue.

Chakrobortty (2023) investigated the determining factors of share prices in Bangladesh: an empirical study on cash dividends and retained earnings. The primary objectives of this study were to identify the variables that influenced the market share prices of particular power generation companies listed on Bangladesh's developing Dhaka Stock Exchange (DSE) and to examine the practical relationships between market share prices, dividends, and retained earnings. In this investigation, the least squares (LS) approach was applied. It was discovered that the share price is cabalistically influenced by the explanatory variables retained profits and dividend. However, their influence on the share prices of electricity producing businesses listed on the Dhaka Stock Exchange (DSE) is minuscule.

Dwi (2023) examined the effect of financial performance and dividend policy on stock prices in banking companies listed on the stock exchange. The purpose of this study was to ascertain how stock prices of banking businesses listed on the IDX were impacted by dividend policy and financial performance. Multiple linear regression analysis is the data analysis method employed. The study's findings show that, for the years 2016 to 2020, return on assets (ROA) has no impact on the stock prices of banking businesses listed on the Indonesia Stock Exchange (IDX). This indicates that the following factors have an impact on stock prices: the current ratio (CR) has a positive impact; the degree to which a company can meet its short-term obligations has an impact; return on equity (ROE) has a positive impact; the degree to which a company can generate profits has an impact; the debt to equity ratio (DER) has no impact on stock prices; the dividend payout ratio (DPR) has no impact on the company's stock price; and the level of the company's ability to pay dividends has no impact on stock prices.

Table 1
Summary of Empirical Review

S.N.	Authors	Objectives	Methodology	Major Findings
1	Rubaiyath & Lalon (2023)	Investigate the impact of bank-	Various estimation models	Bank Size and Book to Market Value

		specific determinants on stock price of DSE listed commercial banks in Bangladesh	including Fixed effects, Random effects, GLS, and Pooled OLS approach on data from 2011 to 2020 for 10 listed commercial banks	significantly affect share price fluctuation. Banks should take measures to boost stock values by improving ratios with positive impacts.
2	Abazu & Onuora (2023)	The study's goals were to ascertain the impact of the dividend pay-out ratio on stock price volatility, investigate the impact of the dividend per share on volatility, assess the impact of the dividend yield ratio on volatility, and investigate the impact of retained earnings per share on volatility.	Panel Least Square (PLS) method of data analysis was used in this study.	The research revealed that the stock price volatility was not significantly impacted by dividends per share, retained earnings per share was, and dividend yield ratio was not significantly impacted by stock price volatility.
3	Chakrobortty (2023)	The major objective of this research was to ascertain what factors dominant the market share price.	The least squares (LS) method was used in this study.	It was discovered that the share price is cabalistically influenced by the explanatory variables retained profits and dividend. However, their influence on the share prices of electricity producing businesses listed on the Dhaka Stock Exchange (DSE) is minuscule.
4	Dwi (2023)	The purpose of this study was to ascertain how financial performance and dividend policy affected the stock prices of banking companies that were listed on the IDX.	The data analysis technique used is multiple linear regression.	The study's findings show that the stock prices of banking businesses are unaffected by return on assets, or ROA. Stock prices are positively impacted by current ratios (CRs); stock prices are not impacted by a company's degree of profitability. Stock prices are influenced by a company's capacity to

				pay all of its short-term debts; return on equity (ROE) has a favorable impact on stock prices.
5	Siagian eta al. (2022)	The purpose of this study was to ascertain how dividend policies affected the stock prices of food and beverage companies that were listed on the Indonesia Stock Exchange.	Correlation and Regression	The analysis for PT Sekar Laut's results revealed a very poor connection between stock price and dividend per share, indicating that dividend per share has a major impact on stock price. The study's findings for PT. Ultra Jaya demonstrated a substantial relationship between dividends per share and stock price, with dividends per share having a major impact on price. The study conducted for PT. Ades Alfindo Putra Setia revealed a noteworthy impact of dividend per share on stock price, with a robust link seen between the two.
6	Ajao & Robinson (2022)	The study looked at how stock market volatility in Sub-Saharan Africa was affected by factors influencing dividend policy.	Generalized Autoregressive Conditional Heteroskedacity	Significant effects of the factors on the stock price were discovered. The price of stocks is significantly positively impacted by leverage. The size of the bank significantly lowers stock price. Similarly, dividend yield and payout ratio have a major positive and negative impact on stock price and stock price, respectively, on earnings per share and stock price, respectively.
7	Kimani & Olweny (2021)	To establish the relationship between dividend payout ratio and stock price volatility of listed	In this study multiple regression analysis technique is used.	The results indicate that there is a negative correlation between stock price volatility and dividend payout ratio,

		commercial banks in Kenya.		and that there is a positive correlation between the two when the firm size is large.
8	Usman et al. (2021)	The empirical study's goal was to investigate and evaluate how dividend policy affects share prices.	The panel data regression model	Regression study revealed that while retention ratio has no discernible negative impact on stock price, dividend per share has a considerable negative impact. Similarly, the stock price of banks is not much impacted negatively by return on equity. The stock price is significantly impacted both positively and negatively by dividend yield and earnings per share.
9	Al-Afeef (2020)	This study aimed to analyze the most factors that affect market capitalization.	The analytical method was followed by using the multiple regression models through a statistical program (SPSS).	The findings demonstrated that each of the factors (No. of Transactions, EPS, Dividend Yield Ratio, P/E) had a statistically significant impact on market capitalization, whereas the factors (Turnover Ratio, P/BV) did not have a statistically significant impact.
10	Shammout (2020)	The study aimed at identifying the impact of stock characteristics on the market stock price.	Multiple Linear Regression has been used to illustrate the impact of the independent variables and the controlling variables on the dependent variable.	It was discovered that a stock's market price at Jordanian commercial banks is significantly influenced by its attributes. Additionally, each book value ratio, dividend per share, market to book ratio, price-earnings ratio, and yield per share was found to have a statistically significant effect on the market price at the commercial banks in Jordan.

11	Singh and Tandon (2019)	This study evaluated the effect of dividend policy on market prices of shares.	The data have been analyzed by employing multiple panel data regression models namely pooled regression, fixed effect model and random effect model.	According to this study, the MPS is positively impacted by EPS, negatively impacted by DY, ROE, and PAT, and has no influence at all from DPS and RR. Thus, this study came to the conclusion that shareholders are more interested in the DY that the stock provides than in the total dividend given per share.
12	Maswadeh (2018)	This study looked into how bank size, earnings per share, and dividend payments affected the stock market value of Jordanian banks.	The hypotheses of the study were tested based on multiple and hierarchical regression method.	It was discovered that the best predictor of the market value of bank shares is profits per share, with dividends having no discernible impact on the projection of the banks' stock market value. The forecast of stock market value was also found to be significantly impacted by bank size.
13	Haque et al. (2018)	This study investigated the impact of dividend policy on stock price volatility in Dhaka Stock Exchange (DSE) of Bangladesh.	Correlation and multiple regression analysis were used in this study.	Given that there is a large negative link between share price volatility and both dividend yield and business size, the study concluded that these two factors have a major influence on share price volatility.
14	Iftikhar et al. (2017)	This study focused on analyzing the impact of dividend policy on the stock prices a firm.	Regression model was used in this study.	The findings showed that a sensible dividend policy is crucial for drawing in reliable investors and for fortifying a company's capital structure.
15	Adesina et al. (2017)	This study examined dividend policy and share price valuation in the Nigerian banks.	The study employed the Ordinary Least Square (OLS) regression model	There is a strong positive correlation between market price and earnings per share. For improved performance, banks should have a

			in the analyzing the data obtained.	solid and effective dividend policy and take use of the recently launched e-dividend payment program.
16	Majanga (2015)	This study aimed at establishing if there exists such a direct relationship between a firm's dividends and its stock price with particular emphasis on the Malawi stock exchange.	The study analyses secondary data sets of thirteen local companies listed on the Malawi Stock Exchange for the period 2008 to 2014 inclusive using the correlation analysis.	It was discovered that a variety of factors influence stock price, with dividends being one of the most important ones. The results of this study will assist managers of listed companies, who act as stewards, and potential and current investors in comprehending and appreciating the impact of dividend declarations—or lack thereof—on the psychology of stockholders, which in turn influences the price of the corresponding company's shares on the stock exchange.
17	Masum (2014)	Examine the impact of dividend policy on stock price in Dhaka Stock Exchange	Regression analysis on data from 2007 to 2011 for all 30 banks listed in Dhaka Stock Exchange	Stock prices are greatly benefited by dividend policies. While Dividend Yield and Profit after Tax have negative, negligible relationships with stock prices, EPS, ROE, and Retention Ratio have favorable relationships.
18	Almumani (2014)	Identify factors influencing share prices for listed banks in Amman Stock Exchange	Linear multiple regression model on data from 2005-2011	There is a positive correlation between MP, EPS, BV, and P/E ratio. The connection between MP and size is inverse. MP is not significantly impacted by DPS or DP.
19	Hashemijoo et al. (2012)	Examine the relationship between dividend policy and share price volatility in Malaysia	Regression analysis on data from 2005 to 2010 for 84 consumer product	There is a notable inverse association between dividend yield and payout and share price volatility. Share price volatility is

			companies listed in Bursa Malaysia	adversely affected by size as well.
20	Nirmala et al. (2011)	Identify determinants of share prices in the Indian market	Panel data analysis using fully modified ordinary least squares method for three sectors over 2000-2009	For every industry, the price-earnings ratio, leverage, and dividend are important factors. Only in the car industry can profitability have an impact on share prices.
21	Sharma (2011)	Examine the relationship between equity share prices and various variables in India	Correlation and Regression Analysis	Share price is heavily influenced by book value per share, earnings per share, and dividends per share. The two most powerful factors are profits per share and dividend per share.
22	Al-Tamimi et al. (2011)	Investigate factors determining stock prices in the UAE	Regression analysis on data from 1990 to 2005 for 17 companies	Stock prices are strongly positively impacted by EPS. GDP and money supply have a small but favorable relationship. The impact of the consumer price index is significantly negative.

2.2.1 Review of Literature in Nepalese Context

Joshi (2012) examined effects of dividends on stock prices in Nepal. The purpose of this study was to examine how dividends affect stock prices in Nepal. The effect of dividends on stock prices has been suggested to be investigated by multivariate linear regression analysis. According to this research, DPS is a driving force in the Nepalese financial industry, one that is potent enough to raise the market price per share of both banking and non-banking companies. Additionally, it was discovered that, in comparison, DPS had a stronger influence on market price per share than REPS. The market price per share that lagged behind was a catalyst for future increases in market price. Ultimately, the research demonstrated that the differences in share prices in the banking and nonbanking industries are mostly explained by dividends and retained earnings. However, the dividend's effect was far more noticeable than retained earnings'. In every instance, there was a positive correlation between retained earnings and dividends and share price.

Dhungel (2013) investigated impact of dividend on share pricing in commercial banks of Nepal. The objective of this study was to examine how dividends affected the movement in the stock prices of banks and other financial institutions in Nepal. With the use of SPSS software, data were examined utilizing correlation and regression analysis techniques. It was discovered that, in the majority of banks, the dividend had no discernible effect on share price. For a single commercial bank, there was a substantial association between MPPS and EPS and MPPS and DPSBS; however, in the other four banks, there was no significant link between these variables. However, in most of the instances, a positive but negligible association was seen.

Shrestha and Subedi (2014) examined the determinants of stock market performance in Nepal. This study looked at factors that affect Nepal's stock market performance. OLS estimates were employed in this study using monthly data spanning from mid-August 2000 to mid-July 2014. It was discovered that the share market has been influenced by the NRB's stance on lending against share collateral. The outcome also showed that investor speculation, news, and rumors have an impact on the share market. As a result, information about listed firms should be freely available in order to promote openness in this market. In reality, the relevant authorities should improve transparency and communication to dispel rumors and gossip in the marketplace.

Bhattarai (2016) analyzed effect of dividend payment on stock prices of commercial banks in Nepal: Panel approach. The impact of dividend payments on the share prices of Nepali commercial banks has been examined in this study. For this study, a causal comparative research strategy has been used. The Fixed Effect Model, Random Effect Model, and Pooled OLS Model were used to analyze the data. The results of the calculated regression models showed that the share price of a commercial bank is positively and statistically significantly impacted by dividends per share. Profitability and size, however, barely affect the price per share of a commercial bank. Accordingly, this research suggests that raising dividend payments can raise the value of Nepal's commercial banks' stock.

Poudel (2016) examined determinant of stock price of selected banks in Nepal. The main objective of the study was to investigate the factors that influence NEPSE stock price, with a particular emphasis on private commercial banks. The main statistical

methods employed for the study were the t-test, regression analysis, correlation, and arithmetic mean. The data was arranged using the SPSS program, which was also utilized to find important correlations and spot differences and similarities between the many variables under investigation. The Z test results indicate whether or not there is a statistically significant link between the variables. Although DPS, BVPS, and EPS have a positive impact on MPS, there are a number of other elements, such as the internal and external environment, that also influence the market price of stocks.

Sapkota (2016) examined the determinants of share price of Nepalese commercial banks, 133 observations from 19 commercial banks in Nepal were included in the study, which demonstrated the correlation between the independent and dependent variables. Regression analysis and correlation analysis were employed in this study to analyze the data. Results showed that the market price per share positively correlated with earnings per share, dividends per share, return on assets, price earnings ratio, and gross domestic product. This suggests that rising returns on assets, dividends per share, price earnings ratio, and gross domestic product all contribute to rising market prices per share.

Baral and Pradhan (2018) analyzed impact of dividend policy on share price of commercial bank in Nepal. This study set out to investigate how dividend policies affected Nepali commercial banks' stock prices. Descriptive statistics, regression and correlation analysis, ANOVA, and the Wilcoxon signed rank test were used to examine the data in this study. Except for DPR, it was discovered that the other variables, such as EPS and P/E ratio, exhibited positive relationships with stock price. For top-performing commercial banks, P/E was the most significant factor influencing share price; among them, EPS, P/E ratio, and DPR all had a favorable impact on stock price. The biggest factor influencing the share price of the top losing bank was DPR.

Siwal and Napit (2019) examined to ascertain the determinants of the stock market price in Nepalese commercial banks based on data of 10 banks. Regression analysis and correlation analysis were employed in this study to analyze the data. It was discovered that there is a positive correlation between the stock price and return on equity, price earnings ratio, and book value per share. Furthermore, dividend yield has a little favorable impact on company price, whereas size has a statistically insignificantly negative link with stock price. It also shows that one of the main factors influencing

Nepali stock prices is book value per share. Additionally, it advises investors to consider return on equity, price earnings ratio, and book value per share before deciding whether to purchase commercial bank shares.

Bhattarai (2020) examined the sample commercial banks to examine the factors that has affecting the market share price of commercial banks from (2013/14 to 2017/18). The study included a set of independent factors, including the dividend payout ratio, dividend yield, earning per share, price earnings ratio, bank size, gross domestic product growth rate, and inflation rate. The data indicates a statistically significant negative correlation between the dividend payment ratio and market price per share. The market price was not affected by bank size, the rate of inflation, or the growth rate of the gross domestic product. However, the dividend yield, earnings per share, and price earnings ratio were positively and statistically correlated with the market price.

Shrestha (2020) examined effect of dividend on stock market price: a panel data approach. This research looked at how dividends affected Nepalese companies' stock market prices. Consequently, the Fixed Effect model was used in this study to examine how dividends affect stock market price. This research discovered that, even after adjusting for return on equity, profits per share, and return on equity, dividends had a considerable effect on the stock market price of Nepalese companies. Ultimately, this study found that the stock market price of Nepalese firms is significantly impacted positively by stock dividends and significantly negatively by cash dividends.

Katuwal (2021) examined the impact on the share price of commercial banks listed on Nepal Stock Exchange Limited of earnings per share, price earnings ratio, book value per share, return on assets, and size. The study's results, which covered the years 2012–2013 to 2019–20, showed that book value per share, price–earnings ratio, and earnings per share all significantly positively correlated with share price. Accordingly, the price of a share will rise in tandem with an increase in earnings per share, price earnings ratio, and book value per share, and vice versa. However, there is no assurance that share prices would rise in tandem with a growth in the bank's size and return on assets, and vice versa.

Lamichhane and Rai (2021) analyzed the effect of earning per share, dividend per share, dividend payout ratio, price earnings ratio, return on equity, and return on assets on the market price per share and stock return. Multiple regression analysis was the model utilized in this study to analyze the data. The findings shown that market price per share and stock return are positively impacted by earning per share, dividend per share, price earnings ratio, return on equity, and return on assets; however, stock return is negatively impacted by dividend payout ratio.

Pandey and Sunar (2022) analyzed the relationship between the determinants of equity prices in Nepal. The link between share price and return on equity, dividend payout ratio, retention ratio, dividend per share, and earning per share was examined in this study. Descriptive and correlational research designs were used in this study. The results of this study indicate that the dependent variable, market price per share (MPS), moves in the same direction as the independent variables, which include earning per share, dividend per share, return on equity, and dividend payout ratio.

Kandel (2022) explained the link between the variables, the random effect model is more pertinent. Likewise, it demonstrates a strong, substantial correlation between dividends per share and market price per share, but only a positive, negligible correlation between earnings per share and dividend payment ratio. Therefore, it is possible to deduce from the analysis of the data that dividends have an impact on Nepali commercial banks' share prices.

Chhetri (2023) investigated the factors affecting the share price of commercial banks in Nepal. The variables influencing Nepalese commercial banks' share prices were investigated in this study. Secondary data has been employed in the descriptive and casual relationship study design. To investigate the effect of firm-specific variables on the share price of Nepalese joint venture commercial banks, multiple regression models were developed. In the context of joint venture commercial banks in Nepal, it was discovered that factors such as earnings per share, price-earnings ratio, book value per share, and return on assets were the main determinants of stock price, having a significant impact on the price of a share with the exception of the firm's size, which had an insignificant impact.

Table 2
Summary of Empirical Review in Nepalese Context

SN	Authors	Objectives	Methodologies	Major Findings
1	Joshi (2012)	Examine impact of dividends on stock price in banking and non-banking sectors	Descriptive and analytical research with multivariate linear regression	Retained profits have less of an effect on stock price in the banking and non-banking industries than dividends do.
2	Dhungel (2013)	This research attempted to analyze the impact of dividend on the stock price movement of Nepalese banks and financial institution.	Data were analyzed using correlation and regression analysis methods with the help of SPSS software.	It was discovered that, in the majority of banks, the dividend had no discernible effect on share price. For a single commercial bank, there was a substantial association between MPPS and EPS and MPPS and DPSBS; however, in the other four banks, there was no significant link between these variables. However, in the majority of the instances, a positive but negligible association was seen.
3	Shrestha & Subedi (2015)	Examine determinants of stock market performance in Nepal	OLS estimations using monthly data from mid-August 2000 to mid-July 2014	Interest rates have a negative impact on stock market performance, but broad money expansion and inflation have a beneficial impact.
4	Bhattarai (2016)	This study has investigated the effect of dividend payment on share prices of commercial banks in Nepal.	The data were analyzed using Pooled OLS Model, Fixed Effect Model and Random Effect Model.	The results of the calculated regression models showed that the share price of a commercial bank is positively and statistically significantly impacted by dividends per share. Profitability and size, however, barely affect the price per share of a commercial bank. This analysis suggests that a higher dividend payout may raise the value of Nepal's commercial banks' stock.

5	Poudel (2016)	The main purpose of the study was to explore the determinants of stock price in NEPSE	Arithmetic mean, correlation and regression analysis, t-test is the major statistical tools that have been used for the study.	The Z test results indicate whether or not there is a statistically significant link between the variables. Although DPS, BVPS, and EPS have a positive impact on MPS, the market price of stock is also influenced by a number of other factors, including the internal and external environment.
6	Sapkota (2016)	To examine the determinants of share price of Nepalese commercial banks.	This study used correlation and regression analysis methods for data analysis.	Results showed that the market price per share positively correlated with earnings per share, dividends per share, return on assets, price earnings ratio, and gross domestic product. This suggests that rising returns on assets, dividends per share, price earnings ratio, and gross domestic product all contribute to rising market prices per share.
7	Baral and Pradhan (2018)	The purpose of this study was to examine the impact of dividend policy on the share price of commercial bank in Nepal.	In this study data were analyzed using descriptive statistics, correlation and regression, ANOVA and Wilcoxon signed rank test.	With the exception of DPR, it was discovered that the other variables, such as EPS and P/E ratio, exhibited positive relationships with stock price. For top-performing commercial banks, P/E was the most significant factor influencing share price; among them, EPS, P/E ratio, and DPR all had a favorable impact on stock price. When it came to the top losing bank, DPR was the aspect that had the biggest impact on share price.
8	Siwal & Napit (2019)	To examine the determinants of the stock market price	This study used correlation and regression	It was discovered that there is a positive correlation between the

		in Nepalese commercial banks	analysis methods for data analysis.	stock price and return on equity, price earnings ratio, and book value per share. Furthermore, dividend yield has a little favorable impact on company price, whereas size has a statistically insignificantly negative link with stock price. It also shows that one of the main factors influencing Nepali stock prices is book value per share.
9	Shrestha (2020)	This study examined the impact of dividend on stock market price of Nepalese enterprises.	Thus, this study adopted Fixed Effect model to analyze the impact of dividend on stock market price.	This research discovered that, even after adjusting for return on equity, profits per share, and return on equity, dividends had a considerable effect on the stock market price of Nepalese companies.
10	Bhattarai (2020)	Examine factors affecting market share price from 2013/14 to 2017/18	Descriptive, correlational, and causal comparative research design	Market share price is positively impacted by dividend yield, earnings per share, and price earnings ratio, while it is negatively impacted by dividend payout ratio.
11	Lamichhane and Rai (2021)	To analyze the effect of earning per share, dividend per share, dividend payout ratio, price earnings ratio, return on equity and return on assets on market price per share and stock return.	This study used multiple regression analysis model for data analysis.	The findings indicated that while dividend payout ratio has a negative effect on stock return, earning per share, dividend per share, price earnings ratio, return on equity, and return on assets all had a favorable influence on market price per share and stock return.
12	Katuwal (2021)	To analyze the factors affecting market price of banks	Descriptive research design: data from six banks listed on NEPSE	Positively important are book value per share, earnings per share, and price earnings ratio; return on assets is positive but negligible, and size is negative.

13	Pandey and Sunar (2022)	This study investigated the relationship of share price with dividend payout ratio, retention ratio, dividend per share, earning per share and return on equity.	In this study design descriptive and correlational research design were employed.	The results of this study indicate that the dependent variable, market price per share (MPS), moves in the same direction as the independent variables, which include earning per share, dividend per share, return on equity, and dividend payout ratio.
14	Kandel (2022)	Examine effect of dividends on share price of banks	Descriptive and analytical research design; data from 12 banks analyzed over ten years	Market price per share is positively impacted by dividend yield, whereas MPS is negatively impacted by dividend per share. The connections between MPS and EPS and DPR are somewhat favorable. Dividends have an impact on bank share prices.
15	Chhetri (2023)	This study examined the factors affecting the share price of Nepalese commercial banks.	In order to investigate the effect of firm-specific factors on the share price, multiple regression models were estimated.	It was found that the primary determinants of stock price, which had a major influence on the price of a share, were things like earnings per share, price-earnings ratio, book value per share, and return on assets. On the other hand, the company's size had little bearing.

2.3 Research Gap

An overview of previous study on the elements influencing dividend policy and its effect on share market price may be found in the literature mentioned above. According to Iftikhar et al. (2017), analysis of the effect of dividend policies on Nepalese commercial banks' market prices, logical dividend policies are crucial for drawing in trustworthy investors. As a result, this study has examined how dividend policies affect the market value of commercial banks' shares in Nepal. In their analysis, Ajao and Robinson (2022) examined the following factors: size, EPS, dividend yield, payout ratio, leverage, and dividend yield. The factors employed in the study set it apart from

other research, such as the independent variables dividend payout ratio, dividend yield, earning per share, leverage, and size, all of which the prior researchers did not use in a single study. This study represents a fresh attempt to use these variables. The most recent state of the market pricing linkages and dividend practices of Nepal's commercial banks is shown in this study using recent data.

Dividend per share had a negative impact on stock price (Bhatta & Mishra, 2021); nevertheless, Abazu and Onuora (2023) discovered that retained earnings per share had a considerable impact on stock price volatility. The company price was significantly impacted negatively by dividend yield, while Usman et al. (2020) discovered that dividend per share had a substantial negative impact on stock price, but retention ratio had no significant negative impact. Examining national and worldwide publications makes it evident that several factors influence the market price per share, or stock price, of commercial banks. The market price per share is primarily influenced by the following factors: bank size, leverage, earning per share, dividend payout ratio, and dividend yield. The review's conclusive results prompted this investigation on the variables influencing Nepalese commercial banks' market prices per share.

CHAPTER - III
RESEARCH METHODOLOGY

This chapter contains research design, population and sample design, sampling design, data nature and source, data collection tool, analytic procedures, research framework, and variable definitions applied in this study.

3.1 Research Design

In order to accomplish the objectives of the study, both descriptive and causal research designs have been used. Descriptive research design is used to analyze and compare the variables and market price per share of sample banks, while casual research design uses correlation and regression analysis tools to examine the relationship between market price per share and dividend payout ratio, dividend yield, earnings per share, leverage, and bank size of sample banks.

3.2 Population and Sample and Sampling Design

The study is based on historical data of six commercial banks namely, EBL, HBL, SCBNL, NSBL, NABIL and NMB till the data there are 20 commercial banks operating in Nepal till 2023 which are considered as the population for the study. Among of them, only six commercial banks are selected for this study using random sampling technique. Since, the study tries to analyze the stock price behavior of Nepalese commercial banks towards changes in different variables the sample banks are selected in such way that the highest shareholding and actively traded banks in NEPSE are selected for the study.

3.3 Nature and Sources of Data and the Instruments of Data Collection

To conduct this study, secondary data are utilized which are acquired from annual reports of relevant banks and their websites. Data are collected from public financial reports of the banks. All data are collected on yearly basis and the date spans ten years from 2013/14 to 2022/23.

3.4 Methods of Analysis

To make the study more specific and reliable, the researcher utilizes following statistical tools are utilized for data analysis. The data analysis in this study is done with the aid of Excel and SPSS software.

3.4.1 Descriptive Statistics

Descriptive statistics, such as mean, maximum, and standard deviation, were computed from the collected data. The maximum and minimum values denoted the highest and lowest value of the variables, respectively, while the mean value gave the arithmetical average of the variables. The standard deviation gave an indication of the degree of variation or dispersion of a group of variables.

Arithmetic Mean

The simple mean, or arithmetic mean, of a collection of data is calculated by dividing the total number of observations by the sum of all the observations. The arithmetic mean of a variable is the best value that represents the group. The series' arithmetic mean is determined by:

$$\text{Mean } (\bar{X}) = \frac{\Sigma X}{n}$$

Where,

$\bar{X}$ = denotes arithmetic mean, n denotes the no. of periods and x_1, x_2 …… x are the individual observations.

Standard Deviation

More standard deviation means higher variability and vice versa. Dispersion measures the amount that the data deviate from the center value. To put it another way, it is helpful to look at the quality of the data in relation to its variability. The standard deviation met most of the requirements for a good measure of dispersion, so it is the absolute measure of dispersion in which the disadvantage appears in other measures of dispersion (Yadav et al., 2010). It is used to determine the standard deviation of all computed profitability and financial ratios. It is calculated as:

$$\text{Standard Deviation (SD)} = \sqrt{\frac{\Sigma(X - \bar{X})^2}{n-1}}$$

3.4.2 Correlation

The correlation coefficient shows how one independent variable, and another independent variable are related. It is a method for determining the relationship between these two variables. If the two variables are so correlated that changes in the value of the independent variable also have an impact on changes in the value of the dependent variable, then it is said to have a correlation coefficient. The value of this coefficient can never be greater than + 1 or less than -1. As a result, + 1 and -1 are this coefficient's limitations. When r = - 1 denotes a perfect negative correlation and when r = + 1 denotes a perfect positive correlation between variables, respectively. Additionally, zero denoted no relationship. It is calculated as.

$$\text{Correlation Coefficient (r)} = \frac{n\Sigma XY - \Sigma X\Sigma Y}{\sqrt{n\Sigma X^2 - (\Sigma X)^2}\sqrt{n\Sigma Y^2 - (\Sigma Y)^2}}$$

Where,

X & Y = denotes dividend payout ratio, dividend yield, earnings per share, leverage, bank size and market price per share

3.4.3 Test of Significance

Paired T-test

The significance of a detected and sample correlation coefficient has been assessed in this study using the t-test. Using the following hypotheses, the significance of the findings is tested.

H_0 = The population's correlation between the variables under consideration is not statistically significant.

H_1 indicates There is a considerable population-level connection between the variables under consideration.

Test statistic under H_0.

$$t = \frac{r}{\sqrt{1 - r^2}} \times \sqrt{n - 2}$$

Where,

r = Sample correlation between two variables

n = No of Pair of observations

Level of significance: Level of significance is $\propto$ = 5% and

Decision: The null hypothesis is accepted if the calculated correlation coefficient's p-value is greater than the significance level, indicating that the coefficient is not

significant in the population, and rejected if the calculated correlation coefficient's p-value is less than the significance level, indicating that the coefficient is significant in the population.

F–Test

Because these two directly differ, the F-Test is employed to determine the overall significance of the estimated regression, which is also a test significance of R^2. F is infinite when $R^2 = 1$ and zero when $R^2 = 0$. In other words, the F test value increases with increasing R^2 value. Therefore, a higher F test result indicates that the calculated regression model is generally significant.

$$F = \frac{R^2/(K-1)}{(1-R^2)/n-k}$$

Where,

K = Total Number of Parameters to Estimated

n = number of observations

$R^{2\,=}$ Coefficient of determination

Multicollinearity Test

In a multivariate regression model, multicollinearity is the presence of substantial intercorrelation between two or more independent variables. In a statistical model, multicollinearity can provide skewed or misleading findings. Market price per share and dividend payout ratio are the dependent factors in this study; earning per share, dividend yield, leverage, and bank size are the independent variables. The purpose of this test was to determine whether DPR, EPS, DY, LEV, and BS are connected. Tolerance level and variance inflation factor (VIF) are used in the multicollinearity test. Multicollinearity among independent variables is not an issue if the tolerance level for each variable is more than 0.1 or if the VIF values for each independent variable are less than 5.

3.4.4 Regression Model

By estimating an approximate functional connection between the independent and dependent variables, regression analysis is a statistical tool for defining that relationship. Only the multiple regression analysis—that is, the connection between one dependent variable and several independent variables—is considered in this work.

According to the model developed for this study, the market stock price (MPS) is dependent on several bank-specific factors, including the size of the bank, leverage, dividend payout ratio, and earning per share. As a result, the link and effect of the research variables have been examined using the model that follows.

$MPS_{it} = \beta_0 + \beta_1 DPR_{it} + \beta_2 EPS_{it} + \beta_3 DY_{it} + \beta_4 LEV_{it} + \beta_5 BS_{it} + e_{it}$

Where:

MPS_{it} = Market price per share of bank i^{th} for the time t

DPR_{it} = Dividend payout ratio of bank i^{th} for the time t

EPS_{it} = Earnings per share for time t

DY_{it} = Dividend yield of bank i^{th} for the time t

LEV_{it} = Leverage of bank i^{th} for the time t

BS_{it} = Total assets of bank i^{th} for the time t

B_0 = Intercept of the regression equation

β_1, β_2, β_3, β_4 and β_5 = Coefficients of the respective variables

e_{it} = error term of the regression equation

3.5 Research Framework and Definition of the Variables

The conceptual foundation for this study is supported by the empirical literature reviews conducted in the second chapter of the study. Several factors, such as dividend policy and stock market price, have been considered by prior academics in their investigations. Using their studies as a guide, this study employs the research framework that follows.

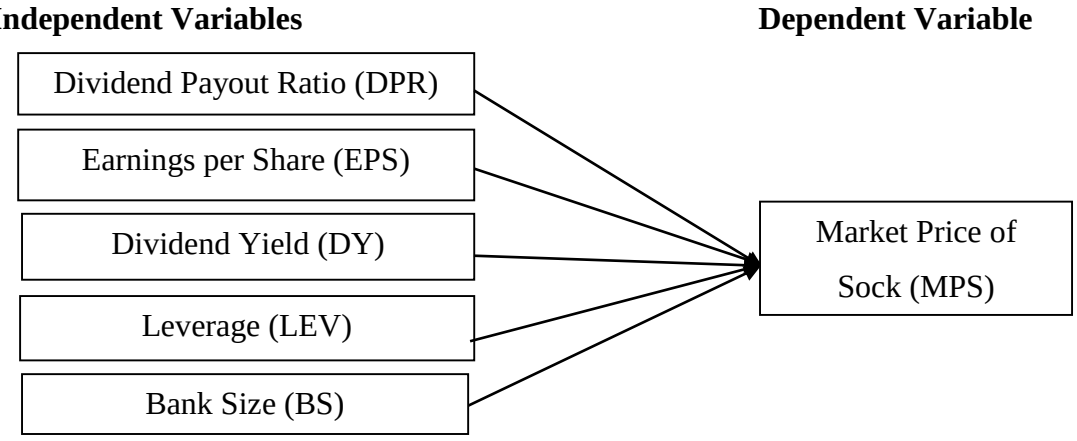

Figure 1: Research Framework

Source: (Pandey & Sunar, 2022; Bhatt & Jain, 2021; Usman et al., 2021 and Ajao & Robinson, 2022)

Definition of Variables

Market Stock Price (MPS)

The goal of the current study is to investigate the variables affecting commercial bank stock prices on the Nepalese stock exchange. Researchers like Kimani and Olweny (2021) have noted that the stock price may change minute by minute due to shifts in the pressure to buy and sell. These trends make it difficult to choose which market price to regress as a dependent variable measure. In this study, the closing price of the bank's shares at the end of its fiscal year is used to represent the market price. In this study, the market price serves as the dependent variable.

Dividend Payout Ratio (DPR)

The dividend payout ratio is the proportion of earnings given to shareholders as dividends. The dividend payout is calculated by dividing the stock dividend by earnings per share. The dividend payout ratio provides a measure of how well profits support dividend payments. According to Haque et al. (2018), a company's market value may increase due to its dividend policy. Payout ratios are, in fact, frequently higher in more established enterprises. Conversely, it suggests that there is an inverse relationship between the payout ratio and share price.

$$\text{Dividend Payout Ratio} = \frac{\text{Dividend Paid}}{\text{Earnings Per Share}}$$

Earnings per Share (EPS)

The profitability of a business is shown by its earnings per share. A high market price is typically the outcome of rising earnings per share. Bhatta and Mishra (2021) claim that there is a positive correlation between profits per share and market price, meaning that the greater the earnings per share, the higher the market price will be.

$$\text{Earnings per Share} = \frac{\text{Net Profit After Tax}}{\text{No. of Share Outstandings}}$$

Dividend Yield (DY)

A stock's dividend yield shows how much a corporation distributes as a percentage of its stock price. It is determined as a percentage of the company's yearly dividends on stock price. According to Usman et al. (2020), dividend yield is a crucial element that

plays a big role in understanding how dividend policy affects stock market values. Each of these experts discovered a favorable correlation between stock price and dividend yield.

$$\text{Dividend Yield} = \frac{\text{Stock Dividend}}{\text{Market Price Per Share}}$$

Leverage (LEV)

One way to calculate a company's financial leverage is to quantify its entire debt as a proportion of its total assets at a given point in time. It was maintained that having external debt increases a company's economic worth, particularly in cases when the loan's cost is outweighed by the return on investment. a company with significant leverage that offers better returns on investment. On the other hand, it is frequently said that financial leverage and dividend distribution are negatively correlated (Ajao & Robinson, 2022). The ratio of bank assets to deposit collection of banns can be used to determine the banks' leverage.

$$\text{Leverage} = \frac{\text{Total Deposit}}{\text{Total Assets}}$$

Bank Size (BS)

According to Haque et al. (2018) one of the control variables is size, which is determined using the natural logarithm of the total asset. Previous empirical data has confirmed that a firm's size may have an impact on its share price. Size (the natural logarithm of the total asset) has a considerable beneficial impact on share price volatility (Bhatta & Mishra, 2021). However, there is a negative correlation between the share price and bank size (Kimani & Olweny, 2021). These empirical findings support the expectation that size and share price should have a positive connection.

CHAPTER - IV

RESULTS AND DISCUSSION

This chapter presents an analysis of data that was gathered using techniques for descriptive, correlation, and regression analysis. The analysis's conclusions are addressed in connection to those of earlier studies.

4.1 Results

In this section, ten years' yearly data from 2013/14 to 2022/23 for market price per share, dividend payout ratio, earning per share, dividend yield, leverage and bank size, over the study period have been presented in this part of the study.

4.1.1 Descriptive Statistics

In this section, descriptive summary of variables showing average, maximum, minimum and standard deviation in variables during the study period is presented.

Table 3
Descriptive Summary

Variables	N	Minimum	Maximum	Mean	Std. Deviation
MPS	60.00	212.80	3600.00	994.51	808.47
DPR	60.00	0.00	296.59	75.03	47.87
EPS	60.00	9.18	86.04	32.97	16.77
DY	60	0.00	9.16	2.84	1.75
LEV	60	71.89	97.14	82.98	4.84
BS	60	30212.00	481204.00	146914.73	86552.31

Source: Appendix- II

N = 60

MPS = Market price per share, DPR = Dividend payout ratio, EPS = Earnings per share, DY = Dividend yield, LEV = Leverage ratio, BS = Bank size

Table 3 shows the summary of variables that effect the MPS of the commercial banks i.e. HBL, EBL, NSBL, SCBNL, NABIL and NMB over the ten years' study period. There is maximum level of MPS i.e. Rs. 3600 while minimum MPS of the banks is Rs. 212.80, the average level of MPS is Rs. 994.51 during the study period and standard deviation in MPS is 808.47 over the study period. The higher standard deviation in MPS of the banks indicates that there is higher fluctuation in MPS of the banks.

The average DPR of the sample banks is 75.03 percent over the study period with maximum of 296.59 percent and minimum of 0.00 percent DPR over the study period meaning that sample banks are paying 75.03 percent of earnings as dividend to the stockholders during the study period. There is 47.87 percent standard deviation in DPR of sample banks, indicating that there is higher variation in dividend payout ratio during the study period.

The EPS of sample banks reached maximum of Rs. 86.04 and minimum of Rs. 9.18 over the study period. The average EPS of the banks is Rs. 32.97 with standard deviation of 16.77 which means that sample banks are earning Rs. 32.97 per share on average during the study period and there is quite high variation on earnings per share of the banks over the study period.

There is maximum dividend yield (DY) of 9.16 percent among sample banks while minimum DY is 0.00 percent over the study period. The average DY among sample banks is 2.84 percent with the standard deviation of 1.75 percent, which means that commercial banks under the study are paying 2.84 percent of MPS as dividend during the study period. And the standard deviation shows that there is quite consistent dividend yield in the banks.

There is maximum leverage ratio (LEV) of 97.14 percent among sample banks while minimum LEV is 71.89 percent over the study period. The average LEV among sample banks is 82.98 percent with the standard deviation of 4.84 percent, which means that commercial banks under the study have 82.98 percent total fund collection as proportion to total assets of the banks during the study period. And the standard deviation shows that there is quite consistent leverage ratios in the banks.

There is maximum level of total assets i.e. Rs. 481204.00 while minimum total assets of the banks is Rs. 30212.00, the average level of total assets is Rs. 146914.70 during the study period and standard deviation in total assets is 86552.31 over the study period. It is clear that during the study period there is less variation found in total assets of the banks and there is increasing trend found in the total assets of the banks during the study period.

4.1.2 Correlation Analysis

The correlation analysis in this study tries to analyze the relation of market price per share of EBL, HBL, SCBNL, NSBL, NABIL and NMB with dividend payout ratio, earnings per share, dividend yield, leverage and bank size with the help of Karl-Pearson correlation coefficient.

Table 4
Correlation Analysis

Variables	MPS	DPR	EPS	DY	LEV	BS
MPS	1					
DPR	0.251	1				
EPS	.822**	-0.003	1			
DY	-.284*	.642**	-0.162	1		
LEV	.399**	-0.125	.404**	-0.254	1	
BS	-.446**	-0.135	-.373**	0.031	-.547**	1

Source: Appendix – III
**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 10 reveals the correlation analysis result of market price per share with dividend payout ratio, earnings per share, dividend yield, leverage and bank size of EBL, HBL, SCBNL, NSBL, NABIL and NMB over the study period using the panel data set. The result shows that MPS has low degree positive with DPR i.e. 0.251 which is statistically not significant at 5 percent level of significance, meaning that MPS of the banks increases when DPR of the banks increases. Similarly, MPS has high degree positive relation with EPS i.e. 0.822 which is statistically significant at 1 percent level of significance, meaning that MPS of the bank increases when EPS of the stock increases. In contrast, there is very low degree negative correlation between MPS and DY i.e. -0.284 which is significant at 5 percent level of significance, meaning that the negative relation of MPS with DY of the stock can be significant in the population. There is low degree significant positive correlation of MPS with LEV i.e. 0.399 which is significant at 1 percent level of significance, meaning that MPS of the bank increases when leverage ratio of the bank increases. Likewise, there is very degree negative correlation between MPS and bank size i.e. -0.446, which is significant at 1 percent level of significance, meaning that low degree negative association between MPS and bank size can be significant in the population.

4.1.3 Regression Analysis

The regression analysis in this study tries to find out the effect of dividend payout ratio, earning per share, dividend yield, leverage and bank size on market price per share of HBL, EBL, NSBL, SCBNL, NABIL and NMB during the study period. In this study multiple regression analysis is calculated taking LNMPS as dependent variable and DPR, EPS, DY, LEV and BS as independent variables. The panel data of six sample banks are used covering ten years from 2013/14 to 2022/23. The expected ordinary least square (OLS) regression model is used in this study to estimate MPS of the banks. The following section presents the result of multiple regression analysis calculated form SPSS.

Table 5
Analysis of ANOVA

Statistics	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.082	5	1.016	125.415	0.000
Residual	0.438	54	0.008		
Total	5.519	59			

a. Dependent Variable: MPS
b. Predictors: (Constant), BS, DY, EPS, LEV, DPR
Source: Appendix- IV

Table 5 shows the ANOVA analysis result for the regression analysis. It is found the p-value for the regression model is 0.000 which is less than 1 percent meaning that the regression model is significant.

Table 6
Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.960	0.921	0.913	0.090

a. Predictors: (Constant), BS, DY, EPS, LEV, DPR
Source: Appendix- IV

Table 6 shows the multiple regression coefficient of independent variables dividend payout ratio, earnings per share, dividend yield, leverage and bank size to affect the market price per share of HBL, EBL, NSBL, SCBNL, NABIL and NMB. The R-square value in the table is 0.921 which shows that 92.10 percent variation in MPS of the banks is explained by DPR, EPS, DY, LEV and BS of the banks remaining 7.90 percent variation in not explained by these variables.

Table 7
Regression Coefficient

Variables	Beta Coefficients	t	Sig.	Tolerance	VIF
(Constant)	1.905	3.707	0.000		
DPR	0.004	11.559	0.000	0.557	1.797
EPS	1.028	16.279	0.000	0.791	1.265
DY	-0.096	-10.579	0.000	0.547	1.827
LEV	0.0001	0.084	0.934	0.607	1.646
BS	-0.111	-1.771	0.082	0.635	1.575

a. Dependent Variable: MPS
Source: Appendix- IV

Table 7 shows the beta coefficient for each variable of regression model. Table also shows the status of multicolinearity among the independent variables of the regression model. The VIF values for each independent variable are less than 5 in the table, which indicates that there no problem of multicolicenrity in the regression model.

The beta coefficient of DPR is 0.004, meaning that DPR has significant positive effect on MPS of the banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if DPR increases by 1 percent MPS of the banks also increases by 0.004 percent. Similarly, beta coefficient of EPS is 1.028, meaning that EPS has significant positive effect on MPS of the banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if EPS increases by 1 percent MPS of the banks also increases by 1.028 percent.

On the other hand, beta coefficient of DY is -0.096, meaning that DY has significant negative effect on MPS of the banks since the p-value (i.e. 0.000) is less than 1 percent level of significance. The coefficient also shows that if DY increases by 1 percent MPS of the banks decreases by 0.096 percent. Similarly, coefficient of LEV is 0.0001, meaning that leverage has no significant positive effect on MPS of the banks since the p-value (i.e. 0.934) is higher than 5 percent level of significance. Likewise, coefficient of bank size is -0.111, meaning that bank size has no significant and negative effect on MPS of the banks since the p-value (i.e. 0.082) is higher than 5 percent level of significance. The coefficient also shows that if bank size increases by 1 percent MPS of the banks decreases by 0.111 percent.

4.3 Discussion

The comparative analysis in MPS of the banks showed that the stocks of SCBNL are traded for highest average price and stocks of NMB are traded for lowest average price over the study period. The average DPR showed that SCBNL has distributed more of the earnings as dividend to the equity holders and EBL has distributed less of the earnings to the equity holders over the study period. The average EPS depict that that each equity of NABIL earn more in comparison to other banks and each equity of NMB earn comparatively less than other banks under study. Similarly, the average DY of the banks shows that there is maximum average DY in NMB over the study period, which means that NMB pays more dividend on the market price of the share in comparison to other banks. The leverage ratio showed that HBL has highest deposit and fund collection among the banks and NMB has lowest deposit and fund collection than other banks over the study period. The average total assets showed that that the growth rate of NABIL is highest and growth rate of SCBNL is lowest in term of bank size during the study period.

The correlation analysis result showed that MPS has low degree positive relation with DPR, meaning that MPS of the banks increases when DPR of the stocks increases. The result is not consistent with the result of Baral and Pradhan (2018) and Pandey and Sunar (2022) who stated that there is favorable association between stock price and dividend payout ratio. But The results is not consistent with the result of Abazu and Onuora (2023) who stated that there was negative association between stock price and dividend payout ratio. Similarly, MPS has high degree significant positive relation with EPS which is statistically significant, meaning that MPS of the banks increases when EPS of the stock increases this result is consistent with the findings of Shrestha (2020), Singh and Tandon (2019) and Baral and Pradhan (2018), who showed that there was significant positive relationship between stock price and earnings per share.

This study also found low degree negative correlation between MPS and DY which is significant, meaning that the negative relation of MPS with DY of the stock can be found in the population. The result is consistent with the finding of Hashemijoo et al. (2012) who found inverse relation between MPS and DY in the study. But the result is not consistent with the finding of Bhattarai (2020) who found positive association between MPS and DY in pervious study. There is low degree significant positive

correlation of MPS with leverage, meaning that MPS of the bank increases when leverage ratio of the banks increases and this is similar with the findings of Nirmala et al. (2011) and Ajao and Robinson (2022) who stated that leverage has significant positive effect on stock price. Likewise, there is negative correlation between MPS and bank size, which is significant, meaning that low degree positive association between MPS and bank size can be found in the population. The result is consistent with the findings of Poudel (2016), Pandey and Sunar (2022) who found negative association between bank size and stock price in their study.

The effect analysis found that, DPR has significant positive effect on MPS of the banks and the results is consistent with the finding of Joshi (2012), Baral and Pradhan (2018) and Abazu and Onuora (2023) who stated that DPR was a motivating factor to increase market price per share of the banking sector. In contrast, EPS has significant positive effect on MPS of the banks. This result is consistent with the results identified by Shrestha (2020), Adesina et al. (2017), Singh and Tandon (2019), Bhattarai (2020) and Baral and Pradhan (2018) who examined the positive effect of earnings per share on stock price. This means EPS has significant impact on MPS of sample banks. On the other hand, DY has significant negative effect on MPS of the banks but the result is not consistent with the findings of Adesina et al. (2017), Singh and Tandon (2019) and Bhattarai (2020) who stated that dividend yield ratio influences the investors to buy the stock and MPS increases accordingly. Similarly, LEV has no significant effect on MPS of the banks and this result is in partially in line with Ajao and Robinson (2022) who stated that there was a positive effect of leverage on stock price. Likewise, bank size has no significant negative effect on MPS of the banks. The result is consistent with the finding of Bhattarai (2020) who found negative effect of bank size on stock price of the banks.

CHAPTER - V
SUMMARY AND CONCLUSION

5.1 Summary

The Nepalese stock market helps to mobilize funds for long-term economic viability. It provides the framework for the expansion of the actual sector, which includes the country's significant infrastructural development. However, the Nepalese securities market is still developing. Only a small percentage of businesses in Nepal offer dividends, and the majority do not do so consistently. Certain firms have never distributed dividends to their shareholders. The results of empirical research on several markets showed that there is no clear correlation between dividends and stock market price per share. Thus, this study aims to empirically investigate the stock price behavior of Nepalese commercial banks.

This study's main goal is to identify the variables that affect Nepal's commercial banks' market price per share. Additionally, the specific goals include evaluating the composition of the factors that determine the market price of Nepalese commercial bank stock, analyzing the relationship between market price and the bank's size, leverage, earnings per share, dividend yield, and payout ratio, and determining the effect of these factors on the market price of Nepalese commercial bank stock.

Descriptive and causal research designs have been used to accomplish the study's objectives. The market price per share of sample banks is analyzed and compared using a descriptive research design, while the relationship between the market price per share and the sample banks' leverage, earnings per share, dividend yield, payout ratio, and bank size is examined using a casual research design and correlation and regression analysis tools. Based on historical data from six commercial banks—EBL, HBL, SCBNL, NSBL, NABIL, and NMB—the study was conducted. The banks were chosen using a random sample approach. Data are collected from published financial reports of the banks. All data are collected on annual basis and the date covers ten years from 2013/14 to 2022/23. For the data analysis descriptive statistics, correlation analysis, regression analysis, t-test and f-test are done, and the data analysis is done by SPSS software.

The descriptive analysis found that market price per share of the banks is in fluctuating trend there is higher variation in the market price per share over the study period. Similarly, dividend payout ratio of the banks is comparatively consistent than other variables, since banks are paying dividend to their shareholders in regular basis in the recent years. Earnings per share of the banks are increasing in the recent years which means that banks are earning more in the recent years. The dividend yield ratio of the banks also not consistent but in the recent years' banks are paying dividend in regular basis since investors are getting the return on their investments. The leverage ratio showed that banks have quite enough fund collection from deposit and other collection source for the investment over the study period. The level of total assets of the banks are in increasing trend over the study period.

The relationship analysis found that dividend payout ratio, earnings per share and leverage have positive relation in with market price per share of the banks meaning that market price per share of the bank increases when dividend payout ratio, earnings per share and leverage ratio increased. On the other hand, dividend yield and bank size have negative relation with market price per share of the banks meaning that market price per share of the bank decreases when dividend yield and bank size increases. The regression analysis found that dividend payout ratio and earnings per share have significant positive effect on market price per share while, dividend yield has significant negative effect on market price per share. On the other hand, leverage and bank size have no significant effect on market price per share of the banks.

5.2 Conclusion

It is possible to conclude that bank profits in the Nepalese environment are deemed adequate based on the aforementioned facts and debate. Evidently, there was a greater degree of fluctuation in the banks' dividend payout ratio over the research period than there was in the total assets of the banks. The findings indicate that several factors are considered before paying dividends to shareholders. It also shows that, because of NRB's recent merger strategy, the average asset size of Nepali commercial banks over the research period has increased.

As regards relationship of MPS with the variables, it is concluded that there is no significant relation between MPS and DPR meaning that there is very low degree

positive correlation between MPS and DPR of the banks. MPS has significant positive relation with EPS which means that there is high degree of positive correlation between MPS and EPS of the banks. In contrast, there is significant relation between MPS and DY meaning that there is low degree negative correlation between MPS and DY of the banks. Likewise, MPS has significant positive relation with leverage ratio of the banks, meaning that stock price of the banks having more funds for investment in hand are increasing over the period. Conversely, a noteworthy low degree negative correlation has been found between MPS and bank size, indicating a very low degree positive link between the two variables.

The results of the effect study, which employed multiple regression analysis, indicate that the market price per share is significantly impacted positively by the dividend payout ratio and earnings per share, but negatively by the dividend yield. However, the market price per share of the banks is not significantly impacted by the leverage ratio or the size of the bank. The banking industry's market price per share has been driven higher by elements associated with dividend practices, such as DPR, EPS, and DY. Thus, the market price per share of Nepalese commercial banks is significantly influenced by bank-related dividend variables.

5.3 Implications

As per the findings of the study following are the major implication of the study:

Practical Implications

- The analysis reveals that the three most important factors influencing market price per share are dividend payout ratio, earning per share, and dividend yield. Based on this knowledge, bank management may make more informed decisions on dividend payout.
- This study's management consequence is that the dividend policy should continue to be the center of attention since it affects shareholder wealth and is connected to company finance and investment decisions.
- This research is helpful to investors who are considering making stock market investments since it presents the historical dividend and market price per share of the company.

Theoretical Implications

- In addition to developing suitable strategies for dividends via adequate valuation of dividend distribution practice, Nepalese banks must ensure that dividends are paid on a regular basis, which will drive up stock market values.
- Despite this, it is believed that this analysis would help banking industry policy makers decide on dividend distribution policies.
- Consequently, before buying shares, investors are urged to take the banks' profitability into account because of their earnings position will reveal whether or if they had the capacity to issue dividends, which would increase the share price.

Implication for Future Research

- This study is restricted to five independent factors (i.e. dividend payout ratio, earnings per share, dividend yield, leverage and bank size) that are affecting the stock price of commercial banks; therefore, more research on the subject should be done using more variables that can affect stock price such as policy changes, interest rates, demand supply in the market etc. to provide more trustworthy results.
- Similarly, this study considered only banking sector of Nepalese stock market for the analysis of share price, so taking the reference of the is study similar study can be conducted in another sector of NEPSE.

REFERENCES

Abazu, M. E., & Onuora, J. K. (2023). Accounting information and stock price volatility of quoted consumer firms in Nigeria. *International Journal of Business Systems and Economics, 14*(1), 79-90. https://doi.org/2726452731416

Adesina, K., Uwuigbe, U., Uwuigbe, O. R., Asiriuwa, O., & Oriabe, S. (2017). Dividend policy and share price valuation in Nigerian banks. *Euro Economica, 1*(36), 185-195. https://doi.org/547402

Ajao, M. J., & Robinson, F. E. (2022). Dividend policy determinants and stock price volatility in selected African stock markets. *International Journal of Finance Research, 3*(1), 27-49. https://doi.org/10.47747/ijfr.v3i1.659

Al-Afeef, M. A. (2020). Factors affecting market capitalization: a practical study as 1978-2019. *International Journal of Scientific & Technology Research, 9*(3), 7049-7053. https://doi.org/340902935

Almumani, M. A. (2014). Determinants of equity share prices of the listed banks in Amman stock exchange: quantitative approach. *International Journal of Business and Social Science, 5*(1), 91-104. https://doi.org/78415371

Al-Tamimi, H. A., Alwan, A. A., & Abdel Rahman, A. A. (2011). Factors affecting stock prices in the UAE financial markets. *Journal of Transnational Management, 16*(1), 3-19. https://doi.org/10.1080/15475778.2011.549441

Bam, N., Thagurathi, R. K., & Shrestha, B. (2018). Stock price behavior of Nepalese commercial banks: random walk hypothesis. *The Journal of Business and Management, 5*(1), 42-52. https://doi.org/1596035601

Baral, R. K., & Pradhan, A. (2018). Impact of dividend policy on share price of commercial bank in Nepal. *The International Research Journal of Management Science, 3*(1), 107-122. https://doi.org/28039/23116

Bhandari, B., & Pokhrel, T. (2012). Corporate dividend policy: A study of commercial banks of Nepal. *Journal of Administrative and Management Review, 24*(2), 24-44. https://doi.org/83727967

Bhatta, G. P., & Mishra, A. (2021). Stock returns and gross domestic product in Nepal. *SEBON Journal, 8*(1), 1-19. https://doi.org/wco90bYKZRp5Vegz2RAPxrfW1k2ikWtIvCBwgYgc.pdf

Bhattarai, B. P. (2020). Determinants of share price of commercial banks in Nepal. *Asian Journal of Research in Business Economics and Management, 10*(9), 12-28. https://doi.org/10.5958/2249-7307.2020.00013.4

Bhattarai, Y. R. (2016). Effect of dividend payment on stock prices of commercial banks in Nepal: Panel approach. *Economic Journal of Development Issues, 21*(2), 55-68. https://doi.org/10.3126/ejdi.v17i1-2.14528

Chakrobortty, T. (2023). Determining factors of share prices in Bangladesh: an empirical study on cash dividends and retained earnings. *International Journal of Research Publication and Reviews, 4*(2), 1400-1415. https://doi.org/10.55248/gengpi.2023.4230

Chhetri, R. (2023). Factors affecting the share price of commercial banks in Nepal. *Quest Journal of Management and Social Sciences, 5*(1), 107-118. https://doi.org/10.3126/qjmss.v5i1.56298

DeAngelo, H., DeAngelo, L., & Stulz, R. (2006). Dividend policy and the earned/contributed capital mix: a test of the life-cycle theory. *Journal of Financial Economics, 81*(2), 227-254. https://doi.org/10.1016/j.jfineco.2005.07.005

Dhungel, A. (2013). Impact of dividend on share pricing in commercial banks of Nepal. *Banking Journal, 3*(2), 21-36. https://doi.org/10.3126/bj.v3i2.8542

Dwi, L. A. (2023). Effect of financial performance and dividend policy on stock prices in banking companies listed on the stock exchange. *Journal of Management, 3*(1), 13-19. Retrieved from https://pusdig.web.id/manajemen/article/view/120/144

Gunasekarage, A., & Power, D. M. (2002). The post announcement performances of dividend - changing companies: The dividend signaling hypothesis revisited. *Journal of Accounting and Finance, 42*(2), 131-151. https://doi.org/10.1111/1467-629X.00071

Haque, R., Jahiruddin, A. T., & Mishu, F. (2018). Dividend policy and share price volatility: a study on Dhaka stock exchange. *Australian Academy of Accounting and Finance Review, 4*(3), 89-99. https://doi.org/333639833

Hashemijoo, M., Mahdavi Ardekani, A., & Younesi, N. (2012). The impact of dividend policy on share price volatility in the Malaysian stock market. *Journal of Business Studies Quarterly, 4*(1), 111-129. https://doi.org/2147458

Iftikhar, A. B., Raja, N. U., & Sehran, K. N. (2017). Impact of dividend policy on stock prices of firm. *Theoretical & Applied Science, 47*(3), 32-37. https://doi.org/10.15863/TAS.2017.03.47.7

Joshi, R. (2012). Effects of dividends on stock prices in Nepal. *NRB Economic Review, 24*(2), 61-75. https://doi.org/108621933/39472

Kandel, S. (2022). *International Journal for Innovative Research in Multidisciplinary Field, 9*(11), 17-24. Retrieved from https://hdl.handle.net/20.500.14301/142

Katuwal. (2021). *Factors affecting share price of Nepalese commerical banks.* Kathmandu: An Unpublished Master Degree Thesis, Submitted to Office of the Dean, Faculty of Management, TU.

Kimani, M. S., & Olweny, T. (2021). Relationship between dividend policy and stock price volatility among listed commercial banks in Kenya. *International Journal of Social Sciences and Information Technology, 27*(2), 27-30. https://doi.org/66186041

Lamichhane, S., & Rai, S. (2021). Dividends, earnings and stock prices: a case of Nepalese insurance companies. *Nepalese Journal of Insurance and Social Security, 4*(1), 73-86. https://doi.org/10.3126/njiss.v4i1.42362

Majanga, B. B. (2015). The dividend effect on stock price: An empirical analysis of Malawi listed companies. *Accounting and Finance Research, 4*(3), 99-105. https://doi.org/2741534

Masum, A. A. (2014). Dividend policy and its impact on stock price: A study on commercial banks listed in Dhaka stock exchange. *Global Disclosure of Economics and Business, 3*(1), 9-17. https://doi.org/2724964

Maswadeh, S. (2018). The effect of dividends and earnings per share on the stock market value by moderating bank size. *Journal of Modern Accounting and Auditing, 14*(8), 408-415. https://doi.org/10.17265/1548-6583/2018.08.002

Nirmala, P. S., & Sanju, P. S. (2011). Determinants of stock Price in India. *Journal of Emerging Trends in Economics and Management Science, 2*(2), 124-136. https://doi.org/10.4236/ojbm.2021.96146

Pandey, C., & Sunar, K. (2022). The relationship between the determinants of equity prices in Nepal. *The Hatvest, 1*(1), 29-37. https://doi.org/10.3126/harvest.v1i1.44335

Pandey, I. M. (2010). *Financial management (7th ed.).* New Delhi: Vikash Publishing House Pvt. Ltd.

Poudel, R. L. (2016). Determinant of stock price of selected banks in Nepal. *International Journal in Management and Social Science, 4*(9), 541-549. https://doi.org/346075811

Rashid, A., & Rahman, A. A. (2008). Dividend policy and stock price volatility: evidence from Bangladesh. *The Journal of Applied Business and Economics, 8*(4), 71-81. https://doi.org/a6f4297c20381cd7e95d7be289f92a0ca682d608

Rubaiyath, A., & Lalon, R. M. (2023). Investigating the impact of bank-specific determinants on stock price of listed commercial banks: evidence from emerging economy. *International Journal of Economics and Financial Issues, 13*(4), 134-142. https://doi.org/10.32479/ijefi.14654

Sapkota, A. (2016). Firm specific and macro economic determinant of share prices of Nepalese commercial banks. *Nepalese Journal of Business, 3*(4), 132-147. https://doi.org/30#

Sen, S., & Ray, R. (2013). Determinants of stock price in India. *The ICFIA Journal of Applied Finance, 9*(7), 35-45. Retrieved from https://www.arabianjbmr.com

Shammout, B. R. (2020). The impact of stock characteristics on its market price in Jordanian commercial banks. *Modern Applied Science, 14*(3), 45-55. https://doi.org/10.5539/mas.v14n3p45

Sharma, S. (2011). Determinants of equity share prices in India. *Journal of Arts, Science & Commerce, 2*(4), 51-60. https://doi.org/556342

Shrestha, P. K., & Subedi, B. R. (2014). Determinants of stock market performance in Nepal. *NRB Economic Review, 26*(2), 25-40. Retrieved from https://www.nrb.org.np

Shrestha, P. M. (2020). Effect of dividend on stock market price: a panel data approach. *Management Dynamics, 32*(1), 199-208. https://doi.org/10.3126/md.v23i1.35579

Siagian, A. O., Riesmiyantiningtias, N., & Amalia, R. (2022). Impact of dividend policy analysis on fluctuations in stock price of food and beverage companies. *International Journal of Informatics, Economics, Management and Science, 1*(1), 1-12. https://doi.org/10.52362/ijiems.v1i1.667

Silwal, P. B., & Napit, S. (2019). Fundamentals of stock price in Nepalese commercial banks. *The International Research Journal of Management Science, 4*(1), 84-100. https://doi.org/110958903

Singh, N. P., & Tandon, A. (2019). The effect of dividend policy on stock price: evidence from the Indian market. *Asia-Pacific Journal of Management Research and Innovation, 15*(2), 7-15. https://doi.org/10.1177/2319510X19825729

Usman, B., Lestari, H. S., & Sofyan, S. (2020). The effect of dividend policy on share price manufacturing companies in Indonesia. *Advances in Economics, Business and Management Research, 16*(1), 117-123. https://doi.org/10.2991/aebmr.k.210311.023

Yadav, R. P., Dhakal, B., Tamang, G., Shrestha, H. K., & Panta, K. R. (2010). *Statistical methods.* Kathmandu: Asmita Books Publishers and Distributors (P) Ltd.

DETERMINANTS OF SHARE PRICE OF NEPALESE COMMERC...

By: Sita Bhandari

As of: Sep 3, 2024 11:19:36 AM
17,503 words - 161 matches - 7 sources

Similarity Index
17%

Mode: Summary Report

sources:

2,210 words / 12% - from 09-Jul-2024 12:00AM
elibrary.tucl.edu.np

155 words / 1% - from 10-Sep-2023 12:00AM
elibrary.tucl.edu.np

153 words / 1% - from 17-Feb-2024 12:00AM
elibrary.tucl.edu.np

113 words / 1% - from 20-Jul-2023 12:00AM
elibrary.tucl.edu.np

142 words / 1% - Internet from 23-Feb-2023 12:00AM
archive.nnl.gov.np

130 words / 1% - from 17-Aug-2024 12:00AM
arcnjournals.org

96 words / 1% - from 04-Mar-2024 12:00AM
pusdig.web.id

paper text:

ABSTRACT The objective of this study is to identify the variables that affect Nepal's commercial banks' market price per share. This study examines the effects of leverage, bank size, dividend yield,

earning per share, dividend payout ratio , and market price per share

. This study used a comparative descriptive and causal research approach. Covering ten- year research period, from 2013–14 to 2022–23, this

study is based on secondary data gathered from the published annual reports of sample banks

, including EBL, HBL, SCBNL, NSBL, NABIL, and NMB. With the help of the software SPSS, the data are analyzed using descriptive statistics, correlation, multiple regression, t-tests, f-tests etc. The results of this analysis indicate that the market