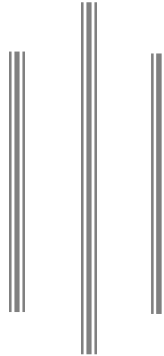


**A Study on
INVESTORS' RATIONALITY ON SECURITIES
MARKET, IN NEPAL**



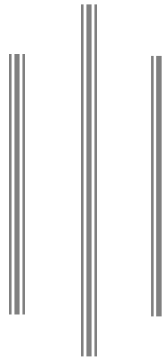
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Thesis Submitted to:

Office of the Dean,
Faculty of Management
Shanker Dev Campus
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In partial fulfillment of the requirement of the degree of

Master of Business Study (M.B.S)

Ramshah Path, Kathmandu,

November, 2009

RECOMMENDATION

This is to certify that the thesis is

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**INVESTORS' RATIONALITY ON SECURITIES MARKET, IN
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IN NEPAL**

*and found the thesis to be the original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirements for the Degree of **Master's of Business Studies (M.B.S)***

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DECLARATION

I here by declare that the work reported in this thesis entitled “**Investors’ Rationality on Securities Market, in Nepal**” has been submitted to Shanker Dev Campus, Faculty of Management, Tribhuvan University, is my original work for the partial studies of Masters of Business Studies (M.B.S.) under the supervision of **Dr. Silu Bajracharya (Manandhar)**, of Shanker Dev Campus, Putalisadak, Kathmandu.

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ACRONYMS

AD :	Anno Domini (Abbreviation of Christian Era)
AGM:	Annual General Meeting
AMEX:	American Stock Exchange
BOD:	Board of directors
BS:	Bonus Shares
BS:	Bikram Sambat (Abbreviation of Bikram Era)
CA:	Capital Appreciation
CDS:	Central Depository System
CS:	Common stocks
CV:	Coefficient of Variation
DDM:	Dividend Discount Model
DPS:	Dividend per Share
Dr.:	Doctor
EAT:	Earning After Tax
EPS:	Earning Per Share
FIG:	Figure
GDP:	Gross Domestic Product
HMG/N:	His Majesty's Government/Nepal
i.e.:	That is
IPO:	Initial Public Offerings
IPS:	Investment Policy Statement
IRR:	Internal Rate of Return
MBS:	Masters of Business Studies
MVPS:	Market Value Per Share
NEPSE:	Nepal Stock Exchange
NPV:	Net Present Value
NRB:	Nepal Ratra Bank
NYSE:	New York Stock Exchange
OE:	Organized Exchange
OTC Market:	Over The Counter Market
P.:	Page Number
P\E:	Profit Earning
PE:	Price Earnings
Pref.:	Preferred stock
Prof.:	Professor
S & P 500:	Standard and Poor 500
SEBO/N:	Security Board of Nepal
SEC:	Security Exchange Center
SML:	Security Market Line
TU:	Tribhuvan University
USA:	United States of America