

A FUNDAMENTAL ANALYSIS OF STOCK RETURNS IN NEPAL

A Thesis

Submitted to:

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Mid-Baneshwor Kathmandu

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RECOMMENDATION

This is to certify that the thesis

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A Fundamental Analysis of Stock Returns in Nepal

has been prepared as approved by this department in the prescribed format of faculty of management. This thesis is forwarded for examination.

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DECLARATION

I hereby declare that the work report in this thesis entitled, **A Fundamental Analysis of Stock Returns in Nepal** submitted to Global College of Management is my original work done in the form of partial fulfillment of the requirement for the Masters of Business Studies (M.B.S.) under the supervision of **Prof. Dr. Radhe S. Pradhan** of Global College of Management, Mid Baneshwor.

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LIST OF ABBREVIATIONS

AMEX	American Stock Exchange
AFC	Annapurna Finance Co.Ltd.
B/M	Book-to-Market equity ratio
BFL	Butwal Finance Ltd
BFL	Paschimanchal Finance Co. Ltd
BNL	Bottlers Nepal Ltd.(Balaju)
BNT	Bottlers Nepal (Terai)Ltd.
BOK	Bank of Kathmandu Limited
C/P	Cash Flow Yield
CAPM	Capital Asset Pricing Model
Cov.	Covariance
DPS/MPS	Dividend per Share to Market Price Per Share
E/P	Earning Price Ratio (Earning Yield)
EBL	Everest Bank Ltd
GFCL	Goodwill Finance Co. Ltd.
HBL	Himalayan Bank Ltd.
HGI	Himalayan Gen.Insu. Co.Ltd.
IRR	Internal Rate of Return
KBL	Kumari Bank Ltd
LBL	Laxmi Bank Limited

LFLC	Lumbini Finance Ltd.
LS	Size
MBL	Machhachapuchhre Bank Ltd
ME	Market Value of Equity
NABIL	Nabil Bank Ltd.
NCM	NIDC Capital Markets Ltd.
NDB	Nepal Development Bank
NEPSE	Nepal Stock Exchange
NFC	National Finance Co. Ltd.
NFL	Narayani Finance Limited
NHFCL	Nepal Housing Finance Ltd
NIB	Nepal Investment Bank Ltd.
NICB	Nepal Industrial & Co.Bank
NIL	Neco Insurance Co.
NSM	Nepal Share Markets Ltd.
NYSE	New York Stock Exchange
OHL	Oriental Hotel Ltd.
PFL	Pokhara Finance Ltd.
PIC	Premier Insurance co. Ltd.
SBI	Nepal SBI Bank Limited
SBL	Siddhartha Bank Limited

SCB	Standard Chartered Bank Ltd.
SCBNL	Standard Chartered Bank Nepal Ltd.
SEBO/N	Security Board of Nepal
SFC	Samjhana Finance Co. Ltd.
SFL	Siddhartha Finance Limited
SHL	Soaltee Hotel Ltd.
SIC	Sagarmatha Insurance Co.Ltd
TRH	Taragaon Regency Hotel
TSE	Tokyo Stock Exchange
UIC	United Insurance Co.(Nepal)Ltd.
UNL	Uniliver Nepal Ltd.
β	Beta Coefficient