

REMITTANCE INFLOWS AND ITS IMPACT ON INFLATION IN NEPAL

A Thesis

Submitted to the Central Department of Economics,
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Letter of Recommendation

The thesis entitled “**Remittance Inflows and its Impact on Inflation in Nepal**” has been prepared by Mr. Suraj Neupane under my supervision. I hereby recommend this thesis for examination to the Thesis Committee as a partial fulfillment of the requirements for the Degree of Master of Arts in Economics.

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APPROVAL LETTER

This thesis entitled "**Remittance Inflows and its impact on Inflation in Nepal**" submitted by Mr. Suraj Neupane to the Central Department of Economics, Faculty of Humanities and Social Sciences, Tribhuvan University, in partial fulfillment of the requirements for the Degree of Masters of Arts in Economics has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the said degree.

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List of Acronyms

ADF	-	Augmented Dickey Fuller Test
BoP	-	Balance of Payment
CPI	-	Consumer Price Index
ECM	-	Error Correction Model
EG	-	Engle-Granger
FDI	-	Foreign Direct Investment
GDP	-	Gross Domestic Product
ILO	-	International Labour Organization
IMF	-	International Monetary Fund
LMIC	-	Low Income Countries
MoF	-	Ministry of Finance
NLSS	-	Nepal Living Standard Survey
NRB	-	Nepal Rastra Bank
QTM	-	Quantity Theory of Money
RBC	-	Real Business Cycle
VAR	-	Vector Auto Regression