

**DETERMINANTS OF STOCK
PRICE IN
NEPAL STOCK EXCHANGE
WITH SPECIAL FOCUS TO
COMMERCIAL BANKS**

SUBMITTED BY

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VIVA- VOCE SHEET

We have concluded the viva-voce examination of the thesis presented by:

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Entitled

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COMMERCIAL BANKS**

And found that 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 for the requirement of degree of **Master in Business Studies (M.B.S.)**.

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DECLARATION

I hereby, declare that the work reported in this thesis entitled “**Determinants of Stock Price in NEPSE with special focus to Commercial Banks**” submitted to the Research Department of Thakur Ram Multiple Campus, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirements for the Master of Business Studies [MBS], under the supervision and guidance of Mr.Rajeshwar Pd. Acharya, Lecturer of Thakur Ram Multiple Campus, Birgunj, Nepal.

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ABSTRACT

Security market is the backbone of strong economy. Even though this is a vast area of study, the researcher has tried to explore the factors affecting stock of private commercial banks by correlation and regression analysis (secondary data) and non-parametric test using 5-degree Likert-Type Scale (primary data).and tried to give some information to all the relevant person as well as organization. Most of the private commercial banks (which fall in Group 'A' of NEPSE listed companies); analyzing their history of last seven years (2000/01 to 2006/07) has not been showing consistent pricing performances.

The share price in NEPSE is not only affected by the company's specific factors such as companies' performances, information disclosed, timely AGM, but also by the environmental factors like economy of the country, peace, security, violence, political stability, and demand and supply of shares. The capital market is not rationally sensitive to the internal as well as external factors perhaps that may be due to the lack of education, about the stock market, in investors. Although the political situation of the country is highly liquid, and the existing government policies are not being effectively implemented, the NEPSE Index is in increasing trend. So investors are interested to the capital market, but the favorable environment for the risky investment in it, has not been created.

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ACRONYMS

AD	: Anno Domini (Abbreviation of Christian Era)
AGM	: Annual General Meeting
AM	: Arithmetic Mean
AMEX	: American Stock Exchange
BOK	: Bank of Kathmandu Limited
BPS	: Book-value Per Share
BS	: Bikram Sambat (Abbreviation of Bikram Era)
Clo.	: Closing
CV	: Coefficient of Variation
DDM	: Dividend Discount Model
DIJA	: Dow Jones Industrial Average
DPS	: Dividend per Share
EB	: Everest Bank Limited
EPS	: Earning Per Share
EW	: Equally Weighted
GDP	: Gross Domestic Product
HB	: Himalayan Bank Limited
HMG/N	: His Majesty's Government/Nepal
IMF	: International Monetary Fund
IRR	: Internal Rate of Return
ISO	: International Organization for Standardization
Ltd.	: Limited

Market Cap.	: Market Capitalization
MBA	: Masters of Business Administration
MBS	: Masters of Business Studies
ml	: Milliliter
MPS	: Market Price of Share
NA	: Not Applicable
na	: Not Audited
NBB	: Nepal Bangladesh Bank Limited
NBL	: Nabil Bank Limited
NEPSE	: Nepal Stock Exchange
NIB	: Nepal Investment Bank
NICB	: Nepal Industrial & Commercial Bank Limited
NPV	: Net Present Value
NYSE	: New York Stock Exchange
OE	: Organized Exchange
OTC Market	: Over The Counter Market
PE	: Price Earnings
Prof.	: Professor
r	: Simple Coefficient of Correlation
r^2	: Coefficient of Simple Determination
Re.	: Rupee
Rs.	: Rupees
S & P 500	: Standard and Poor 500
SBI	: Nepal State Bank of India Limited
SCB	: Standard Chartered Bank Nepal Limited
SDC	: Sankardev Campus

SEBO/N : Security Board of Nepal
TU : Tribhuvan University
US\$: United States Dollar
USA : United States of America
USSR : Union of Soviet Socialistic Republic
VIP : Vigilant-Independent-Professional
VW : Value Weighted

