

## ECONOMY INSIGHTS

CHAITRA 2079



## IMPORT AND EXPORT

Rs in Billion

Period → Heading ↓	FY 2078/79*	FY 2079/80*	Change (%)
Imports	1466.66	1201.51	-18.08
Exports	160.57	118.28	-26.34
Trade Deficit	1306.09	1083.23	-17.06

\*As of Chaitra 2079/80

Source: Department of Customs

Import of the first nine months of FY 2079/80 shows a decline of 18.08% compared to the same period of FY 2078/79. Export also decreased by 26.34%. The trade deficit dropped by 17.06%, which is a positive sign for the economy.

## MAJOR IMPORT

## OTHER THAN FUEL AND OIL

Top import products (2078/79)*	Top import products (2079/80)*
Semi-finished products of iron	Ferrous products
Cellphones	Unwrought gold
Vaccines for human medicine	Other coal
Gold	Smartphones
Other coal, not agglomerated, nes	Other - Medicaments

## MAJOR EXPORT

## OTHER THAN FUEL AND OIL

Top export products (2078/79)*	Top export products (2079/80)*
Carpets and other textile	Carpets and other textile
Woven jute fabrics	Alaichi
Alaichi	Felt, nes.
Felt, nes.	Mixtures of juices, unfermented
Single yarn	Other yarn

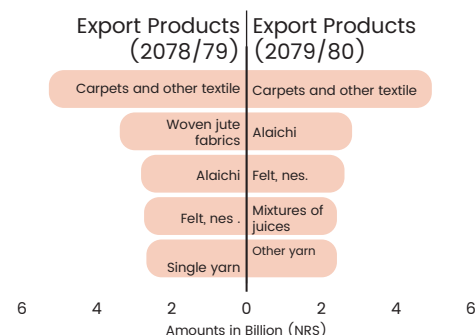
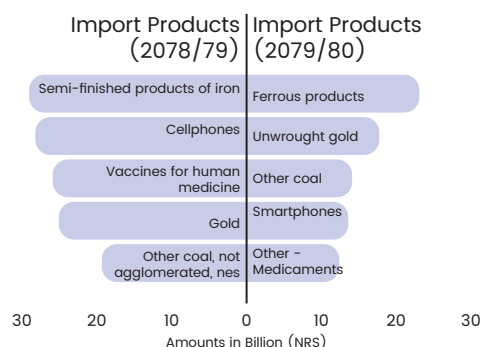
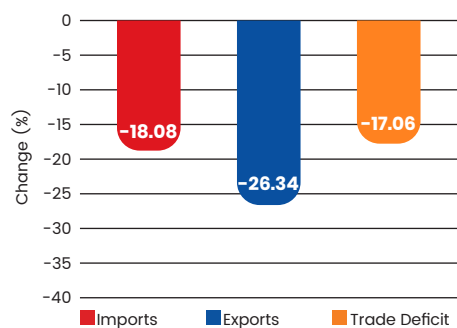
\*As of Chaitra 2079/80

Source: Department of Customs

During the month of Chaitra in FY 2079/80, the top three imports other than fuel and oil were ferrous products, unwrought gold and other coal. In the same period in FY 2078/79, the major imports other than fuel and oil were semi-finished products of iron, cellphones and vaccines for human medicine.

Likewise, during the month of Chaitra in FY 2079/80, the top three exports other than fuel and oil were carpets & other textiles, alaichi and felt, nes. In the same period in FY 2078/79, the major exports other than fuel and oil were carpets & other textiles, woven fabrics of jutes and alaichi.

## TRADE INDICATORS





## GOVERNMENT REVENUE (YOY)

Rs in Billion

Heading	Total Revenue (FY 2078/79)	Total Revenue (FY 2079/80)	Change (%)
Total	789.26	683.81	-13.36
Custom	186.5	130.6	-29.97
VAT	232.1	202.2	-12.91
Excise	187.1	179.0	-4.33
Income tax	121.4	103.1	-15.11

\*As of Chaitra 2079/80

Source: Nepal Rastra Bank

During the current fiscal year, there has been a decline in total government revenue, with a shrinkage of 13.36% compared to the same period in the previous fiscal year. Specifically, customs revenue experienced a significant decrease of 29.97%. This decline in revenue from consumption-based taxes, such as the VAT and excise, mirrors the decrease in overall demand within the economy.

Moreover, as we reach the end of the third quarter of the current fiscal year, it is noteworthy that only 47.56% of the targeted tax revenue has been collected thus far. In comparison, during the same period in the previous fiscal year, the collection rate stood at 68.15%.

## GOVERNMENT EXPENDITURE

Rs in Billion

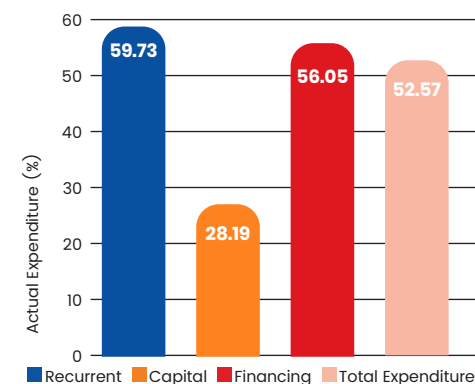
Heading	Target	Actual Expenditure*	Actual Expenditure%
Recurrent	1183.24	706.76	59.73
Capital	380.38	107.243	28.19
Financing	230.22	129.04	56.05
Total Expenditure	1793.84	943.051	52.57

\*As of Chaitra 2079/80

Source: FCGO

In the first nine months of the current fiscal year the government has spent 28.19% of the targeted capital expenditure while in the same period previous year it was 27.45%.

## GOVERNMENT EXPENDITURE STATUS



## ELECTRICITY

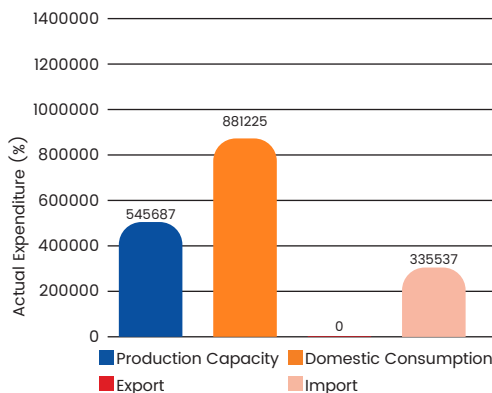
Heading	Chaitra 2079/80
Production Capacity	545687 MWh
Domestic Consumption	881225 MWh
Export	0 MWh
Import	335537 MWh

\*As of Chaitra 2079/80

Source: : Nepal Electricity Authority

During this period 335537 MWh of electricity has been imported to meet the electricity demand, it was 318471 MWh in the previous month. There was no export made in this period.

## ELECTRICITY





## FINANCIAL INDICATORS

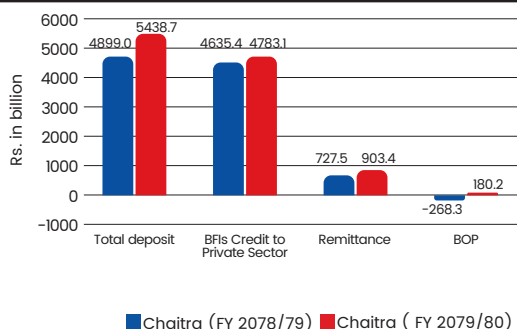
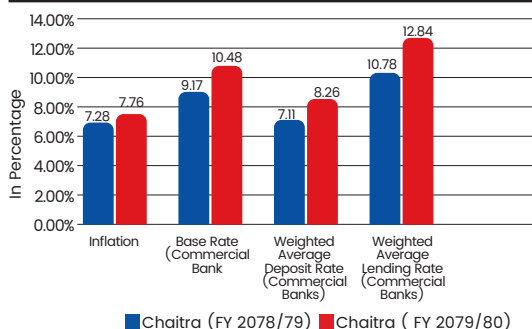
Headings	FY 2078/79	FY 2079/80
CD Ratio	90.06%	85.09%
Inflation	7.28%	7.76%
Forex reserve (USD in billion)	9.61	10.94
Forex reserve Adequacy ( Goods and services) in months	6.6	9.4
Base Rate (Commercial Bank)	9.17%	10.48%
Weighted Average Deposit Rate (Commercial Banks)	7.11%	8.26%
Weighted Average Lending Rate (Commercial Banks)	10.78%	12.84%
Total deposit (Rs in billion)	4899.0	5438.7
BFI's Credit to Private Sector (Rs. in billion)	4635.4	4783.1
Remittance (Rs in billion)	727.5	903.4
BOP (Rs in billion)	-268.3	180.2
NPL	1.44%	3.34%

\*As of Chaitra 2079/80

Source: Nepal Rastra Bank

Inflation increased to 7.76% year-on-year in Chaitra 2079 as compared to 7.28% the previous year. BOP became Rs. 180.2 billion whereas it was Rs. -268.3 billion in the previous fiscal year.

### FINANCIAL INDICATORS



## TOURISM

Apr 2022	Apr 2023	Growth (%)
61589	98773	60.37%

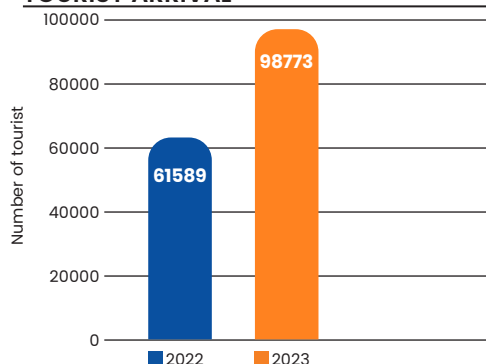
\*In the month of April

Source: NRB

There has been an increment of 60.37% in the arrival of tourists in the given period compared to the same period last year.

Travel income made in the period was Rs. 44.17 billion whereas travel payments was Rs. 91.60 billion.

### TOURIST ARRIVAL





## REMITTANCE

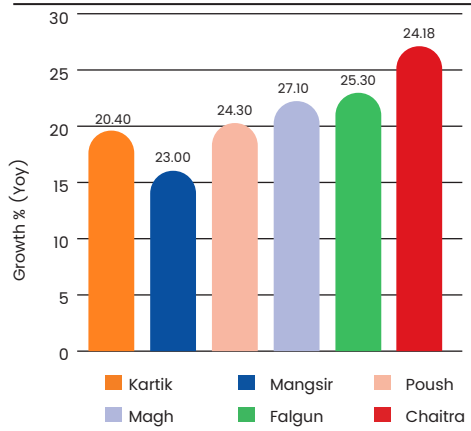
Months	Remittance in Rs Billion	Growth (YoY)
Kartik	378.04	20.40%
Mangsir	480.5	23.00%
Poush	585	24.30%
Magh	689.88	27.10%
Falgun	794.3	25.30%
Chaitra	903.4	24.18%

\*As of Chaitra 2079/80

Source: Nepal Rastra Bank

Remittance increased by 24.18% in NPR and 13.9% in US dollars compared to the same period of the previous fiscal year. This month, the remittance inflow amounted to Rs 109.1 billion, which is the highest in the past 33 months.

## REMITTANCE



## FUEL (GAS AND OIL)

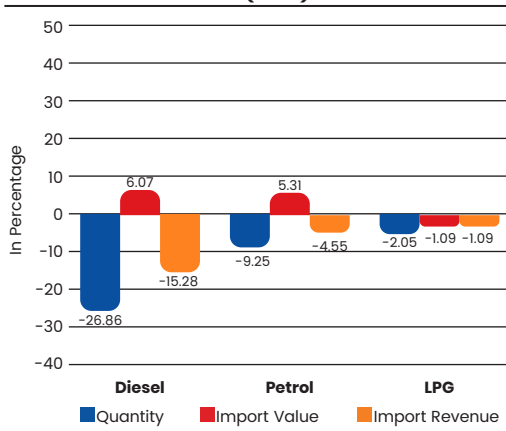
Description	Import Quantity	Import Value	Import Revenue
Diesel	-26.86%	6.07%	-15.28%
Petrol	-9.25%	5.31%	-4.55%
Liquidified Petroleum Gas (LPG)	-2.05%	-1.09%	-1.09%

\*As of Chaitra 2079/80

Source: Department of Customs

As of Chaitra 2079/80, import of diesel has decreased by 26.86% in FY 2079/80 compared to FY 2078/79. Even though the import quantity of diesel decreased, the import value has increased by 6.07%, this is mainly because of the increase in fuel prices.

## CHANGE IN MAJOR PETROLEUM PRODUCTS IMPORT (YoY)



## NET FOREIGN DIRECT INVESTMENT

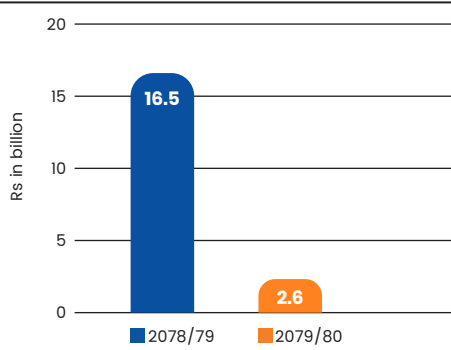
Chaitra (FY 2078/79)	Chaitra (FY 2079/80)
16.5 (Rs in billion)	2.6 (Rs in billion)

\*As of Chaitra 2079/80

Source: Nepal Rastra Bank

Net FDI decreased by 84.13% in the ninth month of the current fiscal year compared to the same time period of previous fiscal year.

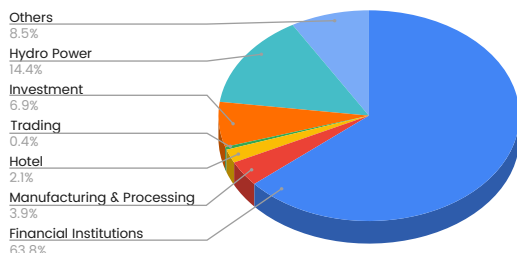
## NET FDI





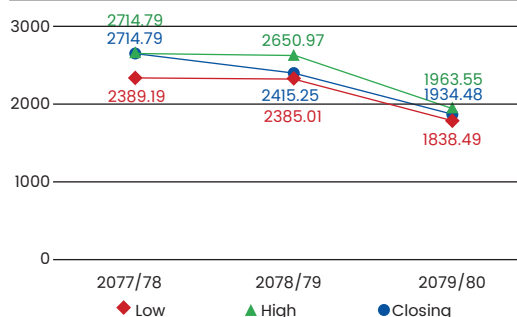
## STOCK MARKET

### MARKET CAPITALIZATION

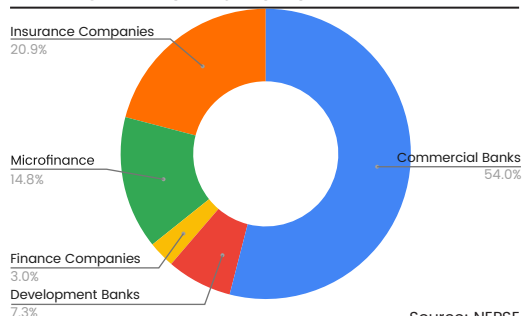


Source: NEPSE

### NEPSE INDEX

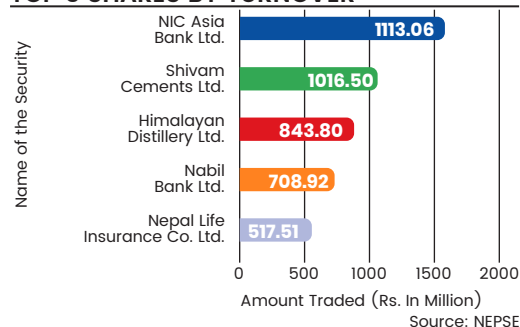


## FINANCIAL INSTITUTIONS



Source: NEPSE

## TOP 5 SHARES BY TURNOVER

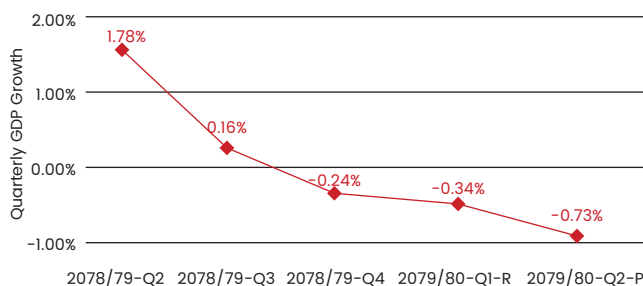


Source: NEPSE

## CHAITRA SPECIAL

### Economy in Recession

Nepal has entered a state of recession, with its economic output being adversely affected by inflation and various other circumstances. According to the report published by the National Statistical Office in 2023, the quarterly GDP growth for the fourth quarter of the fiscal year 2078/79 stood at -0.24%. This was followed by successive declines of -0.34% and -0.73% in the first and second quarters of the fiscal year 2079/80, respectively.



## CNI NEPAL ECONOMY INSIGHTS

"CNI Nepal Economy Insights" is published with an aim of informing about the macroeconomic situation of the country every month. The data used in the publication are received from Nepal Rastra Bank, Financial Comptroller General Office, Department of Customs, Department of Immigration, Nepal Electricity Authority and other regulatory bodies.

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