

ECONOMY INSIGHTS

FALGUN 2079



IMPORT AND EXPORT

Rs in Billion

Period → Heading ↓	FY 2078/79*	FY 2079/80*	Change (%)
Imports	1308.73	1058.39	-19.13
Exports	147.75	104.80	-29.07
Trade Deficit	1160.99	953.59	-17.86

*As of Falgun 2079/80

Source: Department of Customs

Import of the first eight months of FY 2079/80 shows a decline of 19.13% compared to the same period of FY 2078/79 whereas export also decreased by 29.07%. The trade deficit dropped by 17.86%, 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 iron products or non-allo steel	Ferrous products
Telephones for cellular networks	Unwrought gold
Gold	Other Urea
Vaccines for human medicine	Smartphones
Other coal, not agglomerated	Gold

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, nex	Mixtures of juices
Single yarn	Black Tea

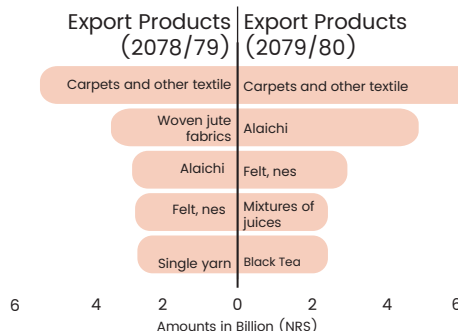
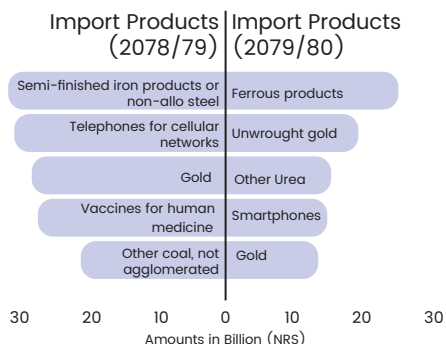
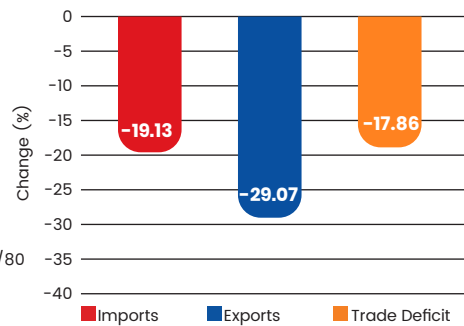
*As of Falgun 2079/80

Source: Department of Customs

During the first eight months of FY 2079/80, the top three imports other than fuel and oil were ferrous products, unwrought gold, and other urea. In the same period in FY 2078/79, the major imports other than fuel and oil were semi-finished products of iron, telephones, and gold.

Likewise, during the month of Falgun 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

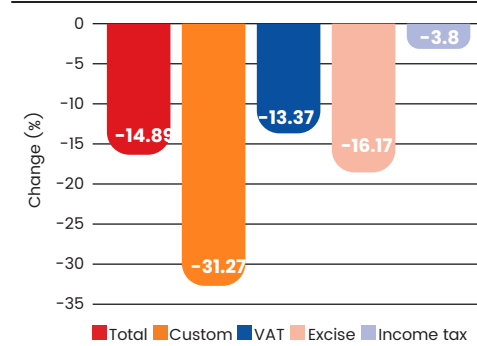
Heading	Total Revenue (FY 2078/79)	Total Revenue (FY 2079/80)	Change (%)
Total	684.69	582.77	-14.89
Custom	166.86	114.68	-31.27
VAT	203.54	176.32	-13.37
Excise	107.74	90.32	-16.17
Income tax	149.78	144.09	-3.80

*As of Falgun 2079/80

Source: Nepal Rastra Bank

Total government revenue shrunk by 14.89 % compared to the same period in the last fiscal year. The customs revenue decreased by 31.27%. The decrease in consumption based taxes like the VAT and excise reflects the fall in aggregate demand of the economy.

GOVERNMENT REVENUE



GOVERNMENT EXPENDITURE Rs in Billion

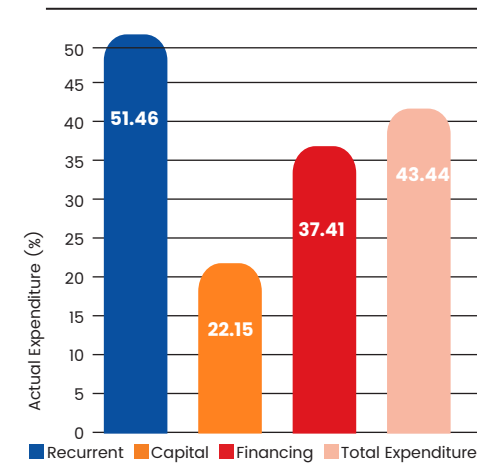
Heading	Target	Actual Expenditure*	Actual Expenditure%
Recurrent	1183.24	608.84	51.46
Capital	380	84.25	22.15
Financing	230.22	86.13	37.41
Total Expenditure	1793.84	779.23	43.44

*As of Falgun 2079/80

Source : FCGO

In the first eight months of the current fiscal year the government has spent 22.15% of the targeted capital expenditure while in the same period previous year it was 20.4%.

GOVERNMENT EXPENDITURE STATUS



ELECTRICITY

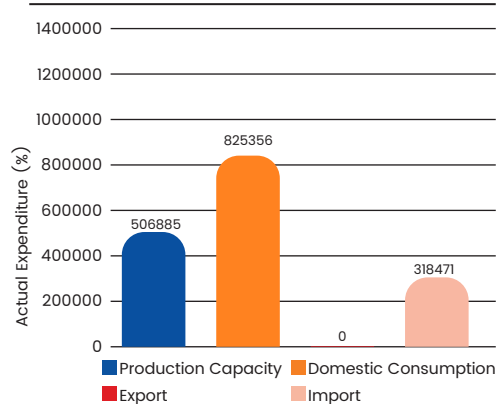
Heading	Falgun 2079/80
Production Capacity	506885 MWh
Domestic Consumption	825356 MWh
Export	0 MWh
Import	318471 MWh

*As of Falgun 2079/80

Source : Nepal Electricity Authority

During this period 318471 MWh of electricity has been imported to meet the electricity demand, it was 310988 MWh in the previous month. There was no export made in this period.

ELECTRICITY





FINANCIAL INDICATORS

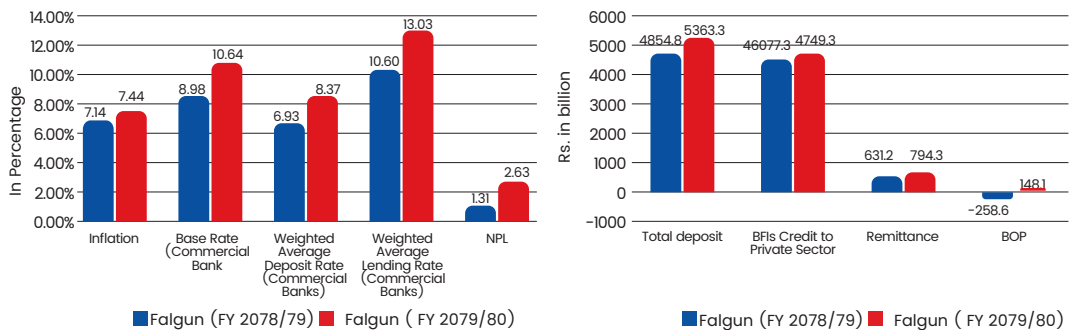
Headings	FY 2078/79	FY 2079/80
Inflation	7.14%	7.44%
Forex reserve (USD in billion)	9.58	10.69
Forex reserve Adequacy (Goods and services) in months	6.7	9.4
Base Rate (Commercial Bank)	8.98%	10.64%
Weighted Average Deposit Rate (Commercial Banks)	6.93%	8.37%
Weighted Average Lending Rate (Commercial Banks)	10.60%	13.03%
Total deposit (Rs in billion)	4854.8	5363.3
BFI's Credit to Private Sector (Rs. in billion)	4607.3	4749.3
Remittance (Rs in billion)	631.2	794.3
BOP (Rs in billion)	-258.6	148.1
NPL	1.31%	2.63%

*As of Falgun 2079/80

Source: Nepal Rastra Bank, **NBA

Inflation increased to 7.44% year-on-year in Falgun 2079 as compared to 7.14% the previous year. BOP became Rs. 148.1 billion whereas it was Rs. -258.6 billion in the previous fiscal year.

FINANCIAL INDICATORS



TOURISM

March 2022	March 2023	Growth (%)
42006	99426	136.69%

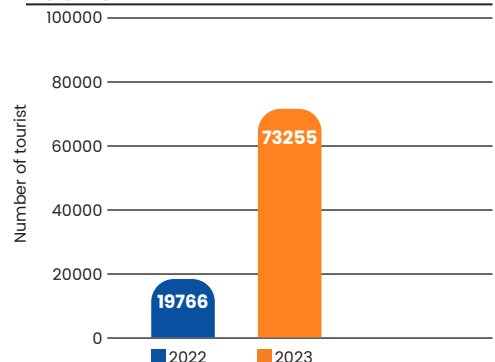
*As of Falgun 2079/80

Source: Department of Immigration

There has been significant positive change of 136.69% in arrival in the given period compared to the same period last year.

Travel income made in the period was Rs. 37.12 billion whereas travel payments was Rs. 76.12 billion.

TOURIST ARRIVAL





REMITTANCE

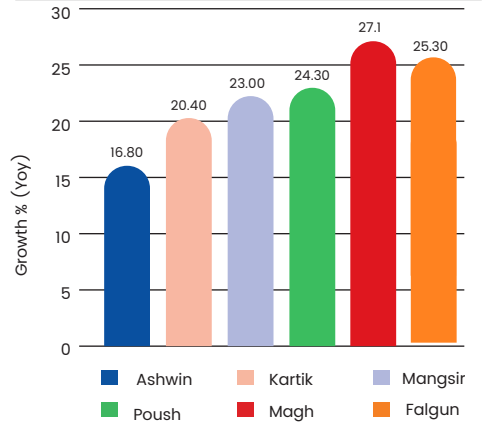
Months	Remittance in Rs Billion	Growth (YoY)
Ashwin	281.05	16.80%
Kartik	378.04	20.40%
Mangsir	480.5	23.00%
Poush	585	24.30%
Magh	689.88	27.10%
Falgun	794.3	25.30%

*As of Falgun 2079/80

Source: Nepal Rastra Bank

Remittance increased by 25.30% in NPR and 14.8% in US dollar compared to the same period of previous fiscal year.

REMITTANCE



FUEL (GAS AND OIL)

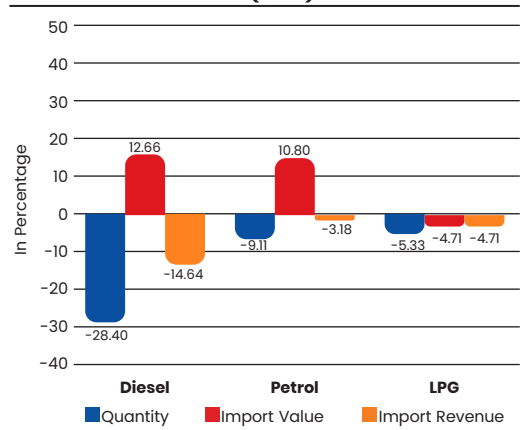
Description	Import Quantity	Import Value	Import Revenue
Diesel	-28.40%	12.66%	-14.64%
Petrol	-9.11%	10.80%	-3.18%
Liquidified Petroleum Gas (LPG)	-5.33%	-4.71%	-4.71%

*As of Falgun 2079/80

Source: Custom Department

As of Falgun 2079/80, import of diesel has decreased by 28.40% in FY 2079/80 compared to FY 2078/79. Even though the import quantity of diesel decreased, the import value has increased by 12.66%, this is mainly because of the increase in fuel prices.

CHANGE IN MAJOR PETROLEUM PRODUCTS IMPORT (YoY)



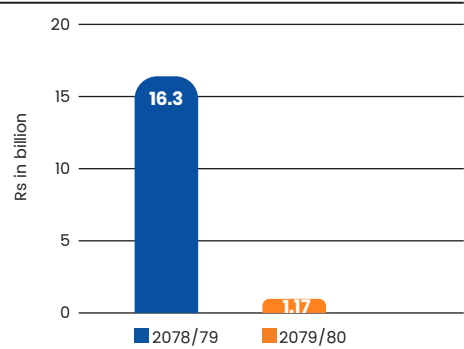
NET FOREIGN DIRECT INVESTMENT

Falgun (FY 2078/79)	Falgun (FY 2079/80)
16.3 (Rs in billion)	1.17 (Rs in billion)

Source: Nepal Rastra Bank

Net FDI decreased by 92.83% in the first eight months of the current fiscal year compared to the same time period of previous fiscal year.

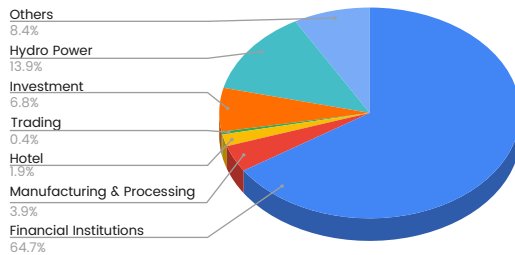
NET FDI





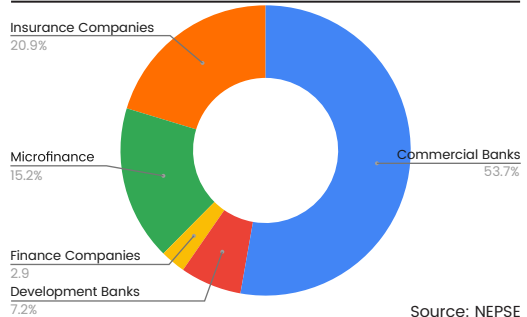
STOCK MARKET

MARKET CAPITALIZATION



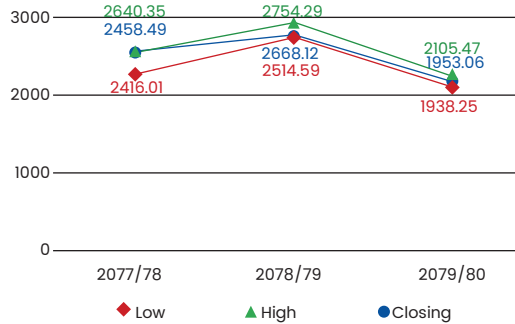
Source: NEPSE

FINANCIAL INSTITUTIONS

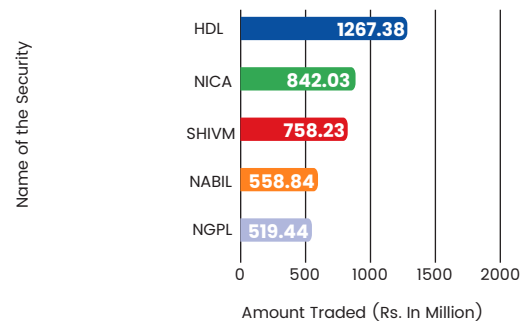


Source: NEPSE

NEPSE INDEX



TOP 5 SHARES BY TURNOVER



Source: NEPSE

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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