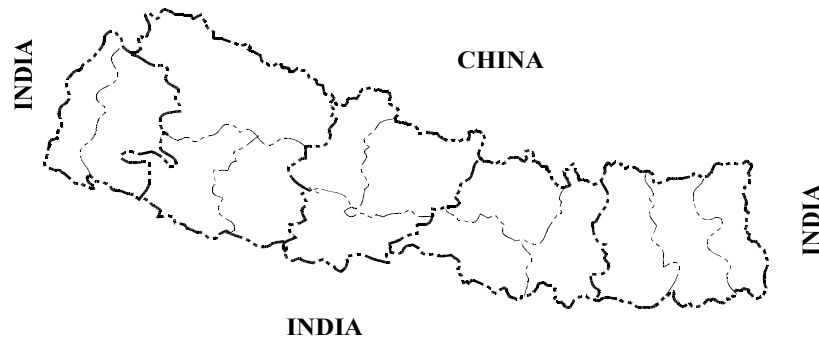


**MACROECONOMIC  
INDICATORS  
OF  
NEPAL**

**July 2009**

**NEPAL RASTRA BANK**  
**RESEARCH DEPARTMENT**  
[www.nrb.org.np](http://www.nrb.org.np)

## NEPAL



*Location* : 26° 22' N to 30° 27' North, 80° 4'E to 88° 12' East

*Area* : 147,181 Square Km.

*Capital City* : Kathmandu

*Population* \* : 27.64 million

*Population Growth Rate* \* : 2.25%

*Currency* : Nepalese Rupee

*World Heritage Sites* : Lumbini, Chitwan National Park, Sagarmatha National Park, Pashupatinath, Swayambhunath, Baudhanath, Changu Narayan, Kathmandu Durbar Square, Bhaktapur Durbar Square, Patan Durbar Square,

\* Based on CBS Projection (2008/09)

*Sources*: [www.tourism.gov.np](http://www.tourism.gov.np) & Central Bureau of Statistics

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**Table 1**  
**World Output Growth**  
(annual percent change)

<b>Year</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009<sup>P</sup></b>	<b>2010<sup>P</sup></b>
World Output	2.9	3.6	4.9	4.5	5.1	5.2	3.0	-1.1	3.1
China	9.1	10.0	10.1	10.4	11.6	13.0	9.0	8.5	9.0
India	4.6	6.9	7.9	9.2	9.8	9.4	7.3	5.4	6.4
Nepal	0.1	3.9	4.7	3.1	3.7	3.2	4.7	4.0	4.1

Compiled from WEO October 2009, Page 169 and 175.

P = Projections.

**Table 2**  
**Consumer Prices**  
(annual percent change)

<b>Year</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009<sup>P</sup></b>	<b>2010<sup>P</sup></b>
Advanced Economies	1.5	1.8	2.0	2.3	2.4	2.2	3.4	0.1	1.1
China	-0.8	1.2	3.9	1.8	1.5	4.8	5.9	-0.1	0.6
India	4.3	3.8	3.8	4.2	6.2	6.4	8.3	8.7	8.4
Nepal	2.9	4.7	4.0	4.5	8.0	6.4	7.7	13.2	11.8

Compiled from WEO October 2009, Page 178 and 181.

p = projections

**Table 3**  
**Key Macroeconomic Indicators**

	2004/05	2005/06	2006/07	2007/08 <sup>R</sup>	2008/09 <sup>P</sup>
<b>Annual Percentage Change</b>					
Real GDP at Producers' Price	3.5	3.4	3.3	5.3	4.7
Nominal GDP at Producers' Price	9.8	11.0	11.3	12.4	17.3
Nominal GDP at Basic Prices	9.5	11.4	10.7	11.9	16.7
GNI at Current Price	10.5	11.5	11.6	12.3	18.9
Total Consumption	10.1	14.2	10.2	10.7	21.5
Gross Capital Formation (Total Investment)	18.4	12.7	16.6	27.0	9.6
Gross National Saving	14.5	13.4	9.7	23.9	20.2
Gross Domestic Saving	8.0	-13.7	22.4	27.6	-16.3
Gross Fixed Capital Formation	7.7	15.3	9.5	16.4	18.1
Gross National Disposable Income	11.1	14.0	10.1	13.9	21.2
National Urban Consumer Price Index	4.5	8.0	6.4	7.7	13.2
National Wholesale Price Index	7.3	8.9	9.0	9.1	12.8
National Salary and Wage Rate Index		3.9	9.8	9.7	15.3
Money Supply (M1)	6.6	14.2	12.2	21.6	27.3
Broad Money (M2)	8.3	15.6	14.0	25.2	27.0
Domestic Credit	13.8	11.7	16.7	21.3	26.4
Domestic Credit to Private Sector	14.2	14.4	18.9	24.3	28.3
Time Deposits	9.2	16.4	14.9	27.0	26.9
Total Exports	8.9	2.6	-1.4	-0.2	13.5
Total Imports	9.7	16.3	12.0	14.0	28.2
Gross Forex Reserve	-0.2	27.0	0.1	28.8	31.7
Government Revenue	12.5	3.1	21.3	22.7	32.1
Government Tax Revenue	12.3	6.1	23.9	19.7	37.4
Government Expenditure	14.7	8.1	20.5	20.8	32.4
<b>As % of Gross Domestic Product (Nominal GDP at Producers' Prices)</b>					
Total Consumption	88.4	91.0	90.1	88.8	92.0
Gross Capital Formation (Total Investment)	26.5	26.9	28.1	31.8	29.7
Gross National Saving	28.4	29.0	28.6	31.5	32.3
Gross Domestic Saving	11.6	9.0	9.9	11.2	8.0
Gross Fixed Capital Formation	19.9	20.7	20.4	21.1	21.2
Gross National Disposable Income	116.9	120.0	118.7	120.3	124.3
Money Supply (M1)	17.0	17.5	17.5	18.8	20.5
Broad Money (M2)	51.0	53.6	54.4	60.4	65.5
Domestic Credit	47.5	46.2	49.6	53.3	56.8
Domestic Credit to Private Sector	33.4	37.8	37.6	41.4	45.4
Time Deposits	34.0	36.2	36.9	41.5	45.1
Total Exports	10.0	9.2	8.2	7.2	7.0
Total Imports	25.4	26.6	26.7	27.1	29.6
Trade Balance	-15.4	-17.4	-18.6	-19.9	-22.6
Current Account Balance	2.0	2.2	-0.1	2.9	4.3
Gross Forex Reserves	22.0	25.2	22.7	26.0	29.2
Government Revenue	11.9	11.1	12.1	13.2	14.8
Government Tax Revenue	9.2	8.8	9.8	10.4	12.2
Government Expenditure	17.4	17.0	18.4	19.7	22.2
Government Budgetary Deficit	3.1	3.8	4.1	4.1	3.8
Gross Domestic Borrowing	1.5	1.8	2.5	2.5	2.6
Net Domestic Borrowing	0.49	0.69	1.14	1.46	1.0

P Preliminary estimates.

R Revised.

Source: Central Bureau of Statistics and Nepal Rastra Bank.

**Table 4**  
**Real Sector**

(Rs. in million)

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08 <sup>R</sup>	2008/09 <sup>P</sup>
<b>Real GDP at Producers' Price</b>							
<b>(Base Year : 2000/01 = 100)</b>	<b>459488</b>	<b>481004</b>	<b>497739</b>	<b>514485</b>	<b>531682</b>	<b>560124</b>	<b>586234</b>
<b>Real GDP at Basic Price</b>							
<b>(Base Year : 2000/01 = 100)</b>	<b>429699</b>	<b>448654</b>	<b>463165</b>	<b>480435</b>	<b>493604</b>	<b>519574</b>	<b>539319</b>
Agriculture	165761	173734	179810	183015	184795	193497	197695
Non-agriculture	276366	291092	300535	316525	330285	348944	365749
<b>Gross Capital Formation</b>	<b>105383</b>	<b>131671</b>	<b>155907</b>	<b>175633</b>	<b>204830</b>	<b>260170</b>	<b>285186</b>
Gross Fixed Capital Formation	98073	109181	117539	135532	148421	172746	203985
Government	14719	14955	17213	17509	20843	25521	39829
Private	83354	94226	100326	118023	127578	147225	164156
Change in Stock	7310	22489	38368	40100	56409	87424	81201
<b>Total Consumption</b>	<b>450090</b>	<b>473685</b>	<b>521301</b>	<b>595327</b>	<b>656276</b>	<b>726685</b>	<b>883251</b>
Government Consumption	42652	46397	52453	56794	66847	81482	107019
Private Consumption	400468	419290	459530	527814	576914	631231	760634
Nonprofit Institutions	6970	7998	9319	10719	12515	13972	15599
<b>Gross Domestic Saving</b>	<b>42141</b>	<b>63064</b>	<b>68110</b>	<b>58757</b>	<b>71902</b>	<b>91716</b>	<b>76760</b>
<b>Gross National Saving</b>	<b>116998</b>	<b>146269</b>	<b>167451</b>	<b>189858</b>	<b>208325</b>	<b>258045</b>	<b>310152</b>
<b>Nominal GDP at Producers' Price</b>	<b>492231</b>	<b>536749</b>	<b>589412</b>	<b>654084</b>	<b>728178</b>	<b>818401</b>	<b>960011</b>
<b>Nominal GDP at Basic Price</b>	<b>460325</b>	<b>500699</b>	<b>548485</b>	<b>611118</b>	<b>676210</b>	<b>756756</b>	<b>882955</b>
<b>Agriculture</b>	<b>172803</b>	<b>186125</b>	<b>199368</b>	<b>211704</b>	<b>226822</b>	<b>254669</b>	<b>298876</b>
Agriculture and Forestry	170634	183621	196686	208591	223535	250841	294581
Fishery	2168	2504	2682	3113	3287	3829	4295
<b>Non-agriculture</b>	<b>300743</b>	<b>331869</b>	<b>367211</b>	<b>418626</b>	<b>470893</b>	<b>526592</b>	<b>611646</b>
<b>Industry</b>	<b>83538</b>	<b>89409</b>	<b>97059</b>	<b>105098</b>	<b>115529</b>	<b>126484</b>	<b>140507</b>
Mining and Quarrying	2310	2507	2748	3134	3417	3857	4409
Manufacturing	38826	41673	44885	47840	52172	55900	61820
Electricity Gas & Water	11447	11974	12782	13172	14841	15683	15865
Construction	30955	33254	36644	40952	45099	51044	58412
<b>Service</b>	<b>217205</b>	<b>242460</b>	<b>270152</b>	<b>313528</b>	<b>355364</b>	<b>400108</b>	<b>471140</b>
Wholesale & Retail Trade	68695	79219	79839	90214	93683	108930	124880
Hotels & Restaurant	7540	8942	8895	9398	10043	11670	13825
Transport, Storage &							
Communications	39362	46283	51336	61250	69140	74869	95218
Financial Intermediation	12861	13728	17342	21979	28467	37972	43571
Real Estate, Renting &							
Business	38251	39991	49242	60042	70791	68500	75878
Public Adm. & Defence	8070	8019	9548	10967	12227	14316	17803
Education	24582	26313	31671	34996	40517	46867	54854
Health & Social Work	5408	5825	7017	7842	8760	10099	11999
Other Community, Social & Personal Service	12436	14140	15262	16840	21736	26885	33112
Per Capita GDP (US\$)	261	293	328	350	391	468	473
Per Capita GNDI (US\$)	301	339	383	420	464	563	588

P = Preliminary estimate.

R = Revised estimate.

Source: Central Bureau of Statistics.

**Table 5**  
**National Urban Consumer Price Index**  
 Base:1995/96 = 100

	Weight (Percent)	Percentage Change				
		2004/05	2005/06	2006/07	2007/08	2008/09
<b>Overall Index</b>	<b>100.00</b>	<b>4.0</b>	<b>8.0</b>	<b>6.4</b>	<b>7.7</b>	<b>13.2</b>
<b>Food and Beverages</b>	<b>53.20</b>	<b>4.0</b>	<b>7.8</b>	<b>7.2</b>	<b>10.1</b>	<b>16.7</b>
Grains and Cereals Products	18.00	3.8	13.4	6.4	14.6	14.3
Rice and Rice Products	(14.16)	3.2	14.9	2.8	17.3	17.2
Pulses	2.73	4.4	14.3	17.0	14.2	25.0
Vegetables, Fruits and Nuts	7.89	4.7	4.7	11.1	6.4	12.7
Spices	1.85	-1.0	1.8	22.5	3.6	12.3
Meat, Fish and Eggs	5.21	6.4	3.7	6.6	7.7	23.4
Milk and Milk Products	4.05	0.5	4.6	7.5	7.6	15.0
Oil and Ghee	3.07	-1.9	-2.3	6.7	20.9	16.3
Sugar and Related Products	1.21	24.8	5.9	-7.1	-10.1	45.9
Beverages	2.28	1.8	9.5	4.1	2.3	12.7
Restaurant Meals	6.91	5.1	5.9	3.3	7.1	18.5
<b>Non-food &amp; Services</b>	<b>46.80</b>	<b>5.1</b>	<b>8.1</b>	<b>5.5</b>	<b>5.1</b>	<b>9.5</b>
Cloth, Clothing & Sewing Services	8.92	2.5	2.8	2.2	2.4	7.7
Cloths	(2.28)	3.5	2.3	1.4	0.3	7.7
Clothings	(5.75)	1.7	2.9	2.3	2.6	6.9
Footwear	2.20	0.5	2.9	4.1	5.9	7.4
Housing	14.87	9.2	12.8	7.2	7.0	10.2
Fuel, Light and Water	(5.92)	14.7	20.5	8.6	8.4	10.6
Transport and Communication	4.03	7.0	17.5	9.5	2.3	15.8
Medical and Personal Care	8.03	1.7	2.6	2.5	5.0	5.2
Education, Reading and Recreation	7.09	4.4	5.2	5.9	4.8	8.9
Tobacco and Related Products	1.66	2.0	4.4	6.1	7.4	15.4

**Table 6**  
**Monetary Survey**

(Rs in million)

Monetary Aggregates	Mid - July			Changes			
				2007/08		2008/09	
	2007	2008	2009 <sup>E</sup>	Amount	%	Amount	%
<b>1. Foreign Assets, Net</b>	<b>131,909.5</b>	<b>171,455.5</b>	<b>217,536.3</b>	<b>29,674.6 1/</b>	<b>22.5</b>	<b>37,732.4 2/</b>	<b>22.0</b>
1.1 Foreign Assets	165,713.5	213,254.1	280,540.6	47,540.6	28.7	67,286.5	31.6
1.2 Foreign Currency Deposits	28,247.2	34,229.1	55,341.8	5,981.8	21.2	21,112.7	61.7
1.3 Other Foreign Liabilities	5,556.8	7,569.6	7,662.5	2,012.7	36.2	93.0	1.2
<b>2. Net Domestic Assets</b>	<b>263,608.7</b>	<b>323,921.6</b>	<b>411,661.9</b>	<b>70,184.3 1/</b>	<b>26.6</b>	<b>96,088.7 2/</b>	<b>29.7</b>
2.1 Domestic Credit	360,558.1	437,269.8	552,784.5	76,711.7	21.3	115,514.7	26.4
a. Net Claims on Govt.	78,343.6	87,079.6	104,019.4	8,736.0	11.2	16,939.8	19.5
i. Claims on Govt.	81,466.1	91,026.0	104,019.4	9,559.9	11.7	12,993.4	14.3
ii. Govt. Deposits	3,122.5	3,946.4	0.0	823.9	26.4	-3,946.4	-100.0
b. Claims on Non-Financial Govt. Ent.	5,114.9	5,646.5	5,101.8	531.6	10.4	-544.7	-9.6
c. Claims on Financial Institutions	3,622.2	4,709.5	7,559.2	1,087.3	30.0	2,849.7	60.5
i. Government	1,713.0	1,670.5	1,376.1	-42.5	-2.5	-294.4	-17.6
ii. Non-government	1,909.2	3,039.1	6,183.1	1,129.8	59.2	3,144.0	103.5
d. Claims on Private Sector	273,477.4	339,834.2	436,104.1	66,356.8	24.3	96,269.9	28.3
2.2 Net Non-monetary Liabilities	96,949.4	113,348.2	133,761.4	6,527.4 1/	6.7	19,426.1 2/	17.1
<b>3. Broad Money (M2)</b>	<b>395,518.2</b>	<b>495,377.1</b>	<b>629,198.2</b>	<b>99,859.0</b>	<b>25.2</b>	<b>133,821.1</b>	<b>27.0</b>
3.1 Money Supply (M1)	126,887.9	154,343.9	196,460.8	27,456.0	21.6	42,116.8	27.3
a. Currency	83,553.3	100,175.2	125,760.0	16,622.0	19.9	25,584.8	25.5
b. Demand Deposits	43,334.4	54,168.7	70,700.8	10,834.4	25.0	16,532.1	30.5
3.2 Time Deposits	268,630.2	341,033.2	432,737.4	72,403.0	27.0	91,704.3	26.9
<b>4. Broad Money Liquidity (M3)</b>	<b>423,765.4</b>	<b>529,606.2</b>	<b>684,540.0</b>	<b>105,840.8</b>	<b>25.0</b>	<b>154,933.8</b>	<b>29.3</b>
Reserve Money	119,269.3	144,591.6	195,574.8	25,322.3	21.2	50,983.2	35.3
Money Multiplier (M1)	1.1	1.1	1.0	0.0	0.3	-0.1	-5.9
Money Multiplier (M2)	3.3	3.4	3.2	0.1	3.3	-0.2	-6.1

1/ Adjusting the exchange valuation gain of Rs. 9871.4 million.

2/ Adjusting the exchange valuation gain of Rs. 8348.4 million.

E = Estimates.



**Table 7**  
**Condensed Assets and Liabilities of Commercial Banks**

(Rs in million)

	Mid-July			Changes			
	2007	2008	2009 <sup>P</sup>	2007/08		2008/09	
				Amount	%	Amount	%
<b>1. Total Deposits</b>	<b>334,453.3</b>	<b>421,523.7</b>	<b>549,828.5</b>	<b>87,070.4</b>	<b>26.0</b>	<b>128,304.7</b>	<b>30.4</b>
1.1 Demand Deposits	42,692.2	54,124.4	69,489.5	11,432.1	26.8	15,365.2	28.4
a. Domestic Deposits	37,575.8	46,261.5	61,749.3	8,685.6	23.1	15,487.8	33.5
b. Foreign Deposits	5,116.4	7,862.9	7,740.3	2,746.5	53.7	-122.6	-1.6
1.2 Saving Deposits	174,633.9	211,406.4	259,872.4	36,772.6	21.1	48,466.0	22.9
a. Domestic Deposits	168,320.4	203,771.0	250,300.9	35,450.6	21.1	46,530.0	22.8
b. Foreign Deposits	6,313.5	7,635.5	9,571.5	1,322.0	20.9	1,936.0	25.4
1.3 Fixed Deposits	114,032.5	152,364.3	216,006.1	38,331.8	33.6	63,641.8	41.8
a. Domestic Deposits	97,215.1	133,633.6	177,976.1	36,418.5	37.5	44,342.6	33.2
b. Foreign Deposits	16,817.3	18,730.7	38,030.0	1,913.4	11.4	19,299.3	103.0
1.4 Margin Deposits	3,094.7	3,628.6	4,460.4	533.9	17.3	831.7	22.9
<b>2. Borrowings from Nepal Rastra Bank</b>	<b>1,870.8</b>	<b>660.7</b>	<b>0.0</b>	<b>-1,210.2</b>	<b>-64.7</b>	<b>-660.7</b>	<b>-100.0</b>
<b>3. Foreign Liabilities</b>	<b>1,628.5</b>	<b>1,912.0</b>	<b>1,670.8</b>	<b>283.5</b>	<b>17.4</b>	<b>-241.2</b>	<b>-12.6</b>
<b>4. Other Liabilities</b>	<b>101,782.9</b>	<b>124,993.9</b>	<b>152,725.2</b>	<b>23,211.0</b>	<b>22.8</b>	<b>27,731.4</b>	<b>22.2</b>
4.1 Paid-up Capital	20,017.1	31,750.3	40,738.3	11,733.2	58.6	8,988.0	28.3
4.2 General Reserves	4,330.7	3,529.9	13,359.5	-800.7	-18.5	9,829.5	278.5
4.3 Other Liabilities	77,435.1	89,713.7	98,627.5	12,278.6	15.9	8,913.8	9.9
<b>5. Assets = Liabilities</b>	<b>439,735.4</b>	<b>549,090.2</b>	<b>704,224.5</b>	<b>109,354.8</b>	<b>24.9</b>	<b>155,134.2</b>	<b>28.3</b>
<b>6. Liquid Funds</b>	<b>64,930.3</b>	<b>79,010.5</b>	<b>116,107.5</b>	<b>14,080.2</b>	<b>21.7</b>	<b>37,097.0</b>	<b>47.0</b>
6.1 Cash in Hand	7,359.8	12,651.9	15,014.6	5,292.1	71.9	2,362.7	18.7
6.2 Balance with Nepal Rastra Bank	22,597.7	23,857.3	45,848.7	1,259.5	5.6	21,991.4	92.2
6.3 Foreign Currency in Hand	454.0	358.8	824.8	-95.2	-21.0	466.0	129.9
6.4 Balance Held Abroad	33,933.0	41,100.6	53,409.3	7,167.6	21.1	12,308.7	29.9
6.5 Cash in Transit	585.8	1,042.0	1,010.2	456.1	77.9	-31.8	-3.1
<b>7. Loans and Advances</b>	<b>340,354.9</b>	<b>420,242.6</b>	<b>518,218.8</b>	<b>79,887.7</b>	<b>23.5</b>	<b>97,976.2</b>	<b>23.3</b>
7.1 Claims on Government	65,850.0	72,100.2	71,576.4	6,250.2	9.5	-523.8	-0.7
7.2 Claims on Non-Financial Govt. Ent.	5,106.4	5,635.5	5,090.3	529.1	10.4	-545.1	-9.7
7.3 Claims on Financial Ent.	2,925.3	4,245.4	7,328.8	1,320.1	45.1	3,083.4	72.6
a. Government	1,055.1	1,238.4	1,177.7	183.3	17.4	-60.7	-4.9
b. Non Government	1,870.2	3,007.1	6,151.1	1,136.8	60.8	3,144.0	104.6
7.4 Claims on Private Sector	265,360.6	336,781.0	432,662.4	71,420.4	26.9	95,881.4	28.5
a. Principal	231,949.1	307,272.1	404,422.9	75,323.0	32.5	97,150.8	31.6
b. Interest Accrued	33,411.5	29,508.9	28,239.5	-3,902.6	-11.7	-1,269.4	-4.3
7.5 Foreign Bills Purchased & Discounted	1,112.6	1,480.5	1,560.9	367.8	33.1	80.4	5.4
<b>8. Other Assets</b>	<b>34,450.3</b>	<b>49,837.1</b>	<b>69,898.1</b>	<b>15,386.8</b>	<b>44.7</b>	<b>20,061.0</b>	<b>40.3</b>
Credit Deposit Ratio	82.1	82.6	81.2				
Liquidity Deposit Ratio	39.1	35.8	34.1				
NFA	5,624.0	6,798.9	-1,217.5	1,099.8 1/	19.6	-8,103.0 2/	-119.2
NDA	300,582.1	380,495.8	495,704.2	79,988.8 1/	26.6	115,295.0 2/	30.3
Other Items, net	66,746.7	74,114.8	81,817.0	7,293.0 1/	10.9	7,615.6 2/	10.3
Total Domestic Deposit	306,206.1	387,294.7	494,486.7	81,088.6	26.5	107,192.0	27.7
Total Foreign Deposits	28,247.2	34,229.1	55,341.8	5,981.8	21.2	21,112.7	61.7

1/ Adjusting the exchange valuation gain of Rs. 75.1 million.

2/ Adjusting the exchange valuation gain of Rs. 86.6 million.

P = Provisional.

**Table 8**  
**Structure of the Nepalese Financial Sector**

(Rs. in million)

	2005	2006	2007	2008	2009*	
	Total assets/ liabilities	Total assets/ liabilities	Total assets/ liabilities	Total assets/ liabilities	Total assets/ liabilities	Deposits/ Fund
<b>Financial Institutions</b>						
Nepal Rastra Bank	142,825.0	167,974.4	174,209.1	212,449.8	274,119.0	-
Commercial Banks	340,633.0	395,965.1	439,735.4	549,090.2	812,165.9	563,604.5
Development Banks*	57,815.0	14,036.0	22,658.2	40,014.7	69,134.9	48,936.4
Microfinance Development Banks	6,300.1	8,197.0	10,281.4	11,998.9	14283.9+	1704.3+
Finance Companies	30,436.7	38,841.0	53,466.0	65,034.8	87,430.0	57,073.4
Financial Co-operatives	2,461.0	2,877.0	3,590.0	4,241.9	4965.1+	3513.0+
Financial NGOS	639.7	894.3	1,842.2	2,382.6	-	-
<b>Contractual Saving Institutions</b>						
Employees Provident Fund	45,131.0	52,330.5	59,225.9	68,334.1	79,150.9	72,669.8
Citizen Investment Trust	5,832.0	7,258.0	9,541.0	15,688.4	20,133.3	16,465.4
Insurance Companies	18,250.0	25,219.0	31,364.0	31,589.4	37,014.3	28,809.1
Postal Savings Bank	189.8	448.2	700.3	827.0	1,025.0	986.2
Total	650,513.2	714,040.5	806,613.5	1,001,651.8	1,399,422.3	779,986.1
Market capitalisation	61,366.0	96,763.0	186,301.3	366,247.6	512,939.0	
Total (incl. market capitalisation)	711,879.2	810,803.5	992,914.8	1,367,899.4	1,912,361.3	779,986.1
<b>Percentage Share</b>						
<b>Financial Institutions</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	
Nepal Rastra Bank	22.0	23.5	21.6	21.2	19.6	
Commercial Banks	52.4	55.5	54.5	54.8	58.0	70.5
Development Banks*	8.9	2.0	2.8	4.0	4.9	6.3
Microfinance Development Banks		1.1	1.3	1.2	1.0	0.2
Finance Companies	4.3	5.4	6.6	6.5	6.2	7.3
Financial Co-operatives	0.4	0.4	0.4	0.4	0.4	0.5
Financial NGOS						
<b>Contractual Saving Institutions</b>	<b>10.6</b>	<b>11.9</b>	<b>12.4</b>	<b>11.5</b>	<b>9.7</b>	<b>15.1</b>
Employees Provident Fund	6.9	7.3	7.3	6.8	5.7	9.3
Citizen Investment Trust	0.9	1.0	1.2	1.6	1.4	2.1
Insurance Companies	2.8	3.5	3.9	3.2	2.6	3.7
Postal Savings Bank	0.0	0.1	0.1	0.1	0.1	0.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Provisional.

+ Mid-Jan. 2009.

**Table 9**  
**Number of Banks and Financial Institutions**

	Mid-July					
	2004	2005	2006	2007	2008	2009
Commercial Bank	17	17	18	20	25	26
Development Banks	15	26	29	38	58	63
Microfinance Development Banks	11	11	11	12	12	15
Finance Companies	58	60	70	24	78	77
Financial Cooperatives*	20	20	19	17	16	16
Financial NGOs*	43	46	47	47	46	45
Insurance Companies	17	19	21	21	25	25

\* NRB Licensed.

**Table 10**  
**Regional Distribution of Banks and Financial Institutions**  
**(As of Mid-July 2009)**

	Eastern	Central	Western	Mid Western	Far Western	Total
Commercial Bank Branches	135	379	147	57	34	752
Development Banks	6	29	20	6	2	63
Microfinance Development Banks	4	7	2	1	1	15
Finance Companies	4	61	10	1	1	77
Financial Cooperatives*	1	9	2	2	2	16
Financial NGOs	10	19	8	7	1	45
Money Changers	40	253	77	13	7	390
Money Transfers	-	48	-	-	-	48

\* NRB Licensed.

**Table 11**  
**Structure of Interest Rates**  
**(Percent per Annum)**

Year	2004	2005	2006	2007	2008	2009
Mid-month	Jul	Jul	Jul	Jul	Jul	Jul
<b>A. Policy Rates</b>						
CRR	6.0	5.0	5.0	5.0	5.0	5.5
Bank Rate	5.5	5.5	6.25	6.25	6.25	6.5
Refinance Rates Against Loans to:						
Sick Industries	2.0	1.5	1.5	1.5	1.5	1.5
Rural Development Banks (RDBs)	4.5	3.0	3.5	3.5	3.5	2.0
Export Credit in Domestic Currency	4.5	3.0	3.5	3.5	2.5	3.5
Export Credit in Foreign Currency	2.0	2.0	3.25	3.25	3.25	LIBOR+25
Standing Liquidity Facility (SLF) Penal Rate <sup>#</sup>	0.0	1.5	1.5	1.5	2.0	3.0
<b>B. Government Securities</b>						
T-bills* (28 days)	1.82	-	2.40	2.13	5.16	4.94
T-bills* (91 days)	1.47	3.94	3.25	2.77	5.13	6.80
T-bills* (182 days)	-	4.42	3.86	3.51	5.16	5.91
T-bills* (364 days)	3.81	4.79	4.04	4.00	6.47	6.55
Development Bonds	3.0-8.0	3.0-8.0	3.0-6.75	3.0-6.75	5.0-8.0	5.0-8.0
National/Citizen SCs	6.5-13.0	6.5-13.0	6.0-8.5	6.0-8.5	6.0-7.75	6.0-8.0
<b>C. Interbank Rate</b>						
	0.71	4.71	2.13	3.03	3.61	3.44
<b>D. Commercial Banks</b>						
<b>1. Deposit Rates</b>						
Savings Deposits	2.0-5.0	1.75-5.0	2.0-5.0	2.0-5.0	2.0-6.50	2.0-7.5
Time Deposits						
1 Month	2.0-3.5	1.75-3.5	1.5-3.5	1.5-3.5	1.5-3.75	1.5-5.25
3 Months	2.0-4.0	1.5-4.0	1.5-4.0	1.50-4.0	1.50-6.75	1.50-6.0
6 Months	2.0-4.5	2.5-4.5	1.75-4.5	1.75-4.5	1.75-6.75	1.75-7.0
1 Year	2.75-5.75	2.25-5.0	2.25-5.0	2.25-5.0	2.5-6.0	2.5-9.0
2 Years and Above	3.0-6.0	2.5-6.05	2.5-6.4	2.5-5.5	2.75-6.75	2.75-9.5
<b>2 Lending Rates</b>						
Industry	8.5-13.5	8.25-13.5	8.0-13.5	8.0-13.5	7.0-13.0	8.0-13.50
Agriculture	10.5-13	10-13	9.5-13	9.5-13	9.5-12	9.5-12.0
Export Bills	4.0-11.5	4.0-12.0	5.0-11.5	5.0-11.5	5.0-11.5	6.50-11.0
Commercial Loans	9-14.5	8.0-14	8.0-14	8.0-14.0	8.0-13.5	8.0-14.0
Overdrafts	10.0-16.0	5-14.5	6.5-14.5	6.0-14.5	6.50-13.5	6.50-13.5

\* Weighted average discount rate.

# The SLF rate is determined at the penal rate added to the latest weighted average discount rate of 91-day Treasury Bills.

**Table 12**  
**Stock Market**

Descriptions	Mid July							
	2002	2003	2004	2005	2006	2007	2008	2009
Number of Listed Companies	96	108	114	125	135	135	142	159
Paid up value of Listed Shares (Rs. in million)	8680	11898	12016	16776	19958	21746	29465	61140
Paid up value /GDP (%)	1.9	2.4	2.2	2.8	3.1	3.0	3.6	6.3
Market Capitalization (Rs. in million)	34704	35240	41425	61366	96764	186301	366248	512939
Market Capitalization/GDP (%)	7.6	7.2	7.7	10.4	15.0	25.9	44.7	53.4
Annual Turnover (Rs. in million)	1541	576	2144	4508	3451	8360	22821	21681
Annual Turnover/Paid up Value (%)	17.7	4.8	17.8	26.9	17.3	38.4	77.5	35.5
Turnover/Market Capitalization (%)	4.4	1.6	5.2	7.3	3.6	4.5	6.2	4.2
NEPSE Index (Closing)	227.5	204.9	222	286.7	386.8	683.9	963.4	749.1

Source: Nepal Stock Exchange Ltd.

**Table 13**  
**Government Budgetary Operation**

(Rs in million)

	2004/05	2005/06	2006/07	2007/08	2008/09 <sup>R</sup>
<b>Revenue</b>	<b>70,122.8</b>	<b>72,279.1</b>	<b>87,712.1</b>	<b>107,622.5</b>	<b>142,211.3</b>
Tax Revenue	54,104.8	57,424.0	71,168.0	58,155.5	116,996.7
Non-Tax Revenue	14,770.3	13,341.5	15,518.5	19,783.8	21,375.3
Principal Refund	1,247.7	1,513.6	1,025.6	2,683.2	3,839.4
<b>Total Expenditure</b>	<b>102,560.4</b>	<b>110,889.2</b>	<b>133,604.5</b>	<b>161,349.9</b>	<b>213,578.4</b>
Recurrent	61,686.4	67,017.8	77,122.3	91,446.9	122,079.5
Capital	27,340.7	29,606.6	39,729.9	53,516.1	73,309.5
Principal Repayment	13,533.3	14,264.8	16,752.3	16,386.9	18,189.3
<b>Surplus (+)/ Deficit (-) Before Grants</b>	<b>-32,437.6</b>	<b>-38,610.1</b>	<b>-45,892.4</b>	<b>53,727.0</b>	<b>71,367.0</b>
<b>Foreign Grants</b>	<b>14,391.1</b>	<b>13,827.5</b>	<b>15,800.8</b>	<b>20,320.7</b>	<b>34,570.4</b>
<b>Surplus (+)/Deficit (-) After Grants</b>	<b>-18,046.5</b>	<b>-24,782.6</b>	<b>30,091.6</b>	<b>33,400.7</b>	<b>36,796.6</b>
<b>Sources of Deficit Financing</b>					
Foreign Loans	9,266.1	8,214.3	10,053.6	8,979.9	10,405.4
Domestic Loans	8,938.1	11,834.2	17,892.3	20,496.4	25,000.0
<b>Cash Balances Surplus (+) Deficit (-)</b>	<b>157.7</b>	<b>-4,731.1</b>	<b>-2,145.7</b>	<b>-3,930.4</b>	<b>-1,391.2</b>

R = Revised

Source: Budget Speech of GON, MOF

**Table 14**  
**Outstanding Debt\* of Government of Nepal**

(Rs in million)

	2004/05	2005/06	2006/07	2007/08	2008/09 <sup>R</sup>
<b>Domestic</b>	<b>82,842.0</b>	<b>89,955.0</b>	<b>99,303.8</b>	<b>111,239.1</b>	<b>120,873.7</b>
Treasury Bills	51,383.1	62,970.3	74,445.3	85,033.0	86,515.1
Development Bonds	19,999.2	17,959.2	19,177.1	21,735.4	29,478.5
National Savings Certificate	6,576.8	3,876.8	1,516.9	1,116.9	216.9
Citizen Savings Certificate	1,428.9	1,678.9	1,391.0	3,014.4	4,433.6
Special Bonds	3,454.0	3,469.8	2,773.5	339.4	229.6
<b>Foreign</b>	<b>219,641.9</b>	<b>233,968.6</b>	<b>216,628.9</b>	<b>249,965.4</b>	<b>273,607.3</b>
Domestic Debt/GDP (%)	14.1	13.7	13.7	13.6	12.6
Foreign Debt/GDP (%)	37.3	35.8	29.8	30.5	28.5
Total Debt/GDP (%)	51.3	49.5	43.4	44.1	41.1

\* Excluding overdraft borrowing of the GON from NRB and IMF promissory notes

Foreign Outstanding Debt for 2008/09 is preliminary estimate

Source: Economic Survey, NRB and FCGO

**Table 15**  
**Foreign Trade**

(Rs in million)

	2004/05	2005/06	2006/07	2007/08 <sup>R</sup>	2008/09 <sup>P</sup>
<b>Total Exports</b>	<b>58,705.7</b>	<b>60,234.1</b>	<b>59,383.1</b>	<b>59,266.5</b>	<b>67,247.1</b>
To India	38,916.9	40,714.7	41,728.8	38,555.7	40,964.1
To Other Countries	19,788.8	19,519.4	17,654.3	20,710.8	26,283.0
<b>Total Imports</b>	<b>149,473.6</b>	<b>173,780.3</b>	<b>194,694.6</b>	<b>221,937.7</b>	<b>284,571.0</b>
From India	88,675.5	107,143.1	115,872.3	142,376.5	163,892.4
From Other Countries	60,798.1	66,637.2	78,822.3	79,561.2	120,678.6
<b>Major Exports</b>					
Woolen Carpet	5,868.7	5,838.7	5,600.2	5,048.2	5,676.3
Readymade Garments	6,490.5	7,341.4	5,977.9	5,333.9	6,528.4
Hides and Skin	574.4	645.2	642.2	594.7	472.9
Pulses	773.6	834.9	795.4	1,773.2	6,628.7
Raw Jute and Jute Goods	2,693.5	2,636.8	2,758.4	2,613.6	1,428.8
Handicrafts	748.9	463.8	270.2	215.8	791.5
Vegetable Ghee	4,635.9	3,861.7	4,136.5	2,132.3	9.1
Polyester Yarn	1,896.3	3,476.3	2,241.0	2,618.0	2,499.2
Soap	368.0	363.6	502.7	424.2	591.0
Tooth Paste	1,283.0	730.8	663.4	475.6	813.2
<b>Major Imports</b>					
Petroleum Products	26,294.5	34,206.0	34,139.8	41,338.7	42,209.2
Transport Equipment & Parts	7,264.6	7,369.4	12,503.7	16,266.4	21,617.4
Chemical Fertilizer	947.2	1,441.4	1,241.3	335.3	210.0
Raw Wool	1,841.1	1,511.1	1,630.8	1,394.8	355.9
Thread	5,911.3	3,777.7	4,415.6	4,452.1	4,004.4
Textiles	5,165.5	4,906.0	4,209.5	3,630.2	4,694.8
Medicine	4,138.2	5,497.1	5,979.4	6,697.1	9,669.2
Electrical Goods	2,536.8	4,434.0	5,331.0	7,532.5	11,651.6
Cement	2,457.4	1,933.6	2,519.9	2,337.0	4,032.1
Other Machinery and Parts	6,733.1	6,340.1	5,563.7	8,584.0	13,138.8

\* Based on customs data.

P Provisional.



**Table 16**  
**Nepal's Trade Balance with Major Trading Partners in 2008/09<sup>P</sup>**  
(Rs in thousand)

SN	Country	Export	Import	Trade Balance
1	Afghanistan	2,345.6	6,225.2	-3,879.6
2	Argentina	2,476.5	6,478,282.7	-6,475,806.3
3	Austria	78,344.9	235,438.8	-157,093.9
4	Australia	432,742.6	2,283,158.0	-1,850,415.3
5	Bangladesh	4,710,402.0	418,012.2	4,292,389.8
6	Belgium	313,351.1	425,524.3	-112,173.2
7	Bhutan	194,826.2	352,366.6	-157,540.3
8	Brazil	73,339.9	77,116.6	-3,776.7
9	Bulgaria	5,455.2	70,082.5	-64,627.3
10	Canada	795,371.9	927,280.9	-131,909.0
11	China P.R.	1,847,934.5	32,852,910.3	-31,004,975.8
12	Czech Republic	49,927.8	97,414.8	-47,487.0
13	Denmark	215,272.9	357,910.1	-142,637.3
14	Egypt	263,544.9	399,288.6	-135,743.8
15	Finland	24,401.0	76,637.0	-52,236.0
16	France	1,144,694.9	2,417,042.2	-1,272,347.3
17	Germany	2,785,047.1	2,244,435.4	540,611.6
18	Guadeloupe	11,087.1	908.4	10,178.8
19	Hongkong	303,463.4	1,612,837.1	-1,309,373.8
20	India	40,964,100.0	163,892,400.0	122,928,300.0
21	Indonesia	569.5	8,307,186.1	-8,306,616.6
22	Ireland	46,290.5	18,737.9	27,552.6
23	Israel	6,664.3	613,316.8	-606,652.5
24	Italy	851,549.4	457,882.3	393,667.1
25	Japan	572,659.5	6,111,188.9	-5,538,529.5
26	Korea D.P.R	19,389.6	321,009.2	-301,619.6
27	Korea R.	56,068.7	2,955,257.1	-2,899,188.5
28	Kuwait	58,504.4	353,308.5	-294,804.2
29	Liberia	12,483.3	4.2	12,479.1
30	Luxembourg	11,446.3	-	11,446.3
31	Malaysia	81,301.9	4,888,938.8	-4,807,636.9
32	Netherlands	249,273.0	758,478.8	-509,205.8
33	New Zealand	26,575.0	887,780.2	-861,205.2

contd...

SN	Country	Export	Import	Trade Balance
34	Norway	48,443.5	31,627.5	16,815.9
35	Pakistan	86,003.3	248,893.2	-162,889.9
36	Poland	9,467.6	46,140.7	-36,673.2
37	Portugal	44,938.1	13,981.4	30,956.7
38	Qatar	16,863.0	855,643.6	-838,780.7
39	Russia	55,165.9	1,086,927.7	-1,031,761.8
40	Saudi Arabia	112,651.7	8,683,695.4	-8,571,043.8
41	Senegal	14,674.3	4,128.0	10,546.3
42	Sierra Leone	39,667.0	11,945.4	27,721.7
43	Singapore	509,185.0	7,047,113.5	-6,537,928.5
44	Slovakia	3,361.1	54,088.5	-50,727.4
45	Slovenia	12,336.2	710.4	11,625.8
46	South Africa	71,667.4	239,118.8	-167,451.4
47	Spain	214,190.1	304,387.7	-90,197.7
48	Sri Lanka	161,543.5	58,224.4	103,319.2
49	Sudan	70,373.2	29,536.4	40,634.9
50	Suriname	82,778.8	-	82,778.8
51	Sweden	58,519.7	1,598,811.8	-1,540,292.1
52	Switzerland	251,929.2	2,013,739.9	-1,761,810.8
53	Taiwan	55,072.5	1,752,847.5	-1,697,775.0
54	Thailand	22,107.2	6,637,979.2	-6,615,872.0
55	Tokelau	33,978.8	-	33,978.8
56	Turkey	472,457.8	87,041.5	385,416.4
57	U.A.E.	575,787.3	3,447,989.2	-2,872,201.9
58	U.K.	1,429,685.7	6,499,878.9	-5,070,193.2
59	U.S.A.	4,878,573.1	3,808,616.1	1,069,957.0
60	Ukraine	12,921.3	2,029,459.2	-2,016,537.9
61	Vietnam	135,832.6	363,226.0	-227,393.4

P = Provisional.

Source: Nepal Rastra Bank/Trade and Export Promotion Center.

**Table 17**  
**Balance of Payments**

(Rs in million)

	2005/06	2006/07	2007/08 <sup>R</sup>	2008/09 <sup>P</sup>	Percentage Change	
					2007/08	2008/09
<b>A. Current Account</b>	<b>14,224.5</b>	<b>-902.2</b>	<b>23,679.6</b>	<b>41,437.3</b>	<b>-</b>	<b>75.0</b>
Goods: Exports, f.o.b.	61,482.4	61,488.4	61,971.1	69,906.8	0.8	12.8
Goods: Imports, f.o.b.	-171,540.8	-190,437.1	-217,962.8	-279,227.8	14.5	28.1
<b>Balance on Goods</b>	<b>-110,058.4</b>	<b>-128,948.7</b>	<b>-155,991.7</b>	<b>-209,321.0</b>	<b>21.0</b>	<b>34.2</b>
Services: Credit	26,469.7	32,078.9	42,236.1	52,830.1	31.7	25.1
Travel	9,555.8	10,125.3	18,653.1	27,959.8	84.2	49.9
Government, n.i.e.	7,441.5	12,336.4	13,301.8	12,734.4	7.8	-4.3
Other	9,472.4	9,617.2	10,281.2	12,135.9	6.9	18.0
Services: Debit	-33,288.0	-40,456.2	-53,328.1	-63,308.1	31.8	18.7
Transportation	-12,592.3	-14,557.4	-22,675.9	-22,116.2	55.8	-2.5
Travel	-11,960.8	-15,785.0	-20,862.0	-31,396.3	32.2	50.5
Other	-8,734.9	-10,113.8	-9,790.2	-9,795.6	-3.2	0.1
<b>Balance on Goods and Services</b>	<b>-116,876.7</b>	<b>-137,326.0</b>	<b>-167,083.7</b>	<b>-219,799.0</b>	<b>21.7</b>	<b>31.6</b>
Income: Credit	11,432.3	14,500.8	13,447.7	16,506.6	-7.3	22.7
Income: Debit	-6,476.8	-7,069.0	-5,500.9	-4,757.1	-22.2	-13.5
<b>Balance on Goods, Services and Income</b>	<b>-111,921.2</b>	<b>-129,894.2</b>	<b>-159,136.9</b>	<b>-208,049.5</b>	<b>22.5</b>	<b>30.7</b>
Current Transfers: Credit	130,861.7	133,196.8	185,462.9	257,461.3	39.2	38.8
Grants	18,851.1	18,218.2	20,993.2	26,796.2	15.2	27.6
Workers' Remittances	97,688.5	100,144.8	142,682.7	209,698.5	42.5	47.0
Pensions	12,007.6	12,937.0	18,789.9	17,755.4	45.2	-5.5
Other	2,314.5	1,896.8	2,997.1	3,211.2	58.0	7.1
Current Transfer: Debit	-4,716.0	-4,204.8	-2,646.4	-7,974.5	-37.1	201.3
<b>B. Capital Account (Capital Transfers)</b>	<b>3,107.0</b>	<b>4,449.9</b>	<b>7,912.5</b>	<b>6,231.0</b>	<b>77.8</b>	<b>-21.3</b>
<b>C. Financial Account (excluding Group E)</b>	<b>-1,324.5</b>	<b>-2,362.1</b>	<b>11,032.6</b>	<b>21,597.1</b>	<b>-567.1</b>	<b>95.8</b>
Direct Investment in Nepal	-469.7	362.3	293.9	1,829.2	-	522.4
Other Investment: Assets	-14,008.8	-10,690.0	-11,396.1	-17,675.1	6.6	55.1
Other Investment: Liabilities	13,154.0	7,965.6	22,134.8	37,443.0	177.9	69.2
Trade Credits	9,232.5	1,727.8	12,483.6	19,554.6	622.5	56.6
Loans	526.9	1,455.6	3,391.5	-2,899.0	133.0	-185.5
General Government	703.7	2,150.7	3,455.9	-2,832.4	60.7	-182.0
Drawings	7,691.0	9,689.7	11,325.5	7,287.9	16.9	-35.7
Repayments	-6,987.3	-7,539.0	-7,869.6	-10,120.3	4.4	28.6
Other Sectors	-176.8	-695.1	-64.4	-66.6	-90.7	3.4
Currency and Deposits	3,394.6	4,782.2	6,259.7	20,787.4	30.9	232.1
<b>D. Miscellaneous Items, Net</b>	<b>12,985.4</b>	<b>9,500.9</b>	<b>-6,690.3</b>	<b>-10,745.6</b>	<b>-170.4</b>	<b>60.6</b>
<i>Total Group A through D</i>	<i>28,992.4</i>	<i>10,686.5</i>	<i>35,934.4</i>	<i>58,519.8</i>	<i>236.3</i>	<i>62.9</i>
<b>E. Reserves and Related Items</b>	<b>-28,992.4</b>	<b>-10,686.5</b>	<b>-35,934.4</b>	<b>58,519.8</b>	<b>236.3</b>	<b>62.9</b>
<b>Change in Net Foreign Assets (-Increase)</b>	<b>-25,597.8</b>	<b>-5,904.3</b>	<b>-29,674.5</b>	<b>-37,732.4</b>	<b>402.6</b>	<b>27.2</b>
<b>Gross Foreign Exchange Reserve</b>	<b>165,033.0</b>	<b>165,126.0</b>	<b>212,623.5</b>	<b>279,985.3</b>	<b>28.8</b>	<b>31.7</b>
<b>Months of Import Covered</b>	<b>11.4</b>	<b>10.2</b>	<b>11.5</b>	<b>11.8</b>	<b>-</b>	<b>-</b>
<b>Official Exchange Rate Per US\$ (Annual Buying Average in Rs.)</b>	<b>72.0</b>	<b>70.2</b>	<b>64.7</b>	<b>76.6</b>	<b>-</b>	<b>-</b>

P Provisional.