



**MACROECONOMIC INDICATORS
OF
NEPAL**

March 2004

NEPAL RASTRA BANK
RESEARCH DEPARTMENT
STATISTICS DIVISION

(also available at www.nrb.org.np)

Table 1	
General Information	
Area (In Sq. Km.)	
Area	147181
Area Under Cultivation	39003
Forest	62405
Snow	5004
Pasture	17367
Others	23402
Population*	
Total Population (In Million)	23.2
Average Annual Growth Rate (In Percent)	2.2
Density of Population (Per Sq. Km.)	157
Rural Population:	
In Million	20.0
In Percent of Total Population	86.0
Urban Population:	
In Million	3.2
In Percent of Total Population	14.0
Socio-Physical Infrastructure (FY 2002/03)	
Literacy Rate (In Percent of Total Population)	53.7
Drinking Water Available (In Percent of Total Population)	71.6
Electricity Available (In Percent of Total Population)	40.0
Area Under Irrigation (In Percent of Total Arable Land)	33.0
Number of Hospital Beds	5310 ^E
Number of Doctors**	1259 ^E
Number of Primary Schools***	25911
Number of Lower Secondary Schools***	7404
Number of Secondary Schools***	5442
Number of Higher Secondary Schools***	789
Number of Universities	5
Telephone Line Distribution (In Units)	356323
Extension of Road*** (In Km)	15985
Bank and Non-Bank Financial Institutions (Mid-Feb. 2004)	
Number of Commercial Banks	17
Number of Commercial Bank Branches****	447
Number of Development Banks	19
Number of Rural Development Banks	5
Number of Finance Companies	58
Number of Cooperative Societies (Licensed by NRB)	34
Number of Micro Finance Non Governmental Organizations (Licensed by NRB)	44
Number of Insurance Companies	18
Tourism (2002)	
Tourists Arrival (In Thousand)	270
Number of Hotel Beds (In Thousand)	37
Per Capita Expenditure of Third Country Tourists (In Rs.)	35553
Average Duration of Stay (Days)	11.9
* Based on Population Census of 2001. ** HMG employees only *** Up to mid-July, 2003 **** Including commercial banking branches of ADB/N, as at mid-July 2003 E Estimated	

Source: Economic Survey, FY 2002/03 and Other HMG Publications.

Table 2				
Summary of Macroeconomic Indicators				
	1999/00	2000/01	2001/02	2002/03 ^R
Percentage Changes Over Previous Year				
Real GDP at Producers' Price	6.1	5.5	-0.6	3.0
Nominal GDP at Producers' Price	10.9	8.2	2.8	7.4
GNP at Current Price	11.2	8.7	3.1	8.1
Total Consumption	8.9	8.5	6.4	8.2
Total Investment	31.7	7.0	9.5	12.9
Gross National Saving	23.1	9.9	-11.1	7.5
Gross Domestic Saving	23.6	6.9	-17.6	1.6
Gross Fixed Capital Formation	12.3	6.4	4.6	6.5
Money Supply (M1)	19.4	15.7	9.3	8.5
Broad Money (M2)	21.8	15.2	4.4	9.8
Domestic Credit	17.1	18.5	10.4	10.2
Time Deposits	23.0	15.0	2.1	10.4
Total Exports	39.7	11.7	-15.6	6.4
Total Imports	24.0	6.6	-7.2	15.8
Gross Forex Reserve	22.5	12.1	0.7	2.2
Government Revenue	15.1	14.0	3.2	9.5
Government Tax Revenue	15.3	35.2	18.6	9.6
Government Expenditure	11.2	20.5	0.3	5.6
Revenue Surplus	34.9	-26.8	-69.7	-170.4
Government Budgetary Deficit	-1.8	36.9	-5.2	-8.7
Domestic Borrowing*	-4.6	107.4	25.5	-21.3
National Urban Consumer Price Index	3.5	2.4	2.9	4.8
National Wholesale Price Index	--	1.4	4.9	3.8
As % of Gross Domestic Product (Nominal GDP at Producers' Prices)				
Total Consumption	84.8	85.0	88.0	88.6
Total Investment	24.3	24.0	25.6	26.9
Gross National Saving	18.6	18.9	16.4	16.4
Gross Domestic Saving	15.1	15.0	12.0	11.3
Gross Fixed Capital Formation	19.3	19.0	19.3	19.2
Money Supply (M1)	16.1	17.2	18.3	18.5
Broad Money (M2)	49.0	52.3	53.0	54.2
Domestic Credit	41.8	45.8	49.1	50.4
Time Deposits	33.0	35.1	34.8	35.7
Total Exports	13.1	13.6	11.1	11.0
Total Imports	28.6	28.2	25.4	27.4
Trade Balance	-13.8	-13.8	-12.6	-15.5
Current Account Balance	4.5	4.9	4.3	2.6
Gross Forex Reserves	24.7	25.6	25.1	23.9
Government Revenue	11.3	11.9	11.9	12.2
Government Tax Revenue	8.7	9.5	9.3	9.4
Government Expenditure	17.5	19.5	19.0	18.6
Revenue Surplus	2.2	1.5	0.4	-0.3
Government Budgetary Deficit	4.7	5.9	5.4	4.6
Domestic Borrowing*	1.5	3.0	3.6	2.6
* Including change in cash balance.				
R Revised Estimates.				

Source: Central Bureau of Statistics and Nepal Rastra Bank.

Table 3				
Real Sector				
(Rs. in Million)				
	1999/00	2000/01	2001/02	2002/03 ^R
Real GDP at Producers' Price (1994/95)	277374	292628	290845	299524
Real GDP at Factor Cost	267096	279750	278774	286073
Agriculture	100856	106380	108752	111341
Non-agriculture	166240	173370	170022	174732
Total Investment	92272	98815	108226	122171
Gross Fixed Capital Formation	73324	78031	81613	86963
Public Sector	26436	31268	32044	31252
Private Sector	46888	46763	49569	55711
Total Consumption	321911	349257	371526	402188
Public Consumption	33964	40150	42327	46653
Private Consumption	287947	309107	329199	355535
Gross Domestic Saving	57577	61532	50718	51510
Gross National Saving	70702	77704	69093	74254
Nominal GDP at Producers' Price	379488	410789	422244	453698
Nominal GDP at Factor Cost	366251	393566	405575	434294
Agriculture	145131	151059	160144	170073
Non-agriculture	221120	242507	245431	264221
Mining & Quarrying	1815	1924	2056	2188
Manufacturing	33550	35495	32805	34337
Electricity, Gas & Water	5942	7004	8206	9345
Construction	37382	39584	42290	45014
Trade, Restaurant & Hotel	42895	44572	40772	44046
Transportation Communication and Storage	29336	33297	34652	38030
Finance and Real Estate	36919	41634	43882	47553
Community & Social Service	33281	38997	40768	43708
R	Revised.			

Source: Central Bureau of Statistics.

Table 4
National Urban Consumer Price Index
(Base Year : 1995/96 = 100)

	Weight (Percent)	Percentage Changes			
		1999/00	2000/01	2001/02	2002/03
Overall Index	100.00	3.5	2.4	2.9	4.8
Food and Beverages	53.20	0.4	-2.3	3.7	4.4
Grains and Cereal Products	18.00	8.6	-13.7	2.1	8.2
Rice & Rice Products	(14.16)	9.7	-14.7	1.1	8.6
Pulses	2.73	-4.0	2.4	1.9	1.1
Vegetables and Fruits	7.89	-16.9	4.1	7.5	0.5
Spices	1.85	1.4	8.4	2.0	-8.8
Meat, Fish and Eggs	5.21	4.3	2.8	4.1	3.3
Milk and Milk Products	4.05	3.6	5.7	1.2	1.0
Oil and Ghee	3.07	-22.6	-4.7	8.3	19.6
Sugar and Related Products	1.21	-3.9	11.5	5.9	-7.0
Beverages	2.28	3.7	2.0	5.0	6.9
Restaurant Meals	6.91	7.9	8.0	3.3	3.5
Non-food and Services	46.80	7.1	8.1	2.1	5.0
Cloths, Clothing and Sew. Ser.	8.92	4.7	2.2	2.5	1.4
Cloths	(2.28)	6.8	2.7	1.7	-0.7
Clothing and Sew. Ser.	(5.75)	3.5	2.0	2.5	2.3
Footwear	2.20	1.8	1.6	1.6	1.1
Housing	14.87	7.1	11.8	1.4	5.9
Fuel, Light & Water	(5.92)	13.3	22.3	-0.9	8.3
Transportation & Communication	4.03	12.5	8.1	2.5	6.0
Medical & Personal Care	8.03	6.4	5.7	6.2	4.3
Education, Read. & Recreation	7.09	9.9	14.0	-1.3	9.3
Tobacco & Related Products	1.66	5.5	1.8	4.6	2.9

Table 5				
Monetary Survey				
<i>(Rs. in Million)</i>				
	Mid-July			
	2000	2001	2002	2003
Foreign Assets, Net	80467.5	87798.0	88419.1	91407.0
Foreign Assets	94855.8	106190.7	106996.2	109306.3
Foreign Liabilities	14388.3	18392.6	18577.1	17899.3
Net Domestic Assets	105653.4	126656.1	135569.2	154504.3
Domestic Credit	158533.5	187871.4	207323.0	228443.8
Net Claims on Govt.	38775.0	49191.1	59576.6	62825.0
<i>Claims on Govt.</i>	<i>38775.0</i>	<i>49191.1</i>	<i>59576.6</i>	<i>63286.7</i>
<i>Government Deposits</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>461.7</i>
Claims on Non-financial Govt.	1808.1	2223.0	3076.0	2833.2
Claims on Financial Institution	8502.8	9699.4	11355.1	11828.7
Claims on Private Sector	109447.6	126757.9	133315.3	150956.9
Net Non-monetary Liabilities	52880.1	61215.3	71753.8	73939.6
Broad Money	186120.9	214454.1	223988.3	245911.3
Money Supply	60979.8	70576.9	77156.2	83754.1
<i>Currency</i>	<i>42143.0</i>	<i>48295.1</i>	<i>55658.3</i>	<i>56885.2</i>
<i>Demand Deposits</i>	<i>18836.8</i>	<i>22281.8</i>	<i>21497.9</i>	<i>26868.9</i>
Time Deposits	125141.1	143877.2	146832.1	162157.2
Reserve Money	61003.7	70566.6	78969.7	80979.5

Table 6				
Stock Market				
	Mid-July			
	2000	2001	2002	2003
Number of Listed Companies	110	115	96	108
Paid-up Value of Listed Shares (Rs. in Million)	7347.4	7919.1	8680.2	11898.0
Paid -up Value /GDP (In Percent)	1.9	1.9	2.1	2.6
Market Capitalization (Rs. in Million)	43123.3	46349.4	34704.0	35240.0
Market Capital/GDP (In Percent)	11.4	11.3	8.2	7.8
Annual Turnover (Rs. in Million)	1157.0	2343.3	1540.6	576.0
NEPSE Index (Closing)	360.7	348.4	227.5	204.9

Source: Nepal Stock Exchange Ltd.

Table 7
Condensed Assets and Liabilities of Commercial Banks
(Rs. in Million)

	Mid-July			
	2000	2001	2002	2003
Total Deposits 154530.3	181203.4	183728.1	202733.8	
Demand Deposits	20307.6	24629.2	23749.2	28299.4
Domestic Deposits	16364.0	20111.9	19247.5	23188.2
Foreign Deposits	3943.6	4517.3	4501.7	5111.2
Saving Deposits	65703.6	80987.8	83817.7	97236.4
Domestic Deposits	63364.3	77602.1	79984.4	92889.4
Foreign Deposits	2339.3	3385.7	3833.3	4347.0
Fixed Deposits	66516.2	73488.8	74373.7	75348.4
Domestic Deposits	59773.9	64177.5	65060.2	67418.2
Foreign Deposits	6742.3	9311.3	9313.5	7930.2
Margin Deposits	2002.9	2097.6	1787.5	1849.6
Borrowings from Nepal Rastra Bank	45.1	5.5	1043.7	947.4
Foreign Liabilities	0.0	0.0	228.4	134.2
Capital & Other Liabilities	52272.4	64319.7	65933.2	88234.2
Assets = Liabilities	206847.8	245528.6	250933.4	292049.6
Liquid Funds 45160.9	50643.8	46951.9	41330.0	
Cash in Hand 3507.0	4116.9	4908.9	4723.3	
Balance with Nepal Rastra Bank	12880.9	15984.7	16152.1	15690.3
Foreign Currency in Hand	632.1	665.9	616.9	721.6
Balance Held Abroad	25595.2	27497.6	23258.3	19366.1
Cash in Transit	2545.7	2378.7	2015.7	828.7
Loans and Advances	136184.8	160919.4	173319.2	201822.5
Claims on Government	18176.7	25393.0	29143.8	39469.3
Claims on Non-financial Govt.	1800.6	2215.5	3068.5	2825.7
Claims on Financial Institution	6883.7	8009.9	9692.0	10278.7
Claims on Private Sector	107343.1	123417.4	130088.4	148073.2
Foreign Bills Purchased and Discounted 1980.7	1883.6	1326.5	1175.6	
Other Assets	25502.1	33965.4	30662.2	48897.1

Table 8				
Government Budgetary Operation				
(Rs. in Million)				
	1999/00	2000/01	2001/02	2002/03^R
Total Expenditure	66272.5	79835.1	80072.2	84572.3
Regular Expenditure	34523.3	42769.2	48590.0	56556.4
Development Expenditure	31749.2	37065.9	31482.2	28015.9
Sources of Financing	48605.5	55647.0	57131.6	63622.3
Revenue	42893.8	48893.6	50445.5	55250.0*
Foreign Grants	5711.7	6753.4	6686.1	8372.3
Bilateral	4171.2	2184.5	4588.3	6342.3
Multilateral	1540.5	4568.9	2097.8	2030.0
Revenue Surplus	8370.5	6124.4	1855.5	-1306.4
Surplus (+) Deficit (-)	-17667.0	-24188.1	-22940.7	-20950.0
Sources of Deficit Financing	17667.0	24188.1	22940.7	20950.0
Foreign Loans	11812.2	12044.0	7698.7	8950.0
Bilateral	757.9	586.7	87.0	100.0
Multilateral	11054.3	11457.3	7611.7	8850.0
Domestic Borrowings	5500.0	7000.0	8000.0	12000.0
Banking System	3300.0	0.0	0.0	0.0
Non-Banking System	2200.0	0.0	0.0	0.0
Change in Cash Balance (-Surplus)	354.8	5144.1	7242.0	0.0
R Revised Estimates.				
* The latest update is Rs 56229.8 million				

Source: Budget Speech of HMG, MOF.

Table 9
Foreign Trade*

(Rs. in Million)

	1999/00	2000/01	2001/02	2002/03
Total Exports	49822.7	55654.1	46944.8	49930.6
To India	21220.7	26030.2	27956.2	26430.0
To Other Countries	28602.0	29623.9	18988.6	23500.6
Total Imports	108504.9	115687.2	107389.0	124352.1
From India	47428.6	54700.9	56622.1	70924.2
From Other Countries	61076.3	60986.3	50766.9	53427.9
Major Exports				
Woolen Carpet	9842.1	8592.3	6212.5	5320.0
Readymade Garments	13942.4	13124.7	7833.0	11890.1
Hides and Skin	340.8	708.9	622.5	475.8
Pulses	1056.8	1214.6	1221.7	1095.3
Raw Jute and Jute Goods	1103.9	1407.8	1638.4	1899.0
Handicrafts	253.2	263.1	265.6	396.9
Vegetable Ghee	2743.0	3560.3	7081.4	3812.3
Polyester Yarn	630.3	773.6	1070.4	656.9
Soap	1083.5	950.6	528.9	469.2
Tooth Paste	2262.9	2033.4	1606.7	1002.8
Major Imports				
Petroleum Products	8284.8	10565.4	14308.3	19102.0
Transport Equipment & Parts	5227.9	6886.9	6072.8	5542.3
Chemical Fertilizer	2842.4	760.6	2652.0	878.5
Raw Wool	2193.3	1800.1	1010.9	1604.8
Thread	5693.1	5491.7	2628.3	2561.9
Textiles	5814.6	7243.3	5048.8	6218.1
Medicine	3363.1	3303.8	3661.3	3845.0
Electrical Goods	2129.1	1910.5	2372.7	2441.3
Cement	1608.9	2184.9	2749.8	2934.7
Other Machinery and Parts	6156.2	5616.8	3949.5	4508.1
* Based on custom data.				

Table 10
Balance of Payments

(Rs. in Million)

	1999/00	2000/01	2001/02	2002/03
A. Current Account	17084.4	20148.5	18161.1	11614.7
Goods: Exports, f.o.b.	58494.7	69788.5	57983.5	50760.7
Goods: Imports, f.o.b.	-110750.2	-126238.0	-111342.0	-121053.0
Balance on Goods	-52255.5	-56449.5	-53358.5	-70292.3
Services: Credit	30819.9	29821.7	23508.2	26518.9
Travel	12073.9	11717.0	8654.3	11747.7
Government, n.i.e.	8827.2	7614.2	8894.5	6624.0
Other	9918.8	10490.5	5959.8	8147.2
Services: Debit	-18895.0	-20519.4	-19569.8	-19469.2
Transportation	-8527.0	-9308.7	-8854.4	-8618.4
Travel	-4720.2	-5520.4	-5731.1	-6171.5
Other	-5647.8	-5690.3	-4984.3	-4679.3
Balance on Goods and Services	-40330.6	-47147.2	-49420.1	-63242.6
Income: Credit	4569.3	5470.5	4297.0	4487.0
Income: Debit	-2208.0	-3769.8	-4901.9	-5162.7
Balance on Goods, Services and Income	-37969.3	-45446.5	-50025.0	-63918.3
Current Transfers: Credit	56952.8	67027.7	70157.3	77765.1
Grants	12874.8	12046.4	12650.5	13842.2
Workers' Remittances	36818.1	47216.1	47536.3	54203.3
Pensions	5941.0	6309.1	8269.6	7327.3
Other	1318.9	1456.1	1700.9	2392.3
Current Transfer: Debit	-1899.1	-1432.7	-1971.2	-2232.1
B. Capital Account	7899.6	6173.1	5694.0	5393.9
Capital Transfers	7899.6	6173.1	5694.0	5393.9
C. Financial Account (excluding Group E)	6205.4	-28522.2	-37333.4	-15673.3
Direct Investment in Nepal	232.6	-33.0	-282.3	961.4
Other Investment: Assets	-10507.8	-30191.1	-35136.9	-34629.5
Other Investment: Liabilities	16480.6	1701.9	-1914.2	17994.8
Trade Credits	5444.2	-9319.0	-5279.0	16899.3
Loans	8878.4	6693.4	2899.6	-52.4
General Government	8485.4	6976.5	2963.5	-432.8
Drawings	12548.0	11715.1	8040.3	5236.0
Repayments	-4062.6	-4738.6	-5076.8	-5668.8
Other Sectors	393.0	-283.1	-63.9	380.4
Drawings	905.5	24.5	1.7	614.0
Repayments	-512.5	-307.6	-65.6	-233.6
Currency and Deposits	2158.0	4327.5	465.2	1147.9
D. Net Errors and Omissions	-14582.8	11749.5	10600.6	4176.0
Total Group A through D	16606.6	9548.9	-2877.7	5511.3
E. Reserves and Related Items	-16606.6	-9548.9	2877.7	-5511.3
Change in Net Foreign Assets (-Increase)	-14448.6	-5221.4	3342.9	-4363.4
Gross Foreign Exchange Reserve	93858.1	105172.5	105901.2	108229.4
Months of Import Covered	10.17	10.00	11.41	10.73
Official Exchange Rate Per US\$ (Annual Buying Average in Rs)	68.74	73.48	76.53	77.49

Table 11 Structure of Interest Rates (Percent Per Annum)				
	Mid-July			
	2000	2001	2002	2003
Nepal Rastra Bank				
Bank Rate	7.5	7.5	5.5	5.5
Refinance Rates	6.5	6.5-7.5	2.0-4.5	2.0-4.5
Government Securities				
Treasury Bills* (91 days)	5.30	4.94	3.78	2.98
National Savings Certificates	8.5-13.25	8.5-13.25	8.0-13.25	7.0-13.0
Development Bonds	3.0-10.5	3.0-10.5	3.0-8.0	3.0-8.0
Interbank Rate	4.16	4.50	4.22	3.62
Commercial Banks				
<i>Deposit Rates</i>				
Savings Deposits	4-6.5	3.0-6.5	2.5-6.25	2.5-6.0
<i>Time Deposits</i>				
1 Month	--	--	2.0-4.5	--
3 Months	4.0-6.0	2.5-6.0	2.5-2.5	2.0-5.0
6 Months	5.0-6.75	3.5-8.75	2.5-6.0	2.5-6.0
1 Year	6.0-7.75	4.5-7.75	3.5-7.0	3.0-7.0
2 Years and Above	5.75-8.5	4.25-8.5	3.25-8.0	3.25-7.50
<i>Lending Rates</i>				
Industry	10.5-15.5	7.0-15.0	7.0-14.5	8.50-14.0
Agriculture	12-14.5	12.5-14.5	12.0-14.0	4.0-14.5
Export Bills	7.5-15.0	7.0-16.0	6.5-12.0	4.0-12.5
Commercial Loans	9.0-16.5	7.0-16.0	7.0-16.0	7.50-16.0
Overdrafts	10.0-18.0	10.0-18.0	11.0-17.0	7.00-17.0
Cash Reserve Ratio (CRR)				
With NRB**	7.0	7.0	6.0	6.0
Cash in Vault	3.0	3.0	3.0	2.0
* Weighted average discount rate. ** Average.				

Table 12						
Distribution of Banks and Financial Institutions*						
(Development Regionwise)						
	Development Region					Total
	Eastern	Central	Western	Mid Western	Far Western	
No. of Commercial Bank Branches**	93	203	83	35	33	447
No. of Development Banks***	0	14	3	1	1	19
No. of Rural Development Banks	1	1	1	1	1	5
No. of Finance Companies	4	46	8	0	0	58
No. of Cooperative Societies	8	20	2	2	2	34
No. of Microfinance NGOs	10	18	8	7	1	44
* As at mid-February 2004						
** As at mid-July 2003, including commercial banking branches of ADB/N.						
*** Including ADB/N, NIDC and other Development Banks						

Table 13				
Outstanding Debt of HMG				
(Rs. in Million)				
	1999/00	2000/01	2001/02	2002/03
Domestic	54357.1	60043.7	73620.7	84644.8
Treasury Bills	21026.9	27610.8	41106.5	48860.7
Development Bonds	4262.2	5962.2	11090.7	16059.2
National Savings Certificate	11526.6	12476.4	11536.1	9629.3
Citizen Savings Certificate	0.0	0.0	628.1	931.1
Special Bonds	17541.4	13994.3	9259.3	9164.5
Foreign	190691.2	200404.4	220125.6	223407.2
Domestic Debt/GDP(In Percent)	14.3	14.6	17.4	18.7
Foreign Debt/GDP (In Percent)	50.2	48.8	52.1	48.9
Total Debt/GDP (In Percent)	64.6	63.5	69.6	67.6

Source: Economic Survey, FY 2002/03