Nepalese Banking Sector: Performance Update and Outlook

Continued stress over asset quality, however with lowering degree of incremental stress

ICRA NEPAL
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This report analyses the general trend in Nepal's banking industry and is a continuation of the previous note published in July 2024 - the link to which is given *here. As of mid-April 2026, the banking industry of Nepal included 54 players across Class A (commercial bank), Class B (Development Bank) and Class C (Finance Companies). However, with ~90% share in the banking industry's asset base, the commercial bank industry (comprised of 20 players) has a much higher significance in the banking industry and hence remains central to this analysis.*

Major Financial Indicators of Nepalese Banking Industry

Key Ratios	Q4	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	FY2023	FY2024	FY2025				FY2026		
Total Deposit/GDP (%)	107	114	117	118	120	120	123	126	130
Total Credit/GDP (%)	91	91	93	95	97	92	93	95	97
Total Credit/ Total Deposit (%)	85	80	80	81	81	77	75	75	75
CD Ratio as per regulatory norms (%) ***(cap of 90%)***	82	79	78	79	79	76	75	74	74
Fixed Deposit/Total Deposit (%)	58	56	54	52	51	48	46	43	39
Saving Deposit/Total Deposit (%)	26	30	32	34	36	37	38	41	45
Current Deposit/Total Deposit (%)	8	6	6	6	6	7	7	7	7
Call Deposit/Total Deposit (%)	7	7	7	8	7	7	8	9	8
Gross NPL/ Total Loan (%)	3.02	3.86	4.42	4.92	5.24	4.62	5.26	5.42	5.60
Total LLP/Total Loan (%)	2.58	4.45	4.58	5.15	5.30	5.09	5.51	5.83	5.92
Adjusted NPLs (incl. NBAs) to adjusted loans (%)	3.39	4.52	5.09	5.63	6.00	5.47	6.11	6.25	6.46
Deprived Sector Loan/Total Loan (%)	6.75	6.22	6.17	5.93	5.74	5.52	5.36	5.29	5.26
Cash & Bank Balance/Total Deposit (%)	8.05	7.43	7.09	7.84	7.18	8.00	8.54	10.52	8.25
Investment in Gov. Securities/Total Deposit (%)	17.84	17.92	17.57	16.79	17.08	16.05	14.92	15.49	14.89
Total Liquid Assets/Total Deposit (%)	27.10	26.44	25.76	25.82	25.40	24.92	23.99	27.10	35.37
Core Capital/RWA (%) ***(minimum reqd. at 8.5%)***	10.59	10.20	10.08	9.58	9.59	10.13	9.89	9.58	9.72
Total Capital/RWA (%) ***(minimum reqd. at 11%)***	13.42	12.92	12.95	12.37	12.39	12.95	12.95	12.57	12.62

Source: Nepal Rastra Bank/ ICRA Nepal Research

Key commentary:

- **Banking sector's pace of credit growth is in a gradual recovery trend, following the sharp drop in FY2023 after introduction of working capital guidelines; asset quality and capitalisation however continue to remain the pain points**

NRB rolled out the working capital guidelines[1] (WCG) in August 2022, immediately after the expiry of the Covid-related moratorium/forbearance on loan repayments and rollback of Covid-related refinancing facilities. As the provisions of WCG gradually took effect, the banking sector borrowers who were utilising working capital loans beyond the WCG cap were effectively ineligible for fresh working capital loans. Despite the overall GDP growth remaining positive, growth across manufacturing, construction, wholesale and retail sector was negative in FY2023 and FY2024, before reporting marginal growth in FY2025 With these sectors making up about a quarter of the economy, slowdown in these sectors combined with relatively low government capital expenditure in these years coupled with the enforcement of WCG guidelines resulted in lower credit growth as compared to previous years. Stretched working capital cycle for bank borrowers with challenges in debtor recovery, enactment of WCG guidelines making availability of additional working capital credit challenging, slowdown in real estate and equity markets resulted in liquidity pressure for banking system borrowers thereby resulting in deterioration in asset quality indicators for the banking industry. Political protests for small ticket loan waivers presented further challenges in recovery of dues. With increased credit costs, the capitalisation profile of the banks has gradually eroded in recent years, which effectively resulted in reduced credit growth appetite for the banks who had thin cushion in their capitalisation ratios over the regulatory minimum, despite a comfortable liquidity position. A volatile political outlook and a regime changing September 2025 protest/riots resulted in infrastructural damages and reduced the appetite for carrying out incremental investments by private sector borrowers despite a historically low-interest rate environment. Impact of the same has been seen as subdued credit growth in the industry over the past few years.

With certain flexibility accorded in implementation of WCG for FY2026 and FY2027, along with formation a new government in March 2026, whose primary focus is on governance, economic growth and improved service delivery, credit growth in FY2027 and years thereafter is likely to improve, which has also been reflected in the trends during last 12-18 months. Despite a positive political outlook and stabilising pressures on the banking system, headwinds in the form of geopolitical tensions in the West Asia and stretched asset quality/capitalisation indicators remains a rough tide for the government and regulators to sail through for economic and banking sector recovery.

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[1] *Guidelines introduced by Central Bank pegging the revolving (fluctuating) working capital loans with the borrowers' annual revenue base.*

- **Regulation-induced liquidity pressure in the real sector has persisted owing to the impact of economic slowdown; continued loose adherence/monitoring of drawing power utilisation has avoided higher impact on borrower's liquidity**

  The provisions of WCG require lender banks to cap revolving (fluctuating) working capital loans to borrowers at 25%[2] of their reported annual revenues, subject to the business' working capital drawing power (based on net working capital). High level of 'net working capital to operating income (NWC/OI) ratio' as well as 'debt to equity ratio' for a large portion of borrowers rated by ICRA Nepal signifies above-threshold utilisation of working capital loans by the borrowers. After WCG implementation, all such borrowers have become ineligible for fresh working capital loans and are required to bring their revolving working capital loans under the revised ceiling within the regulator-mandated timeline. This has increased sudden liquidity pressure among the borrower entities. Although the mandated timeline for reducing the excess revolving working capital limits remains adequate (up to 10 years in the form of a self-liquidating term loan), the ability of the borrowers to successfully deleverage remains to be seen. Until the borrowers deleverage or economic growth absorbs the excess credit in circulation, incremental credit availability/liquidity for large borrowers is likely to remain low and liquidity pressure on the real sector is anticipated to persist. Historically, banks in Nepal have been flexible in terms of monitoring the level of working capital loans vis-à-vis the borrower's drawing power as per sanctioned terms, thereby leading to issues like overutilisation of drawing power as per audited financial statements of sizable chunk of borrowers rated by ICRA Nepal (albeit remaining within limits as per periodic net current asset statements). This flexibility has eased liquidity pressures on borrowers to an extent. Given the broad economic slowdown and impact of the same on business/financial profile of majority of borrowers, liquidity pressures for borrowers have largely continued in recent years, whereas banking sector liquidity has been piling up, amid low demand/eligibility for fresh credit. Amid this backdrop, declining borrowing rates in last 12-18 months has offset financial pressure on borrowers to an extent.

- **Rate of credit growth has again surpassed nominal GDP growth in FY2025, thereby returning to longer term trend after a gap of three years; trajectory likely to continue with the government's economic growth mandate and certain flexibility in banking sector regulations**

  For a major portion of the last decade, YoY percentage growth in banking sector credit remained well above that of nominal GDP, steadily pushing up the banking sector credit to GDP ratio until the end of FY2021. Accelerated credit growth was driven by an increased rate of credit expansion by banking sector players to offset the dilutive impact of NRB's higher regulatory minimum capital requirement introduced via the monetary

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[2] *Can be extended by banks up to 40% of revenue based on proper justification.*

policy of 2015. The credit expansion went unchecked for a fairly long period amid the easy monetary policy pursued by the regulator between 2015 and 2020 and the absence of any countercyclical buffer requirement back then. The relaxations/stimulus declared by the Central Bank through BFIs after the outbreak of the pandemic contributed to high credit growth in FY2021.

In FY2022, the percentage growth in bank credit trailed marginally behind the nominal GDP growth, breaking the long-term trend. The weakening of credit growth in FY2022 was due to the import restrictions in the fourth quarter by the Government to counter the weakening of forex reserves. The weakening of credit growth accelerated in the following quarters as the impact of import restrictions became more pronounced (until its discontinuation at the end of H1FY2023), and the introduction of WCG affected the lending/borrowing decision of banks/borrowers. As a result, FY2023 banking credit growth trailed significantly compared to nominal GDP growth for the year, which trend continued for FY2024 as well. The credit growth in the post-import-restriction era was checked by WCG. Any funds which were routed to speculative real estate/secondary market investments have not found their way back amid the continued slowdown in these sectors in recent years, thereby impacting the pace of deleveraging among borrowers. Despite the continual pressure on the bank's capitalisation and asset quality indicators, credit growth however has gradually rebounded in FY2025 and 9MFY2026 with ~8% YoY growth, aided mainly by infra projects across energy and tourism segments, and gradual uptick in retail loan demand, among others, given the historically low borrowing rates at present. With the formation a new government in March 2026, whose primary focus is set on governance, economic growth and improved service delivery, credit growth in FY2027 and years thereafter is likely to improve, however recapitalisation of some banks would be necessary. On this, new tier-I instruments viz. perpetual non-cumulative preference shares (PNCPS) have been taken up by few banks, while the central bank's policies have also been gradually accommodative (including sequential rollback of standard asset providing to 1% from FY2025 onwards as against the peak of 1.3% post Covid, revision in risk weightage and/or loan to value ratio for selective retail/SME loan segments as well as for margin lending loans, deferral of implementation of variance as per WCG since last two years, waiver of countercyclical buffer requirements, periodic windows for rescheduling/restructuring of loans with concessional provisioning requirement for such loans etc.)

- **Most sectors in the real economy remain highly fragmented; expected consolidation has not materialised amid reducing borrowing costs and price control practices in some industries**

  The manufacturing, trading and service industries remain highly fragmented in Nepal. This results in a moderate operating scale for many borrowers/firms despite a steady growth in domestic consumption of goods and services. Profit margin pressure and high working capital requirements resulting from high competition are common themes across these borrowers/firms. In the past, the easy availability of credit from banking channels supported the operational liquidity for such low-margin and working-capital-intensive firms/businesses. However, with WCG implementation, players without any competitive edge in the concerned industry are likely to encounter a shortage of working capital fund. ICRA Nepal had anticipated that these changes will lead to a gradual shortening in the working capital cycle (especially receivable days) and also expected some fringe players from every industry to be eliminated or lead to some form of consolidation. However, this has not materialised to a larger extent owing to price/volume control strategies adopted by key players in some industries, followed by sequential reduction in borrowing rates in last 12-18 months. These changes have either led to sharp recovery in margins for certain industries, while those without such improvements have managed to remain afloat based on ~40% reduction in borrowing rates from FY2024 to 9MFY2026. Additionally, trend in public equity issuances and deleveraging thereof has also increased in recent years, while the subscription rates for these issues have remained healthy so far, irrespective of the underlying financial health and/or rating level.

- **Credit profile of borrowers/banks have gradually stabilised/rebounded as the market participants gradually adjusted to new landscape**

The new regulatory regime (mainly the WCG) and the resulting slowdown in banking sector credit growth initially affected market participants accustomed to easy credit availability from banks in the past. This resulted in gradual elevation in delinquencies for most of the ICRA Nepal rated commercial banks, which still remains at ~15-25% (in recent years), barring few exceptions. Whilst the reduced interest rates have aided the financial profile of the borrowers to an extent, the overall pressure would only be reduced once the organic economic growth offsets credit and liquidity pressures on business. The rate of rating downgrades had been on an uptrend from FY2022 to FY2024, with some of these downgraded ratings being corrected in following years, leading to an increase in the rate of rating upgrades. This was further supported by infra projects coming into operations (mainly from energy sector). Despite the increasing rate of rating upgrades, as of mid-January 2026, ~77% of ICRA Nepal-rated bank borrowers were in the non-investment grade category, while ~23% were in the investment grade category, based on their ability to generate cashflows to timely honour their obligations. Although the bank's exposures are secured through secondary collaterals (real estate in most cases), the aforesaid trend in rating action and the distribution of borrowers along the rating scale does not augur well for the incremental credit profile of the banking industry, as borrower profile of most of the ICRA Nepal rated banks remains largely similar, despite the fluctuations in the interim.

Year-wise breakdown of rating surveillance results (includes instruments as well as issuer rating)	FY2021	FY2022	FY2023	FY2024	FY2025	H1FY2026
Rating upgrades	9%	21%	14%	6%	16%	37%
Rating downgrades	13%	17%	27%	28%	16%	16%
Rating reaffirmations	79%	62%	60%	66%	68%	47%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Rating wise breakup	Mid-Jan 2026
Investment grade	~23%
Non-investment grade	~77%
	100%
Total	**100%**

- **Adequate collateral cover could offset 'loss-given default' for lender banks**
  ICRA Nepal's assessment of borrowers' credit quality excludes the adequacy of collateral coverage historically as well as their latest market valuations (*revaluation reserves of core operating assets not considered for ICRA Nepal's assessment, which however is acceptable as per banking regulations)*, which is a major consideration in credit underwriting decisions by banks. Although the risk of default in the universe of ICRA Nepal-rated borrowers remains high, the 'loss-given default' for lender banks could be mitigated by secondary collateral coverage (mostly real estate, which might have appreciated in value over the years) of credit exposure. However, the ability of banks to recover their collateralised exposure will depend on the liquidity and depth of the real estate market in the coming days as the demand/pricing trajectory herein have not witnessed major positive developments in recent years, despite the initiations from bankers to recover loans through disposal of collateral. Although low interest rates expected over the near to medium term are likely to support the demand side as well as the valuations to an extent, the reduced liquidity in the economy could hamper the banks' recovery efforts, which is also partly reflected in increased non-banking assets (NBA) in the industry (0.9% as of mid-April 2026 vis-à-vis 0.5% as of mid-January 2024) and NBA adjusted NPLs of ~6.4% as of mid-April 2026 vis-à-vis ~4.2% as of mid-January 2024. Government plans to establish an asset management company could come as a relief measure for the banks, however the effective functioning and operation of that institution to achieve the desire objective remains to be seen, especially given the increased supply of real estate assets in recent years, along with largely stagnant valuations (vis-à-vis ~15-20% annual increases earlier) and continuation of muted demand outlook.

- **Slowdown in banking credit affects transaction/liquidity in real estate sector, hence hindering the recovery prospects for banks**
  The sudden slowdown in banking sector credit and the expiry of regulatory moratorium/forbearance have created liquidity pressure on borrowers and led to an increase in delinquencies (including NPLs) for banks. Between borrowers' need to deleverage and banks' need to keep their NPLs in check, the real estate sector is witnessing a disproportionate increase in sellers compared to buyers. Whilst the prices seem to have largely held up in key cities like the Kathmandu valley, the gap on bid-ask spread in other geographies remains high for sellers looking for liquidating their properties. This could entail pressure on the incremental valuation of real estate collateral. Conservative loan-to-value (LTV) norms generally practised in the Nepalese banking industry protect banks' exposure from any near-term decline in collateral value. However, a sustained disproportionate rise in sellers and/or forced liquidation of collaterals by banks to recover their exposure could introduce volatility in real estate valuations. On this, lack of real estate price index data (despite initiations by the central bank) hinders detailed analysis.

Continued pressure on cooperatives has reduced the liquidity support to the economy from non-mainstream banking channels
Cooperatives[3], over the years, have played a major role in the Nepalese financial system, operating at a considerable scale with limited supervision by the sectoral regulator amid the lack of meaningful oversight from the Central Bank. A series of events over the years, including allegations of bad governance and misappropriation of funds, have created a run-like scenario and led to business suspension for multiple cooperatives. These events have not only lowered depositor confidence in cooperatives but also reduced the risk appetite of all operational cooperatives. Additionally, sizable deposit volume (~NPR 87 billion as per parliamentary special committee report; this amount would be ~20% of the average asset base of Nepal's commercial banks as of mid-April 2026) has remained frozen in case of fund embezzling/absconding cooperatives. Historically, cooperatives have been major credit providers to small-scale and informal businesses and have occasionally provided 'bridge-gap' credit to large borrowers, helping them withstand temporary liquidity pressure. However, as cooperatives have come under scrutiny in recent years, their ability to accommodate banking sector borrowers has considerably reduced. This pressure on cooperatives also had a dual impact on asset quality of banks by inflating the supply of real estate collateral as the concerned cooperatives/regulator/government approach forced recovery mechanism in recent years.

- **Borrowers seeking alternative funding sources, leading to increased activity in primary capital market**
  Triggered by the slow credit availability from the credit market and the need to deleverage after the introduction of WCG, there is an increasing interest among the small as well as large corporates towards the capital market for raising additional equity through primary issuance of shares. This is reflected in the rising number of IPOs in the pipeline across diverse sectors. Successful equity-raising plans could help the key borrowers in the banking sector deleverage and reduce their liquidity pressures. However, their ability to do so remains to be seen, given the volatility in regulatory leadership in the Securities Board of Nepal. However, the formation of a majority government with governance and economic development as the priorities is expected to provide a stability in regulatory leadership and policies over the near term. Successful fund-raising in the primary market is likely to remain driven by the performance of the listed shares and overall sentiment in the secondary market in addition to

[3] *Especially the "savings and credit cooperatives" that operate with larger customer base and operate in a similar manner as conventional banking industry players.*

the financial profile of the companies seeking public money. In recent years, IPO shares at par value have not faced subscription concerns (as against undersubscription issues during FY2018-2019), given their secondary market performance upon listing. The subscription rates have also been aided by the lottery-based allocation in IPOs since FY2017, generally at 10 units per applicant, subject to availability of shares. There is also an increasing trend of exploring IPOs at a premium or through book-building method, which has faced significant delays/additional regulatory scrutiny vis-à-vis the IPOs at par value, while the subscription rates have also been relatively lower.

- **Excess liquidity; however, capitalisation and profitability continue to remain under pressure, despite partial recovery in recent quarters**
  Capital outflow from Nepal (for business, investments or any other purpose) remains highly regulated, which acts as a floor for banking sector liquidity during difficult economic conditions. Hence, any changes in foreign investment regulations by the new government would change the dynamics of both capital inflow and capital outflow. As of date, the level of short-term foreign investments susceptible to easy repatriation remains minimal in the Nepalese economy, which also reduces volatility. With steadily increasing remittances and slowdown in banking sector credit growth, the bank system is flushed with excess liquidity. With balance of payments surplus reported since FY2023, the country's strengthening foreign currency reserves provide some headroom for the policymakers and banking sector players. However, in case of further extensions in geopolitical tensions in the West Asia, a major source of inward remittance, could entirely change the landscape regarding this front.

  However, increased pressure on borrower's liquidity has led to increased defaults and provisioning expenses for banks. This has resulted in moderation in capitalisation ratios for many banks thereby stretching their ability to maintain comfortable cushion over regulatory minimum capitalisation threshold. 0+ days delinquencies have continued to hover ~15-25% for most ICRA Nepal rated commercial banks in recent years, with gradual slippage of these into NPLs, as reflected in around 1% YoY increase in industry average NPLs over last 3-4 years. Any major slippages out of these would impact the capitalisation profile further. Whilst some banks have shored up their capitalisation profile through perpetual non-cumulative preference shares and NRB recently providing pre-approval for a commercial bank to come up with a rights issue to recapitalise itself (last rights issue for a commercial bank was back in FY2019). The stress on asset quality indicators of the banking sector players continues to remain a concern with banks also utilising some sort of regulatory forbearance in NPL recognition. Hence, the overall ability to maintain adequate capitalisation indicators despite the recapitalisation through both common equity and non-common equity tier-I equity instruments will remain a monitorable for the banks.

Rating transition for ICRA Nepal rated commercial banks in last five years

	FY2022	FY2023	FY2024	FY2025	FY2026
Agricultural Development Bank	IR A	IR A@	IR A@	IR A	IR A+ and withdrawn
Citizens Bank	IR BBB+	IR BBB+@	IR BBB+@	IR BBB+@	**IR BBB**
Everest Bank	-	-	IR AA-	IR AA-	IR AA-; withdrawn
Global IME Bank	IR A- to IR A and then to IR A&	IR A&	IR A-@	IR A-@	**IR A-**
Kumari Bank	IR BBB+ to IR BBB@	IR BBB&	IR BBB-@	IR BB+@	**IR BB+**
Laxmi Sunrise Bank	IR BBB+ to IR BBB@	IR BBB+@	IR BBB@	IR BBB@	**IR BBB@**
Machhapuchchhre Bank	IR BBB+@	IR BBB and withdrawn	-	-	**IR BBB+@**
Nabil Bank	IR AA-	IR AA-@	IR A+@	IR A@	**IR A**
Nepal Bank	IR A	IR A	IR A	IR A@	**IR A**
Nepal Investment Mega Bank	IR A&	IR A&	IR A@	IR A@	**IR A-**
NIC Asia Bank	LBBB+ to LBBB@	LBBB; INC	Rating withdrawn	-	-
NMB Bank	IR A- to IR A	IR A@	IR A-@	IR A-@	**IR A-@**
Nepal SBI Bank	IR AA	IR AA	IR AA	IR AA	**IR AA**
Prabhu Bank	IR BBB	IR BBB&	IR BBB@ and then to IR BBB-@	IR BBB-@	**IR BB+@**
Sanima Bank	IR A@ to IR A-	IR A-	IR A-@	IR A-@	Rating withdrawn
Siddhartha Bank	IR A-@ to IR BBB+@	IR BBB+	IR BBB+@	IR BBB+@	**IR BBB+**
Standard Chartered Bank	IR AAA	IR AAA	IR AAA	IR AAA	**IR AAA**
Himalayan Bank	-	-	-	-	-
Prime Commercial Bank	-	-	-	-	-
Rastriya Banijya Bank	-	-	-	-	-

Notes:

1. Issuer rating (IR) have been captured to the extent available.

2. The symbol '@' indicates 'rating on watch with negative implications', while the symbol '&' indicates 'rating on watch with negative implications'. Rating watch have been a proxy for rating 'outlook' in ICRA Nepal's context wherein '@' generally denotes certain stress in credit profile while '&' denotes uncertain outlook, mostly during periods of major mergers for above banks.

3. Highlighted ratings in last column indicates live ratings from ICRA Nepal (13 out of 20 commercial banks in Nepal); ratings by other CRAs have not been captured.

Summary:

Amid reduced demand, revenue decline and the need to deleverage (partly triggered by the implementation of working capital guidelines), borrowers in the Nepalese banking industry are under increasing liquidity pressure. At the same time, limited capital cushion and looming asset quality pressure strain the credit profile and capitalisation of banks, albeit with comfortable liquidity as of now. Amid a stretched fiscal position, the Government's ability to spend and prop up demand in the economy is likely to remain limited. The ability of the regulator and market participants to manoeuvre out of the current situation will remain a major challenge over the near term.

While the credit profile of borrowers, as reflected in their distribution along ICRA Nepal's rating scale, doesn't augur well for the incremental asset quality profile of BFIs, a sizeable portion of banking sector exposure remains covered by real estate collaterals which could cushion the ultimate loss-given-default. Nonetheless, pan-industry pressure on asset quality of banks has resulted in a disproportionate rise in sellers vis-à-vis buyers, thus skewing the sellers-buyers ratio and affecting trend in valuations as well as causing delays in the recovery process. The banks have been working around elevated delinquencies (~15-25%) for multiple years now, while containing the level of slippages of these into NPLs. Hence, asset quality and capitalisation of banks is hence expected to remain under pressure over the near to medium term; however, the degree of incremental stress is expected to gradually subside compared to earlier years. At the same time, new tier-I capital raising instruments being allowed by the central bank (PNCPS, along with likely approvals for long held rights offerings by BFIs) are expected to augment risk absorption capacity of BFIs. These expectations have also been reflected in the recent rating actions for most commercial banks.

Over the near to medium term, the new government and NRB's efforts for organic economic growth through enactment and implementation of economic reform policies would be the driver/precursor for manoeuvring out of the current situation.

UPDATES:

Historical trend of banking sector growth vis-à-vis other economic parameters:

Credit growth of the Nepalese banking sector consistently outpaced the growth in gross domestic production (GDP) for almost all years from FY2015 until FY2021. The growth was fuelled by the increased paid-up capital requirement introduced by the Central Bank in FY2015, easy money policy adopted by the Central Bank until FY2020. The stimulus packages (partial rebate of interest, ad-hoc working capital loan disbursement up to 20% of existing limits, deferral of interest/principal, etc) announced by the Central Bank through the banking industry during the Covid-19 pandemic also led to credit growth in FY2021. Whilst the tighter monetary policy stance and import restrictions in FY2022-FY2023 and the enactment of working capital guidelines in FY2023 slowed down credit growth from FY2022-2024, wherein the credit growth was lower than the quantum of GDP growth. This has slightly moderated the bank credit to nominal GDP ratio from ~98% as of mid-July 2021 to ~90% as of mid-July 2024. With marginally higher credit growth during FY2025 vis-à-vis the nominal GDP growth, this ratio has slightly inched up. Nonetheless, it remains high when compared to a decade back, wherein the ratio stood at ~55% as of mid-July 2015.The stress in the overall economy is also reflected by the weakened asset quality and rise in gross NPLs.

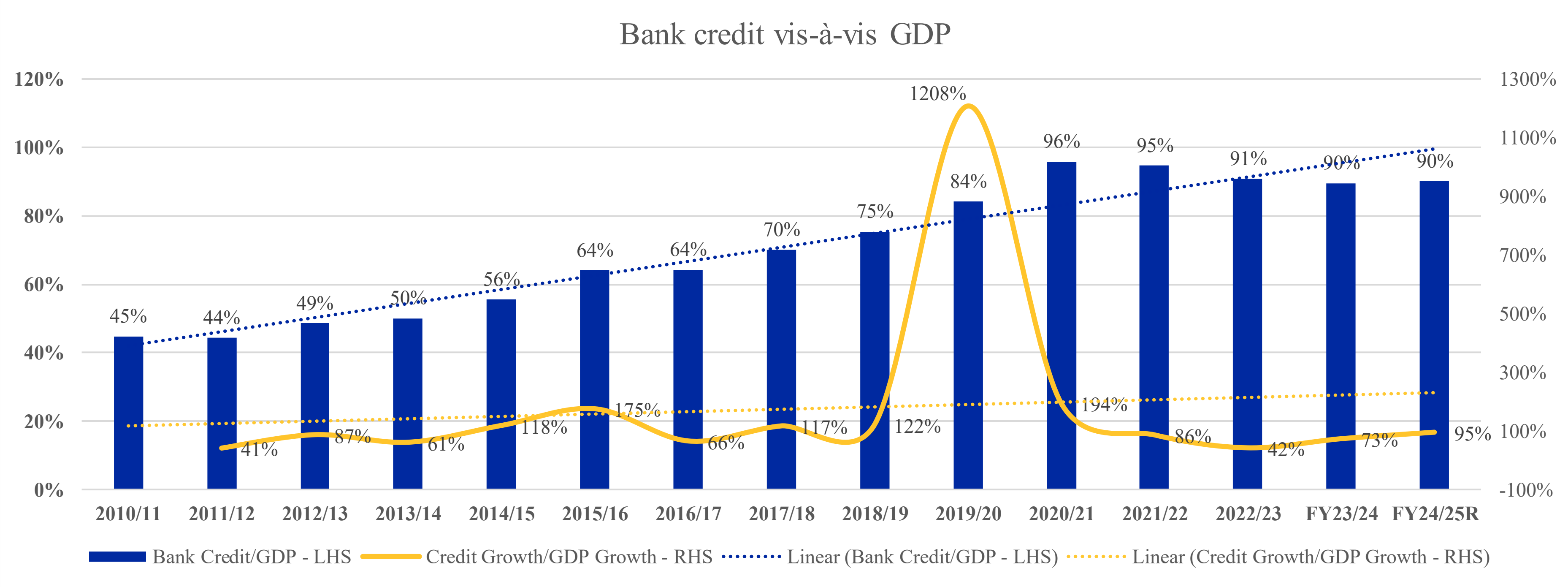
	No. of licensed BFIs		Growth Year-On-Year (YOY)				Closing Credit/ Nominal GDP	YoY Credit growth/ YoY nominal GDP growth	NEPSE market Capitalisation/ GDP	NPL Banking sector
	Total	Class A	GDP Nominal[4]	GDP Real	Bank credit	Bank deposit				
FY13	176	31	10.9%	3.5%	21.3%	16.7%	48.5%	87.0%	26.4%	3.80%
FY14	167	30	14.5%	6.0%	18.4%	18.2%	50.1%	61.3%	47.4%	3.76%
FY15	154	30	8.6%	4.0%	20.2%	19.9%	55.5%	118.5%	40.8%	3.33%
FY16	137	28	7.6%	0.4%	24.0%	18.9%	64.0%	175.3%	72.5%	2.19%
FY17	96	28	18.0%	9.0%	18.4%	13.2%	64.2%	65.6%	60.3%	1.81%
FY18	86	28	12.3%	7.6%	22.4%	19.0%	70.0%	116.9%	41.5%	1.60%
FY19	80	28	11.7%	6.7%	20.3%	18.2%	75.4%	121.8%	40.6%	1.52%
FY20	69	27	0.8%	-2.4%	12.4%	17.3%	84.1%	1207.9%	46.1%	1.89%
FY21	62	27	11.9%	4.8%	27.5%	20.5%	95.8%	231.7%	194.1%	1.48%
FY22	60	26	14.3%	5.6%	12.9%	8.8%	94.6%	86.3%	57.7%	1.31%
FY23	54	20	7.8%	2.0%	3.5%	11.9%	90.8%	42.2%	57.4%	3.02%
FY24	54	20	7.3%	3.7%	5.9%	12.6%	89.6%	73.2%	61.7%	3.86%
FY25R	54	20	7.6%	4.6%	8.1%	12.4%	90.0%	95.4%	75.1%	4.62%

R=Revised ***Source: ICRA Nepal Working***

[4] *Gross value added by Industrial division at current (nominal) prices; GDP from FY13 to FY20 as per rebased National Account Series from base year 2000/01 to base year 2010/11.*

Leveraged domestic economy, despite recent moderations

Despite muted credit growth from FY2022-2024, the economy continues to be highly leveraged with bank credit to GDP ratio of ~91% as of mid-July 2025. A high bank credit to GDP ratio generally signifies a developed financial system with easy access to credit. However, the overleveraging in an import-dependent, infrastructure-deficit and emerging economy like Nepal adds to the external imbalance, questioning the productivity of bank credit and indicating speculative underwriting practices, thereby leading to stressed asset quality during cycles like the present. The credit growth remained below the GDP growth from FY2022-FY2024. However, with significantly higher quantum of credit growth till FY2021 fuelled by easy money policy, the bank credit to GDP ratio continues to remain high.



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Source: Central Bureau of Statistics, NRB, ICRA Nepal research

Note for graphs:

In the case of combined graphs across the report, the scale of the bar diagram is to the left-hand side (LHS), and the scale for the line diagram is to the right-hand side (RHS).

Leverage remains high across all major sectors of the economy

The table below summarises the major credit segments of the banking sector, which accounted for around two-third of the banking sector credit as of mid-July 2025. As can be seen from the table below, the credit-to-GDP ratio across all major sectors indicates high leverage in those sectors compared to the sectoral productivity.

Ratio of O/s credit to nominal sectoral GDP	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	% of FY25 credit
Wholesaler & Retailer	108.7%	112.3%	113.3%	128.7%	144.5%	141.4%	147.0%	144.8%	137.6%	18.5%
Manufacturing	220.7%	245.1%	265.3%	324.1%	331.0%	305.2%	321.1%	297.2%	300.8%	16.6%
Finance, Insurance and Real Estate	41.4%	45.0%	46.5%	44.7%	57.4%	58.3%	49.7%	52.0%	54.0%	7.9%
Agricultural and Forest Related	12.4%	15.3%	19.5%	22.7%	29.5%	33.6%	33.6%	30.4%	27.9%	6.7%
Electricity, Gas and Water	133.1%	172.1%	236.3%	267.7%	331.0%	289.1%	311.7%	344.4%	366.1%	8.0%
Hotel or Restaurant	119.1%	135.4%	161.4%	294.8%	312.9%	293.8%	227.8%	190.7%	194.7%	4.6%
Construction	116.4%	116.3%	132.1%	162.7%	186.0%	74.0%	73.6%	76.2%	79.3%	4.1%
Total bank credit to gross value addition across above sectors (before taxes and subsidies)	**73.3%**	**80.5%**	**87.1%**	**95.3%**	**112.3%**	**110.6%**	**102.6%**	**101.2%**	**102.5%**	

**Central Bank reclassified the residential home loans from construction loans to consumption loan from FY2022 resulting in declined proportion of construction loans*

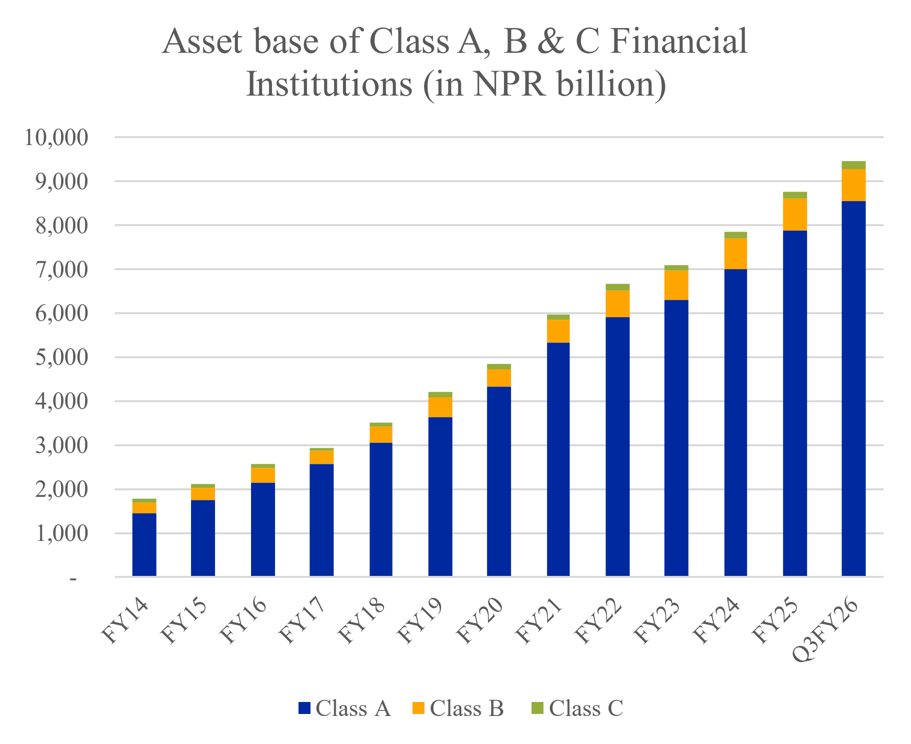
Source: NRB annual compilation of BFI's financials; ICRA Nepal research

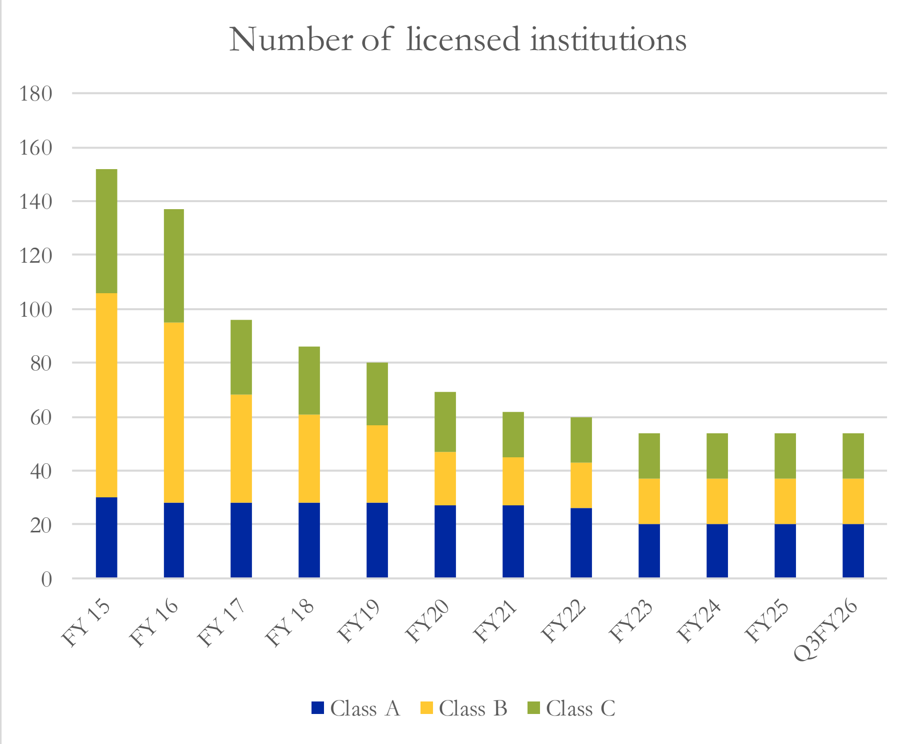
The above table only considers lending through the class A, B and C financial institutions, without considering lending through microfinance and other non-banking financial institutions, including cooperatives, insurance companies, Citizen Investment Trust, Employee Provident Fund and others. Considering the credit extended by aforesaid non-banking institutions, leverage in the Nepalese private sector would be even higher.

Energy, tourism and other infrastructure investment outcomes are generally delayed, as these are long-tailed projects with long gestation periods, resulting in higher outstanding credit compared to the GDP for these sectors. The increasing volume of bank credit for such sectors is also fuelled by their classification as a 'priority sector' driving the banks to meet certain thresholds of investment. Energy and tourism sectors are showing positive signs for the economy, the ongoing construction of multiple large hydropower projects and power trade agreements with neighbouring countries are ensuring growth opportunities for this segment. The tourism sector is gradually gaining momentum in the post-pandemic era; however, the pace of growth has moderated in FY2025, and the sector remains exposed to impact of domestic and international unrests. The bank credit to agriculture is still relatively modest because of the unorganised agriculture sector and subsistence-based farming with lagged adoption of modern farming practices.

General banking industry update:

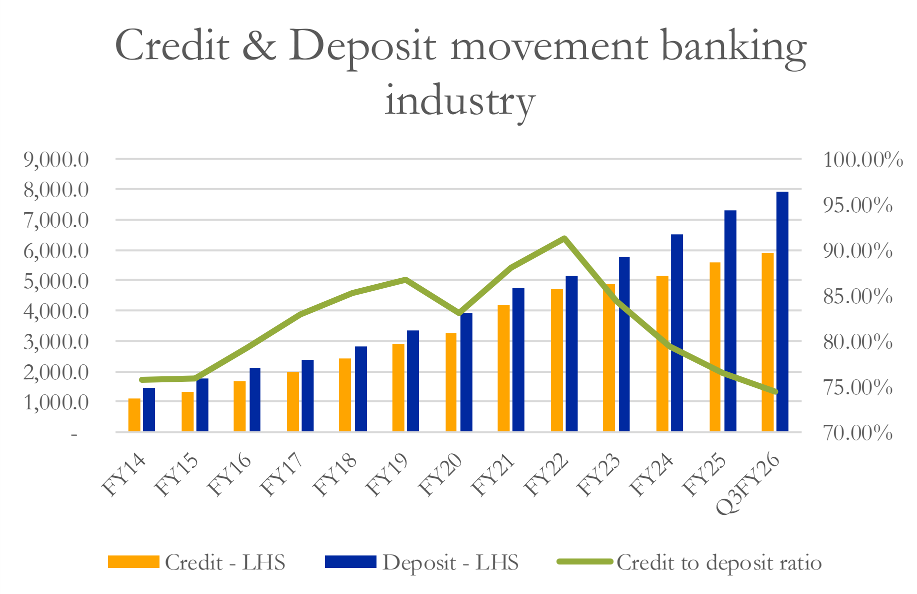
1. **No major merger/acquisitions among banks and financial institutions since FY2023**

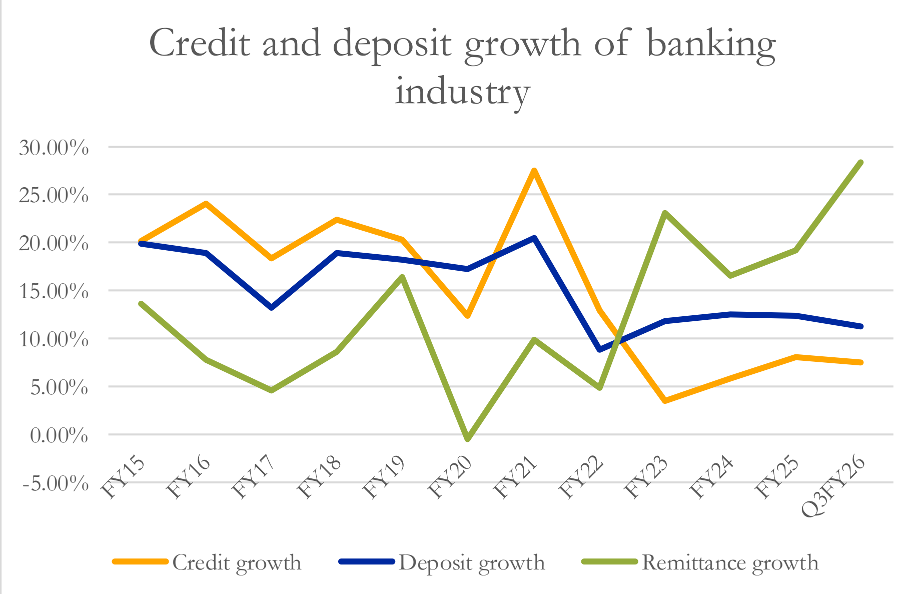




- No major mergers between BFIs took place since FY2023. In the past, the Central Bank promoted mergers/acquisitions through various incentives/moral suasions. Incrementally, the regulator is unlikely to promote mergers/acquisitions. However, competitive pressure, sustained pressure at NIMs and deterioration in credit profiles could trigger such a requirement for a few entities.
- The number of commercial banks declined to 20 as of mid-July 2023 from 26 as of mid-July 2022 and has remained steady since then. The status of class B and C players also remains similar. The independent existence of class B and C players over a longer term will largely depend on the regulatory demarcation of their area of operations vis-à-vis the class A banks. Operating in the same market with the same customers as the large class A banks could be untenable for class B & C players over the longer time frame.

2. Muted credit demand and sustained deposit growth resulting in comfortable liquidity for BFIs:



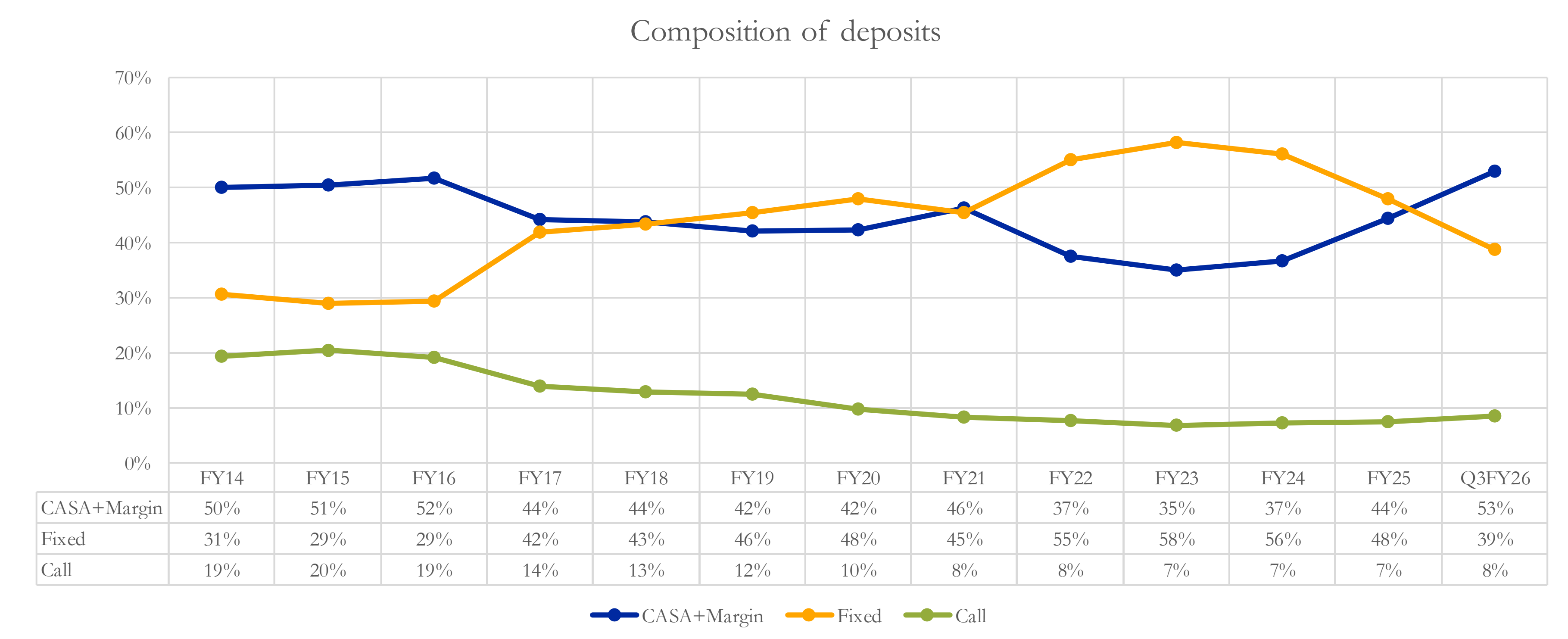


- The credit growth has remained relatively muted from FY2023 onwards, while deposit continues to grow on the back of a steady inflow of remittances. As a result, most banking sector players are flushed with liquidity.

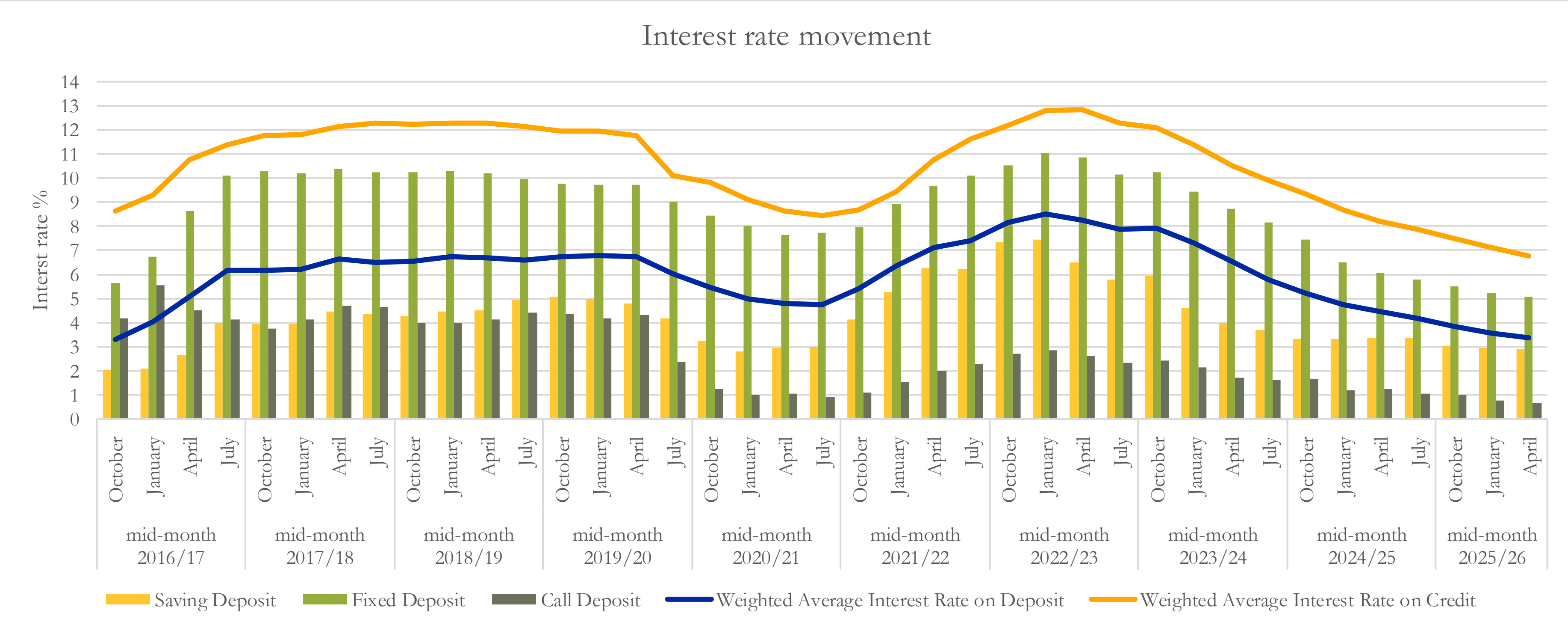
- Based on the current trajectory, the Nepalese banks are likely to remain in an eased position in terms of liquidity over near to medium term, unless external shocks from geopolitical tensions in regions with concentration of Nepalese migrant workers results in a major decline in remittance inflow. Against the regulatory maximum of 90%, the CD ratio for the commercial banks stood at ~73% as of mid-April 2026 as compared to ~80% as of mid-January 2024. With excess liquidity, the interest rates have followed a downward trajectory from Q2FY2024. Whilst the effective implementation of the interest rate corridor has helped in avoiding the interest rates to decrease further, in the absence of strong credit demand from the private sector and low rates on treasury securities, mobilisation of the increasing deposits could be a challenge for the banks, thereby impacting their spreads.

3. Funding profile: deposit mix has shifted in favour of low-cost, non-term deposits amid steady reduction in interest rates

The Nepalese banking industry's funding profile comprises mainly of customer deposits with nominal contribution from borrowings. The high credit growth in the past, its pressure on the CD ratio and the resulting price war led the banks to increase their term deposits to ensure the stability of their funds. The extension of refinancing and concessional loans from the Central Bank led to the rise of borrowings from NRB in the funding profile in FY2021 and FY2022, which decreased after the discontinuation and expiry of the Covid-related refinancing facilities. Following subdued credit demand and continuous influx of remittance deposits, the deposit mix has shifted in the favour of low-cost, non-term deposits, which is typical of a low-interest rate regime.



	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Q3FY26
CASA+Margin	50%	51%	52%	44%	44%	42%	42%	46%	37%	35%	37%	44%	53%
Fixed	31%	29%	29%	42%	43%	46%	48%	45%	55%	58%	56%	48%	39%
Call	19%	20%	19%	14%	13%	12%	10%	8%	8%	7%	7%	7%	8%

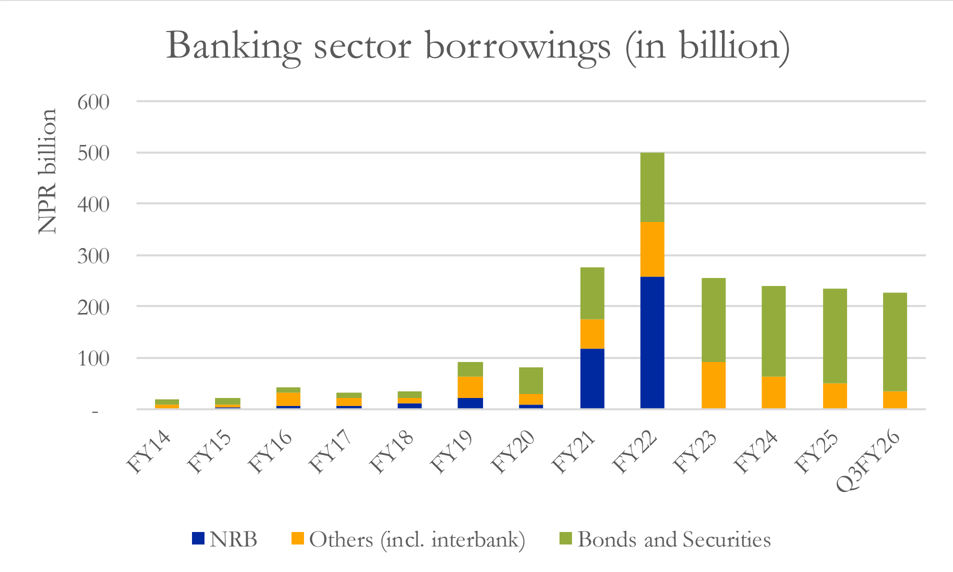


- The weighted average interest rate on term deposits for commercial banks which peaked at ~11% as of mid-January 2023 has moderated to ~5% as of mid-April 2026; the lowest in the past decade owing to the slowdown in credit growth and y-o-y increasing remittance inflows. With continuous inflow of remittances, the pace in growth of deposits has outpaced the credit growth from FY2023-FY2025.

Borrowings:

- Borrowings of the Nepalese banks include loans from NRB, short-term interbank borrowings, offshore borrowings and bonds & securities.

- Borrowings from NRB increased in FY2021 and FY2022 after NRB opened the refinancing window as a relief measure for borrowers against the Covid-19 impact on their business. The discontinuation and maturity of these loans decreased the funding through borrowings in FY2023. Further, the banks utilised borrowings under a standing liquidity facility (SLF) to manage liquidity and benefit from arbitrage till FY2022, which ended in FY2023 after a slowdown in credit growth and closure of arbitrage potential through realignment of policy rates.



- The borrowings from foreign agencies/financial institutions increased after the Central Bank opened avenues for borrowings in convertible foreign currencies in FY2018. Commercial banks had been proactive in raising specific funds through international agencies, mainly targeting investment on the small and medium enterprises (SME), and ESG friendly retail loans etc. for achieving climate goals and investment in renewable energy sources. However, following the slowdown in credit growth and increasing deposit base, the share of foreign borrowings in the overall borrowing mix has been on a declining trend. Foreign borrowings remain nominal in the overall borrowing mix (~7% of total borrowings as of mid-April 2026 vis-à-vis ~21% of as of mid-January 2024).

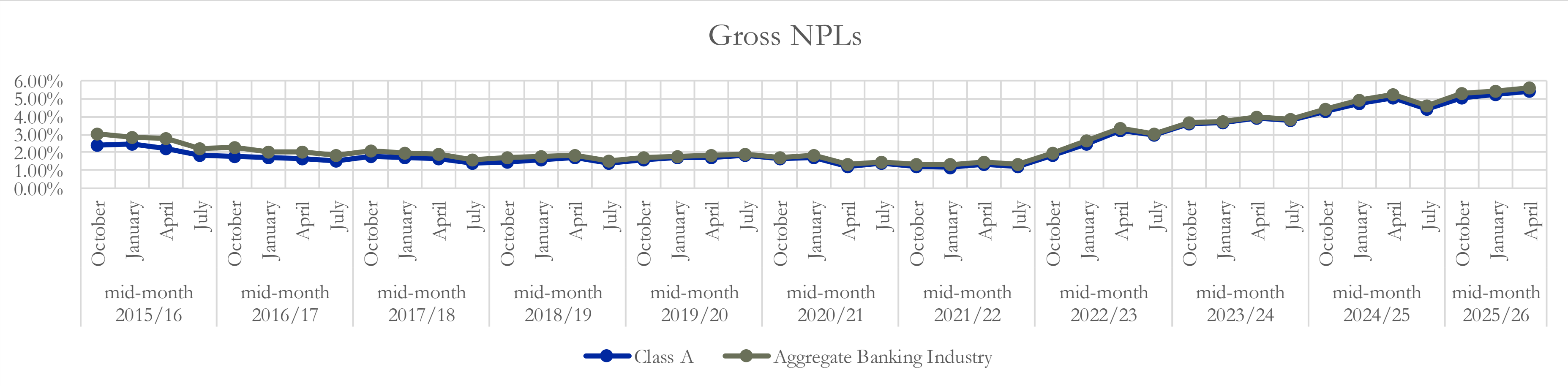
- The debenture raised by all class A commercial banks was in response to the regulatory mandate to ensure at least 25% of their paid-up capital in form of such instruments. While few banks have raised debenture more than the minimum threshold as a leverage tool for supporting growth particularly with pressure on capitalisation, most banks have only ensured the regulatory minimum threshold. Bonds and securities constituted ~85% of the total borrowings as of mid-April 2026. Most debentures are in the form of tier-II instruments (requiring structured redemptions reserves), while a small portion of debentures are also being raised as liquidity instruments, as central bank regulations now require debentures to be either counted as capital instruments or liquidity instruments from FY2025 onwards, as opposed to consideration for both purposes earlier.

4. Stretched asset quality indicators

The gross NPLs are on an increasing trend over the past 45 months. The high credit growth in the past and support measures extended during the pandemic masked the stress on asset quality. Expiry of the Covid-moratorium, slowdown in credit growth, liquidity pressure across the borrower universe and stagnation in real estate/secondary market has caused the NPLs to surface. The reported NPLs are on a continually increasing trend from FY2022 onwards, with industry's gross NPLs increasing to 5.41% as of mid-April 2026 from 1.20% as of mid-July 2022. The overall delinquency level remains still higher with 0+ delinquent loan book accounting for ~15-25% of the total credit for most banking sector players in recent quarters. Most banks also carry ~4-8% of the loan book in the restructured/rescheduled accounts (not categorised as NPLs and subjected to 5% provision against the standard 12.5% for restructured accounts), which could further increase the reported NPL level of the players, should the regulatory forbearance discontinue.

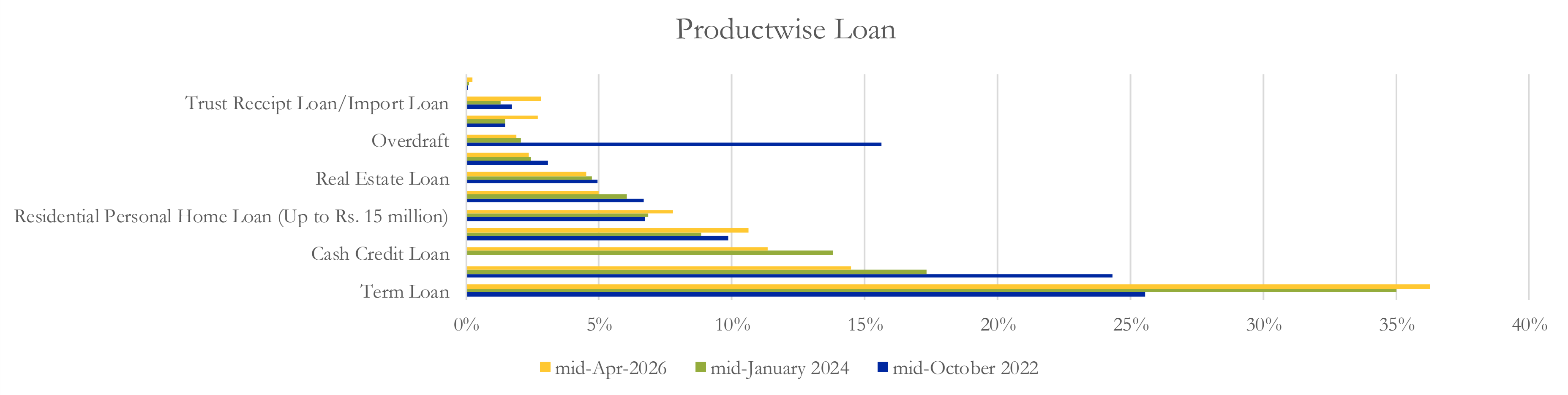
	FY20	FY21	FY22	FY23	FY24	FY25	Q1FY26	Q2FY26	Q3FY26
Gross Credit (NPR billion)	3,270	4,171	4,709	4,874	5,162	5,581	5,663	5,781	5,895
Gross NPA (Industry)	1.89%	1.48%	1.31%	3.02%	3.86%	4.62%	5.26%	5.42%	5.60%
Gross NPA (NPR billion-Industry)	62	62	62	147	199	258	298	313	330
NBA (Non Banking Assets, NPR billion- Industry)	7	8	11	19	36	51	51	51	54
Adjusted NPA (Industry)	2.10%	1.66%	1.53%	3.39%	4.52%	5.47%	6.11%	6.25%	6.46%
Gross NPA (Class A)	1.81%	1.41%	1.20%	2.98%	3.76%	4.44%	5.03%	5.26%	5.41%
Net NPA (Class A)					1.06%	1.05%	1.31%	1.34%	1.36%
Net NPA/Net Worth (Class A)					6.82%	6.83%	8.65%	9.05%	8.99%

Source: NRB quarterly/annual compilation of BFI's financials; ICRA Nepal Research



Implementation of working capital guidelines has reduced the proportion of revolving limits in favour of term loans:
The dominance of short-term renewable credit facilities in the Nepalese banking industry, requiring only periodic interest payments and offering the option of renewal at maturity, limited the bank's ability to test the repayment capacity/liquidity of the borrowers while allowing the banks to maintain good asset quality. The practice of allowing high working capital loans relative to the scale of operations and the general practice of permitting borrowers to utilise revolving working capital loans in excess of their drawing power is likely to have contributed to the NRB's decision to introduce working capital guidelines. The Central Bank's working capital financing guidelines link (revolving) working capital loan limits to business volume and limit the lenders' discretion in working capital financing. Excess loans utilised by the borrowers as working capital are required to be liquidated over the regulator prescribed timeline (up to 10 years).

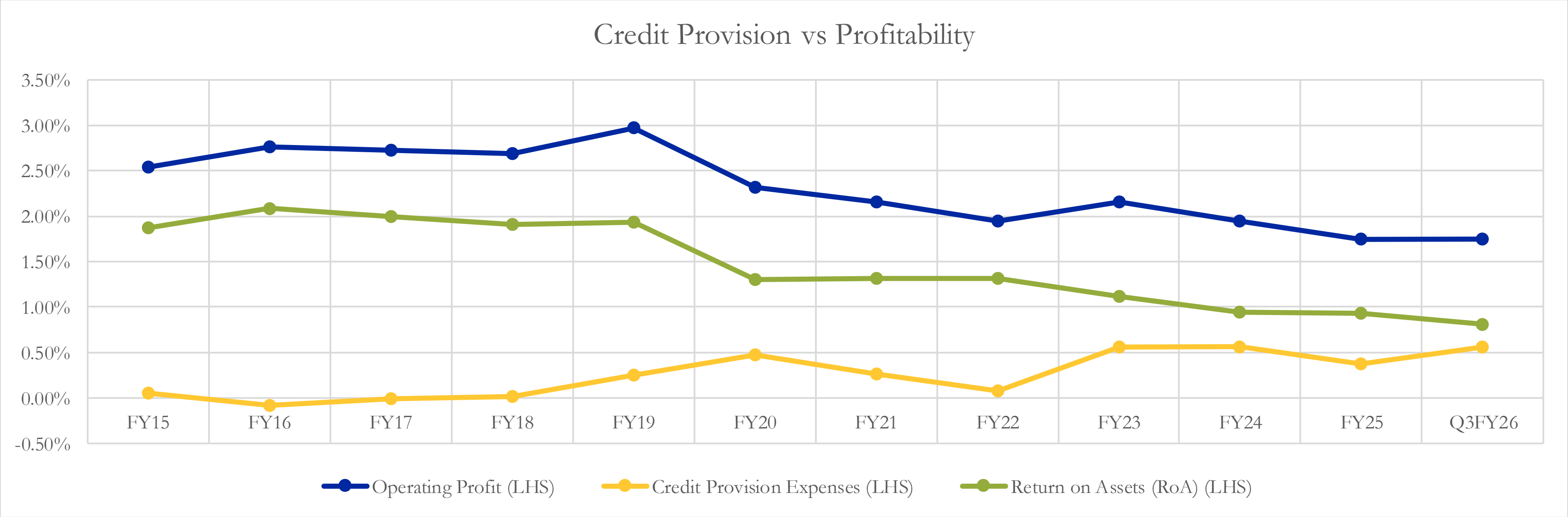
Whilst the guideline has been revised multiple times since its implementation mid-October 2022, this has partly been a reason for slowdown in credit and increasing NPLs; the guideline has changed the composition of credit books across the banking industry; whereby the revolving loan facilities more than the prescribed limits have been converted to permanent working capital loans. However, in case of lower-than-expected revenues for borrowers, the guidelines also require variance analysis and concomitant reduction in working capital limits for the next year; this requirement has however been waived for last two years, thereby lowering further impact on asset quality. Amid the credit slowdown, a higher portion of incremental credit growth has been driven by consumption and energy sector loans and with near to full utilisation of working capital loans across most borrowers, scope for incremental short term working capital loan remained low. As a result, the share of term loans in banking industry credit has increased as against short term loans.



A portion of overdraft loans has been reclassified as cash credit loan, hence resulting in sharp reduction in overdraft loan in subsequent periods as compared to mid-October 2022 in the chart above.

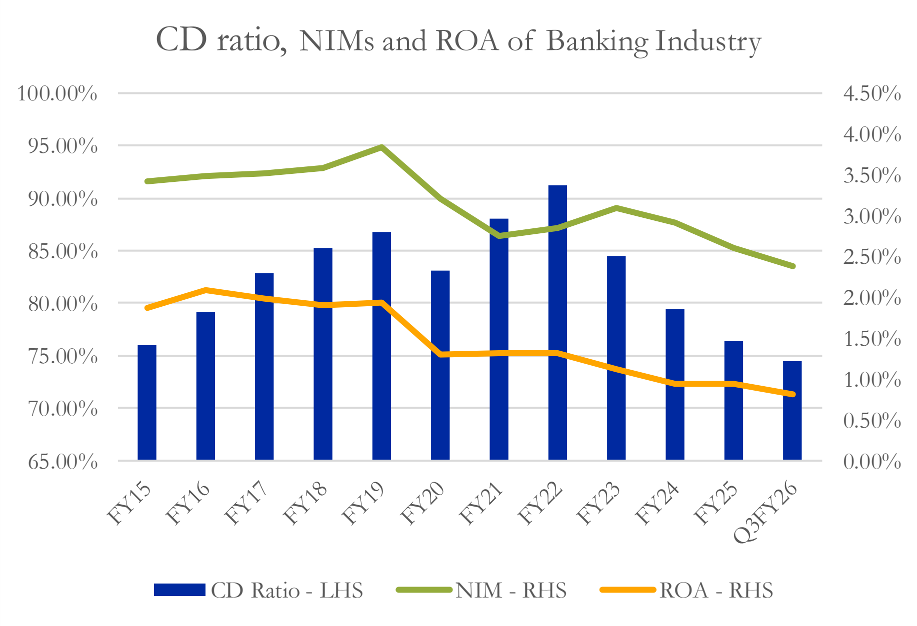
Rising credit provision expenses challenge the bank's ability to generate internal capital, thereby leading to moderation in tier-I ratios for most players

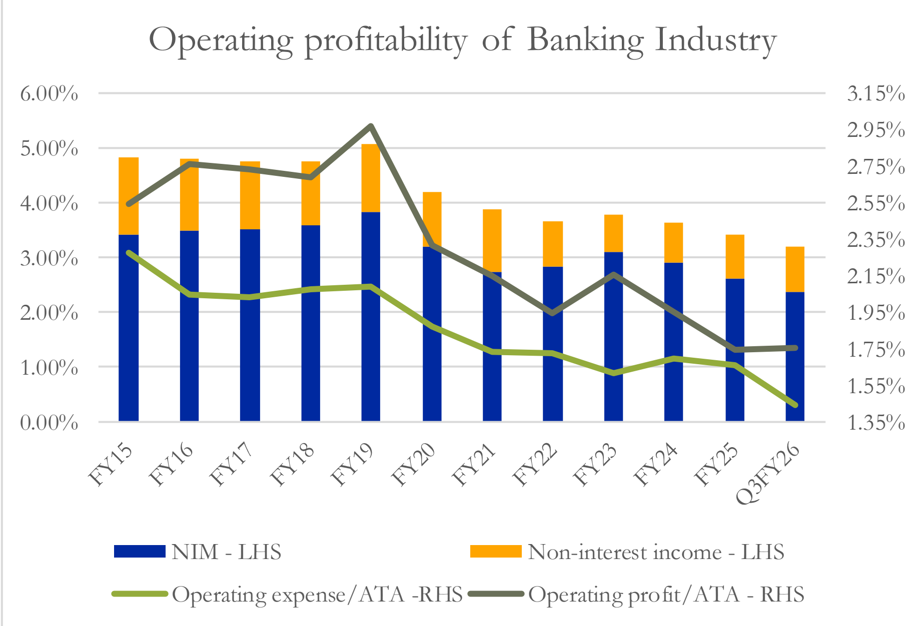
The provisioning norms set by the Central Bank are conventional with a fixed set of rates applicable based on the classification of specific loans. The Central Bank revised the provisioning on pass-category loans to 1.3% from 1.0% during the pandemic, which led to a rise in provisions in FY2020, which has now been rolled back to 1% from FY2025 onwards. The rising NPLs have significantly resulted increased credit provision costs in FY2023-FY2024 and Q3FY2026. The operating profitability has also been declining owing to the squeeze in NIMs (competition induced impact on lending yields along with carrying costs for excess liquidity). Moderation in operating profitability and increased credit provision costs has impaired the internal capital generation capacity of the banks.



The transition to NFRS9 (expected credit loss model) from FY2025 onwards and provisioning based on the expected loss model involves discretion in estimating probabilities of default (PD) and expected loss given default (LGD). Whilst the current regulations require banks to measure impairment loss at higher of earlier NRB provisions or incurred loss model as per NFRS till FY2029, the impact of the implementation of the new model may be significant to the currently presented financials and the regulatory stance on the provisioning norms will be monitorable.

5. Update on profitability: cap on interest spread amid decreasing CD ratio, rising operating and credit provisioning cost has diluted the return indicators





-NRB's increasingly restrictive norms on spread rates of the banking industry have weakened the bank's profitability over the years. On top of the cap on spread rates, the mandate to expand the bank network across the nation also led to a rise in operating expenses, further subduing the profitability ratios. The continued rise in credit provisioning expenses has further weakened the banking sector's profitability. With effect from mid-July 2023, the banks are required to maintain their lending spread within 4%. However, with slowdown of credit growth and reduced prospect of fund utilisation leading to lower CD ratio, the banks' spread in the recent quarters is lower than the maximum cap set by NRB. Banks incremental profitability profile is likely to be tied to recovery or prevention of further slippages.

-In addition to the cap on interest spread, the regulator has also capped the service fees, which has further subdued the non-interest income potential for BFIs.

Limited investment avenues: treasury rates remain low amid high liquidity in the banking industry

Besides the credit activities, banks in Nepal usually invest liquid funds in Government securities, NRB bonds which including deposit collection and SDF (~75-80%). The Government securities are eligible for inclusion in the statutory liquidity ratio (SLR) and remain the obvious investment alternative given the limited options. Equity and other investments remain minimal and mostly concentrated in subsidiaries/associate companies. The investment in listed equity instruments in secondary market also remains low, considering the restrictions on BFIs imposed by the Central Bank for short-term trading.

The investment yields which were in increasing trend till FY2023, have moderated post FY2023 as the earlier T-bill investments have gradually been repriced at lower rate in a continually declining interest rate scenario. The yield on treasury securities sharply increased after the increase in policy rate by the Central Bank to 7.0% from mid-March 2022 and further to 8.5% from mid-August 2023. The weighted average rate of 364-days T-bill rates which went as high as 11.92% in mid-January 2023 has declined to 2.47% as of mid-April 2026. With a higher portion of new investments being in NRB bonds including deposit collection and SDF, the degrowth in yield on government securities has remained lower than the degrowth in yield on average investments, as development bonds with higher interest rates are yet to mature.

Banking industry	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Q1FY26	Q2FY26	Q3FY26
Yield on average investments	2.64%	3.00%	3.14%	3.75%	4.79%	4.36%	3.37%	3.08%	3.12%	2.95%
Yield on Government securities	3.54%	3.88%	3.72%	4.29%	5.49%	5.47%	4.81%	4.83%	4.56%	4.60%

Source: NRB quarterly/annual compilation of BFI's financials; ICRA Nepal Research

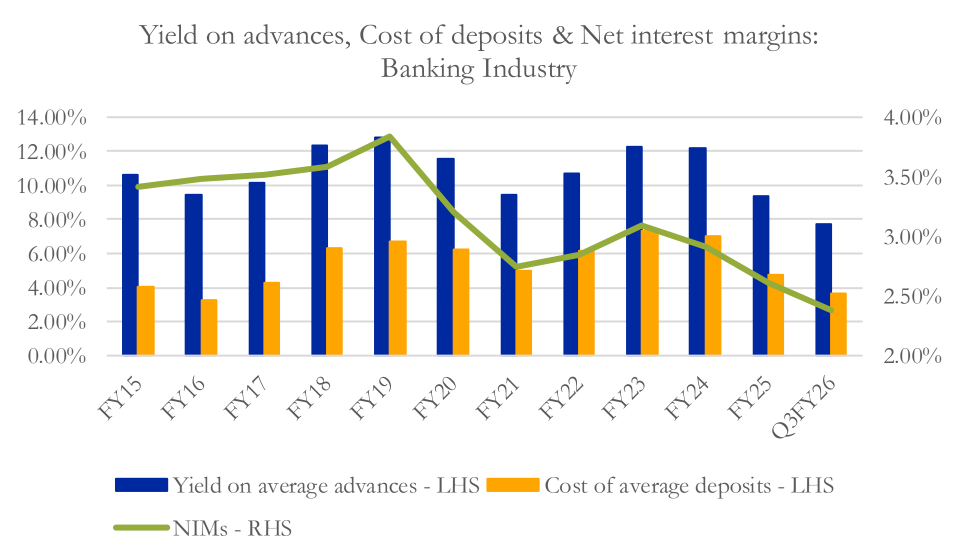
The built up in market liquidity have led to downward revision in policy rates and the T-bill rates have also gone down continuously on a month-on-month basis. Interbank rates have also declined significantly; remaining in the lower band of the interest rate corridor (2.75-4.25%) as of mid-April 2026 and the Central Bank has been controlling the interest rates through monetary operations, including deposit collection and SDF.

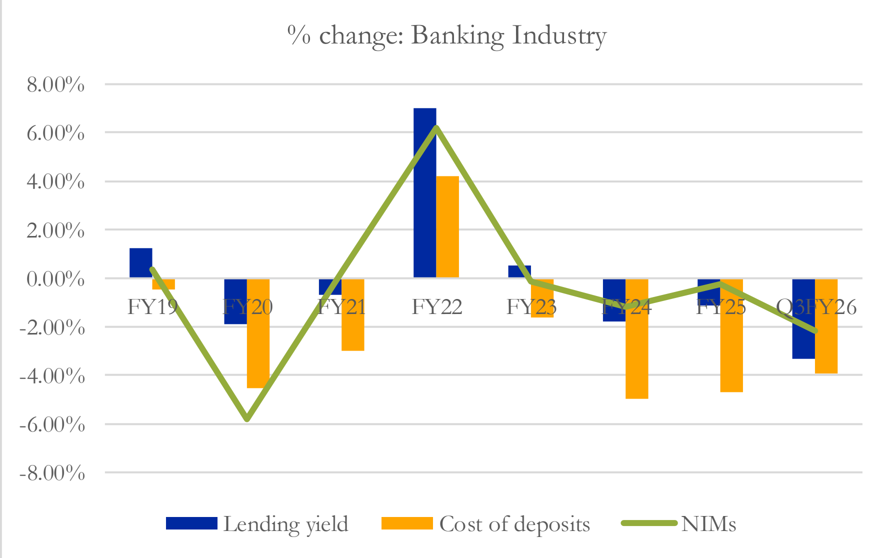
Weighted average rates:

	91-days T-bill			364-days T-bill			Class A bank interbank rate			SLF rate/Bank rate			Monthly Weighted average deposit rates of class A banks	
Mid-of	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	2023/24	2024/25	2025/26	2024/25	2025/26
August	5.92	2.94	2.65	6.37	3.04	2.68	5.91	2.99	2.75	7.50	6.50	6.00	5.66	4.02
September	5.95	2.89	2.13	6.44	3.03	2.61	5.86	3.00	2.75	7.50	6.50	6.00	5.53	3.96
October	4.94	2.96	1.91	5.87	3.02	-	2.24	3.00	2.75	7.50	6.50	6.00	5.24	3.85
November	4.39	2.77	2.37	5.82	2.98	2.58	3.43	2.90	2.75	7.50	6.50	6.00	5.01	3.74
December	3.53	2.85	2.37	4.64	2.98	2.59	2.04	2.99	2.74	7.00	6.50	5.75	4.78	3.66
January	3.37	2.81	2.35	4.38	2.95	2.58	2.83	3.00	2.75	7.00	6.50	5.75	4.75	3.56
February	3.34	2.86	2.45	4.13	2.98	2.65	3.04	3.00	2.75	7.00	6.50	5.75	4.62	3.51
March	3.02	2.93	2.47	3.60	3.00	2.59	2.92	3.00	2.69	7.00	6.50	5.75	4.54	3.45
April	3.00	3.06	2.61	3.29	3.03	2.47	3.07	3.00	2.75	7.00	6.50	5.75	4.45	3.40
May	3.02	2.95		3.27	3.03		2.88	3.00		7.00	6.50		4.37	
June	2.99	2.94		3.20	2.99		2.95	2.99		7.00	6.50		4.29	
July	3.00	2.95		3.19	2.98		2.99	2.96		7.00	6.50		4.19	

**Source-NRB reports*

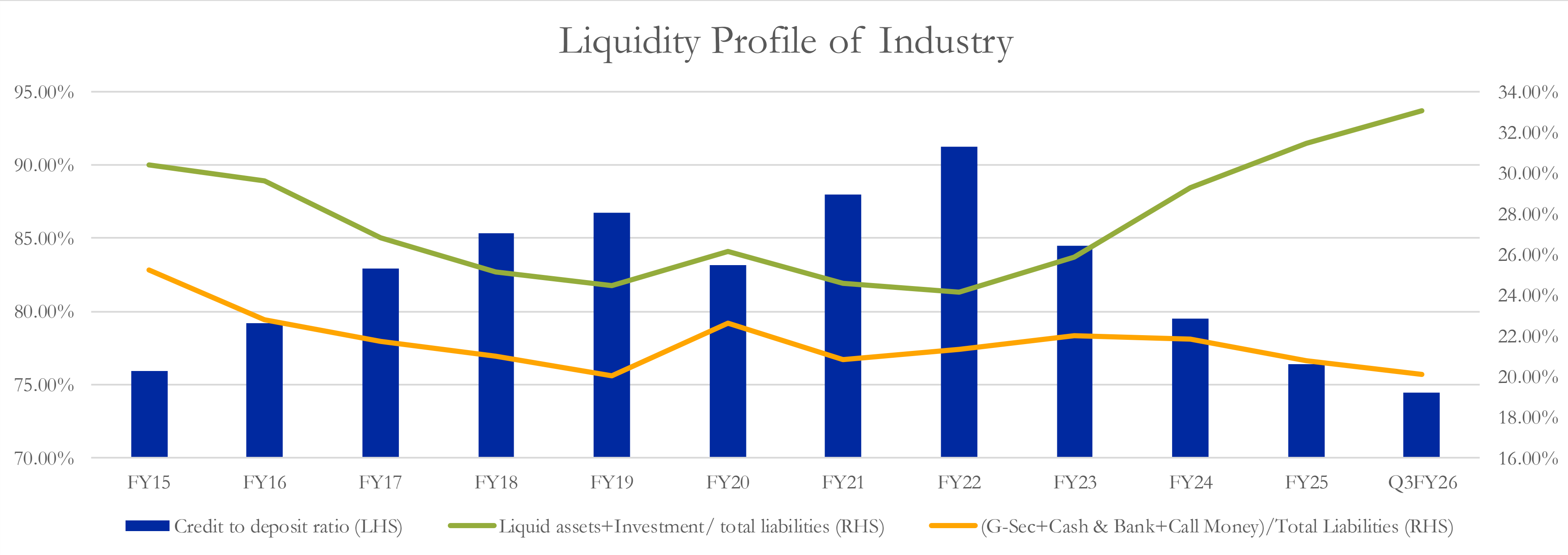
6. Deposit, liquidity, and interest rate update; Cost of deposits and lending yields on a declining trend amid excess liquidity





The average cost of deposits reported a steep rise in FY2022 and FY2023 with changes in policy rates and continuous upward revisions in interest rates. The lending rates also reported similar increments as the increased cost of funds was passed on to the borrowers through adjustment in base rates as most of the credit books were priced on a floating rate basis. With positive balance of payments since FY2023, supported by healthy remittance, the domestic liquidity has improved thereafter. With incremental credit demand remaining low, excess liquidity has led to changes in policy rates and continuous downward revision in interest rates. The decreased cost of funds has been passed on to the borrowers, similar to the trend observed during increased interest rates. However, with most players competing to deploy excess funds, NIMs has witnessed further pressures in recent quarters.

The central bank has been continuously utilising the monetary operation to mop up excess liquidity and collecting deposits to ensure interest rates fall within the interest rate corridor. The introduction of standing deposit facility (SDF) in mid-January 2024, offering a rate at the lower ceiling facilitating banks to park excess deposits has been a key component of maintain the interest rates within the interest rate corridor. With low investment avenues amid reduced demand for credit, the banks have repriced their borrowing rates resulting in a continual moderation in NIMs from FY24 onwards.

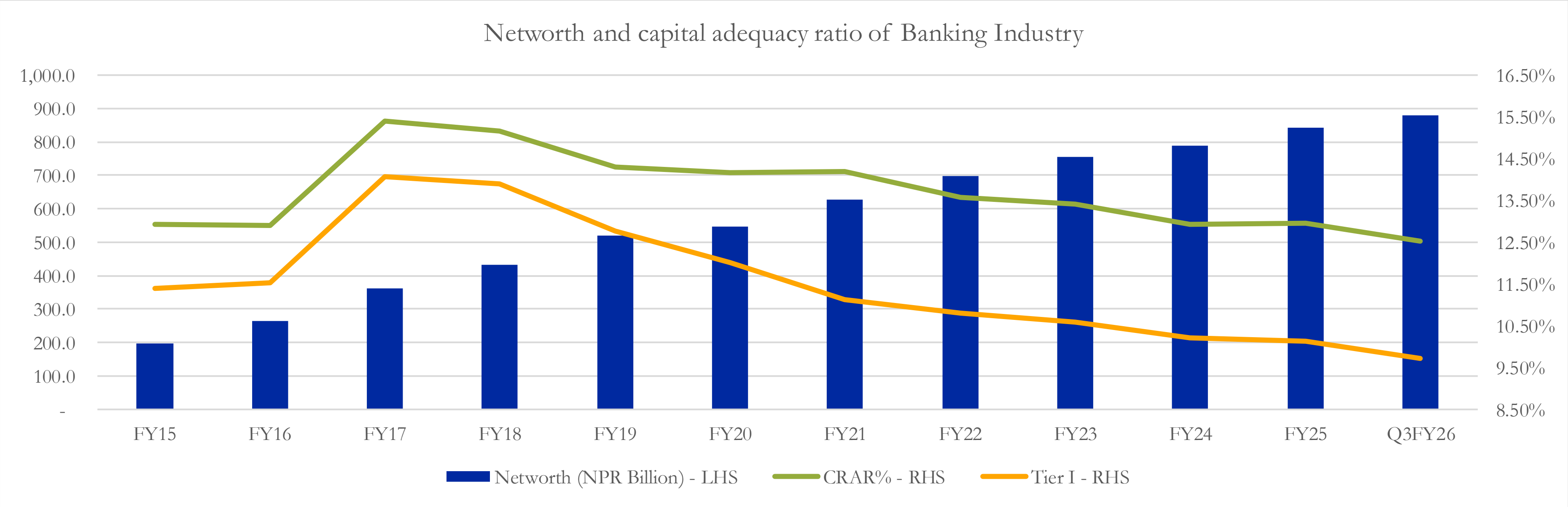


Banking Industry	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Q3FY26
Average cost of deposits	6.73%	6.23%	4.96%	6.18%	7.36%	7.04%	4.76%	3.64%
Average cost of borrowings	6.72%	6.24%	4.97%	6.18%	7.35%	7.15%	4.91%	3.79%
Term deposits (NPR billion)	1,526	1,884	2,155	2,836	3,359	3,643	3,507	3,063
Term deposits as % of total deposits	46%	48%	45%	55%	58%	56%	48%	39%
Bonds and Securities (NPR billion)	27	52	100	137	163	177	185	191
Bonds as % of total borrowing	30%	63%	37%	27%	64%	74%	79%	85%

Source: NRB quarterly/annual compilation of BFI's financials; ICRA Nepal research

7. Capital adequacy update: tier I capitalisation will remain a key monitorable amid asset quality concerns

The capital adequacy ratios declined over the years at both CRAR and tier-I levels due to significant growth in risk assets. Lower internal capital generation vis-à-vis credit growth has contributed to the dilution. The ruling by tax authorities against a few BFIs resulted in banks paying retrospective tax on the premium collected through FPOs and valuation gain on bargain purchases during mergers/acquisitions, which also impacted capitalisation during FY2024. Amid the ongoing asset quality pressure and rising provision expenses, majority of the institutions have reported a decline in tier-I capitalisation levels, leaving them thinly capitalised against the regulatory threshold as compared to the past. BFI's ability to maintain the regulatory threshold will continue to remain a challenge over the near term. The ability of the banks to raise fresh capital from its shareholders (especially from the promoters, where the shares are relatively less liquid for trading in the stock exchange) amid the declining return of the banking business could remain a challenge. Whilst few banks have recapitalised at tier-I levels through the issuance of perpetual non-cumulative preference shares and a commercial bank has been granted pre-approval to recapitalize through the issuance of rights shares, the cushion above the regulatory minimum remains relatively thin as compared to the past.



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