



NEPAL WEEKLY

12 July – 18 July 2026

BY Shrishti Chauhan



Govt enacts 21% public-sector pay hike



'One-China' reaffirmed

Nepal reaffirms 'One-China' policy



'Gaunthali' hits theatres

'Gaunthali' opens; US release follows

POLITICS

- The Finance Ministry implements a 21% cumulative public-sector salary hike (effective July 17) and a revised personal income-tax threshold under the Economic Act 2026.
- The Kapilvastu District Court authorises the arrest of NC MP Abhishek Pratap Shah over charges of leading a violent mob into a private residence.
- President Paudel authenticates four bills (procurement, money laundering, cooperatives, health-science academies) certified earlier in the month.
- Karnali politics turns: four NC ministers resign (July 16) and NC and NCP jointly register a no-confidence motion against CM Yamlal Kandel.

ECONOMY

- NRB amends the Unified Directives to implement its FY 2026/27 monetary policy — raising the share-collateral loan-to-value cap to 80% and the LTV for large public-transport EVs to 80%.
- A new provision lets banks count interest collected within 15 days of the fiscal-year end as income; monetary policy targets 7% growth with ~5.5% average inflation.
- Hallmark gold firms toward Rs 291,000/tola mid-week; egg prices begin rising as bird flu curbs production.
- The government enforces a revised income-tax structure under the Economic Act 2026 from July 17.

FOREIGN AFFAIRS

- The MFA reaffirms Nepal's firm commitment to the 'One-China Policy' after parliamentary questions over a Dalai Lama birthday celebration.
- The British Embassy congratulates two Nepal Police DSPs on completing the UK College of Policing Executive Leaders Program.
- KMC's acting mayor and the Australian Ambassador discuss plans for a Kathmandu international film festival.
- Sabin Neupane represents Nepal at Moscow's Days of International Theatre Cooperation (July 13-17).

INTERNAL SECURITY

- Three KMC municipal-police personnel are taken into custody for questioning in connection with the Ganesh Nepali death case.
- The Kapilvastu District Police open a criminal investigation into MP Shah and the Krishnanagar mayor after procedural delays.
- Monsoon-response units stay on alert as heavy rain and flood risk persist across the plains.

DEFENCE

- No major domestic military operations reported; security agencies remain focused on monsoon-disaster readiness.
- Border-management concerns in the southern belt continue to feature in parliamentary committee discussions.

HEALTH

- Bird flu stays active in Kathmandu, Lalitpur, Bhaktapur and Kavrepalanchowk even as it is contained in seven other districts; egg output falls.
- The Health Ministry's Free Treatment Portal expands to 238 registered hospitals, with 1,760+ patients using mandated free beds.

EDUCATION

- The 'One-China' debate and the pending Film Bill feature in cultural-policy discussion as Nepali cinema gains global visibility.
- Two Nepal Police officers complete an executive leadership program at the UK College of Policing.

SOCIETY

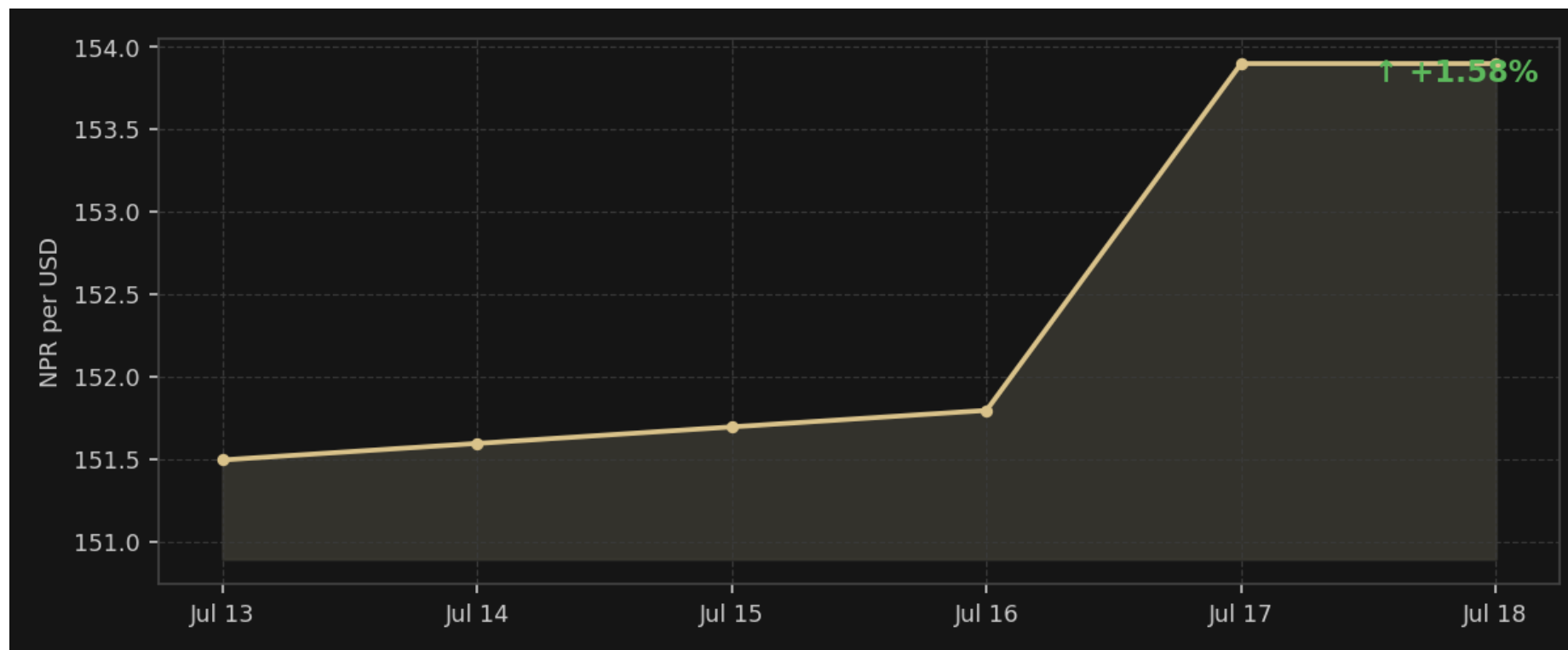
- The film 'Gaunthali' releases in Nepal on July 17 to strong turnout and begins a US theatrical run; cast members tour theatres.
- 'Jadau Hajur', title track of the upcoming film 'Jadau', is released ahead of a September 25 premiere.
- KMC advances plans for a Kathmandu international film festival with Australian backing.
- Public-sector employees see take-home pay rise with the 21% salary hike from July 17.

Sr No	Date	Sector	News Headlines	Source
1	13 Jul 2026	Politics	President Paudel authenticates four bills passed by the Federal Parliament	Nepal News
2	14 Jul 2026	Foreign Affairs	Sabin Neupane represents Nepal at Moscow's international theatre cooperation event	Nepal News
3	16 Jul 2026	Economy	Finance Ministry to implement a 21% cumulative public-sector salary hike from July 17	Nepal News
4	16 Jul 2026	Economy	NRB raises the share-collateral loan limit to 80% to implement monetary policy	Nepal News
5	16 Jul 2026	Economy	NRB lets banks count interest collected within 15 days of year-end as income	Nepal News
6	16 Jul 2026	Economy	NRB raises the loan-to-value ratio to 80% for large public-transport EVs	Nepal News
7	16 Jul 2026	Internal Security	Kapilvastu court authorises arrest of NC MP Abhishek Pratap Shah over assault	Nepal News
8	16 Jul 2026	Foreign Affairs	British Embassy congratulates two Nepal Police DSPs on completing UK leadership program	Nepal News

Sr No	Date	Sector	News Headlines	Source
9	16 Jul 2026	Health	Health Ministry's Free Treatment Portal expands to 238 registered hospitals	Nepal News
10	16 Jul 2026	Foreign Affairs	KMC acting mayor and Australian envoy discuss a Kathmandu international film festival	Nepal News
11	16 Jul 2026	Politics	Four NC ministers resign in Karnali, triggering a no-confidence motion push	Nepal News
12	17 Jul 2026	Economy	Government enforces a revised personal income-tax structure under the Economic Act 2026	Nepal News
13	17 Jul 2026	Society	Film 'Gaunthali' releases in Nepal to strong turnout, with a US run to follow	Nepal News
14	17 Jul 2026	Foreign Affairs	MFA reaffirms Nepal's firm commitment to the 'One-China Policy'	Nepal News
15	17 Jul 2026	Internal Security	Three KMC municipal-police personnel held for questioning in the Ganesh Nepali case	Nepal News
16	18 Jul 2026	Economy	Hallmark gold firms toward Rs 291,000/tola as global prices rise	Artha Kendra

Sr No	Date	Sector	News Headlines	Source
17	18 Jul 2026	Society	'Jadau Hajur' title track released ahead of the film's September 25 premiere	Nepal News
18	18 Jul 2026	Health	Egg prices begin rising as bird flu curbs poultry production	Nepal News

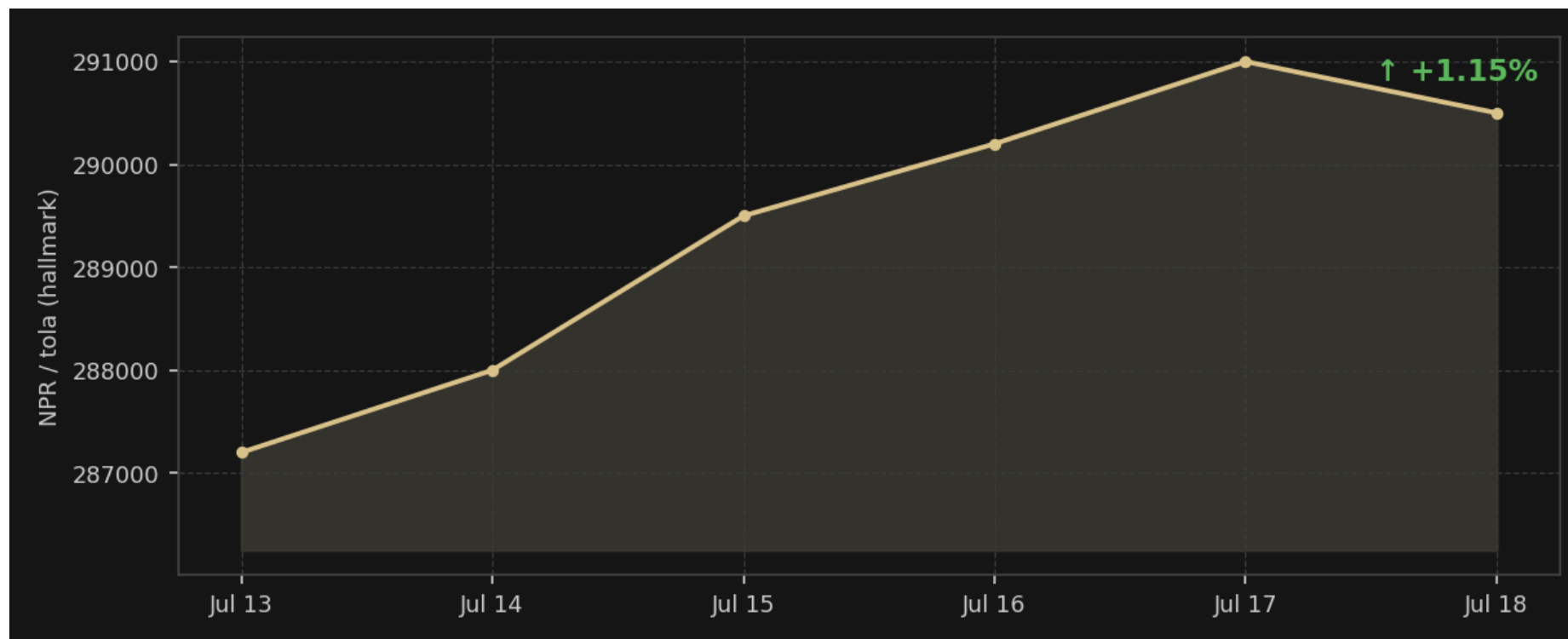
USD/NPR Exchange Rate



The rupee held near 152-154/USD, tracking its peg to the Indian rupee.

Indicative weekly series compiled from reported market data; interim points are approximations where official daily closes were unavailable.

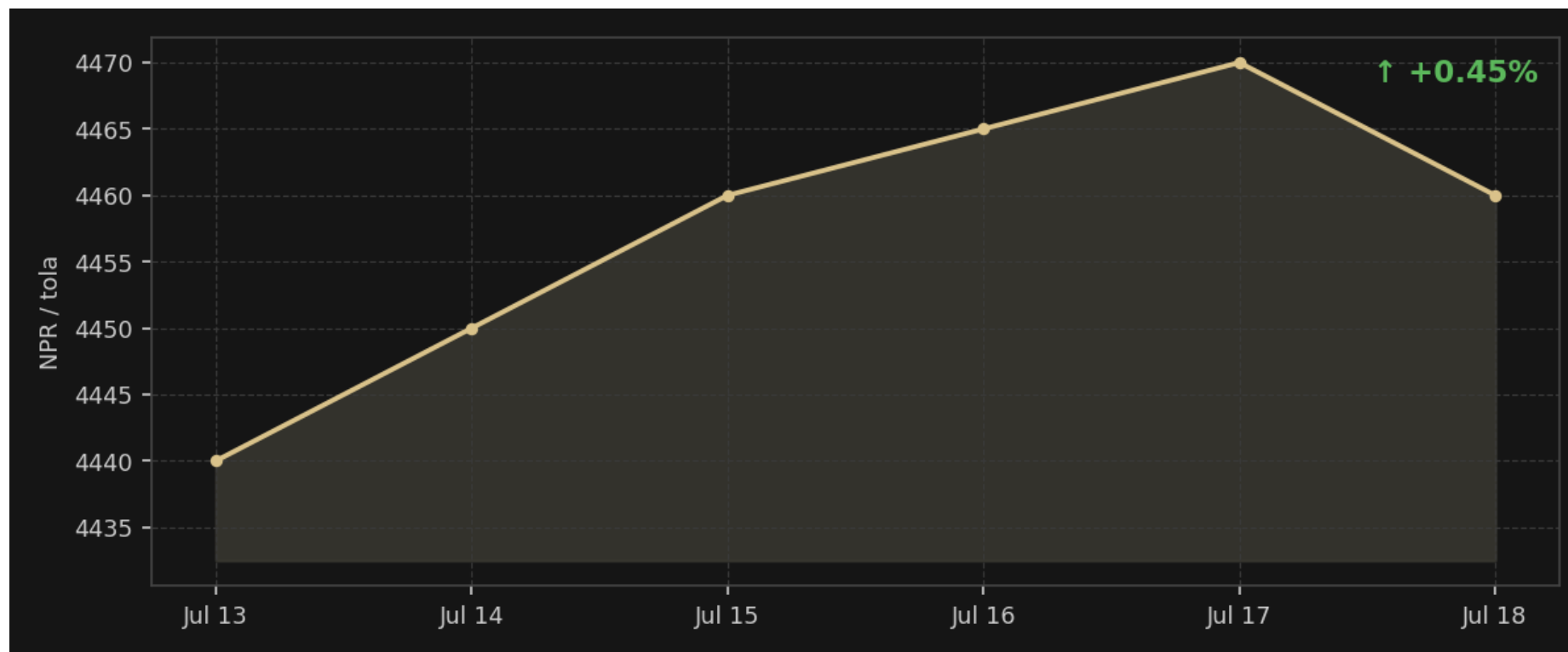
Gold Prices (in Nepali Rupees/Tola — Hallmark)



FENEGOSIDA hallmark gold firmed toward Rs 291,000/tola mid-week on higher world prices.

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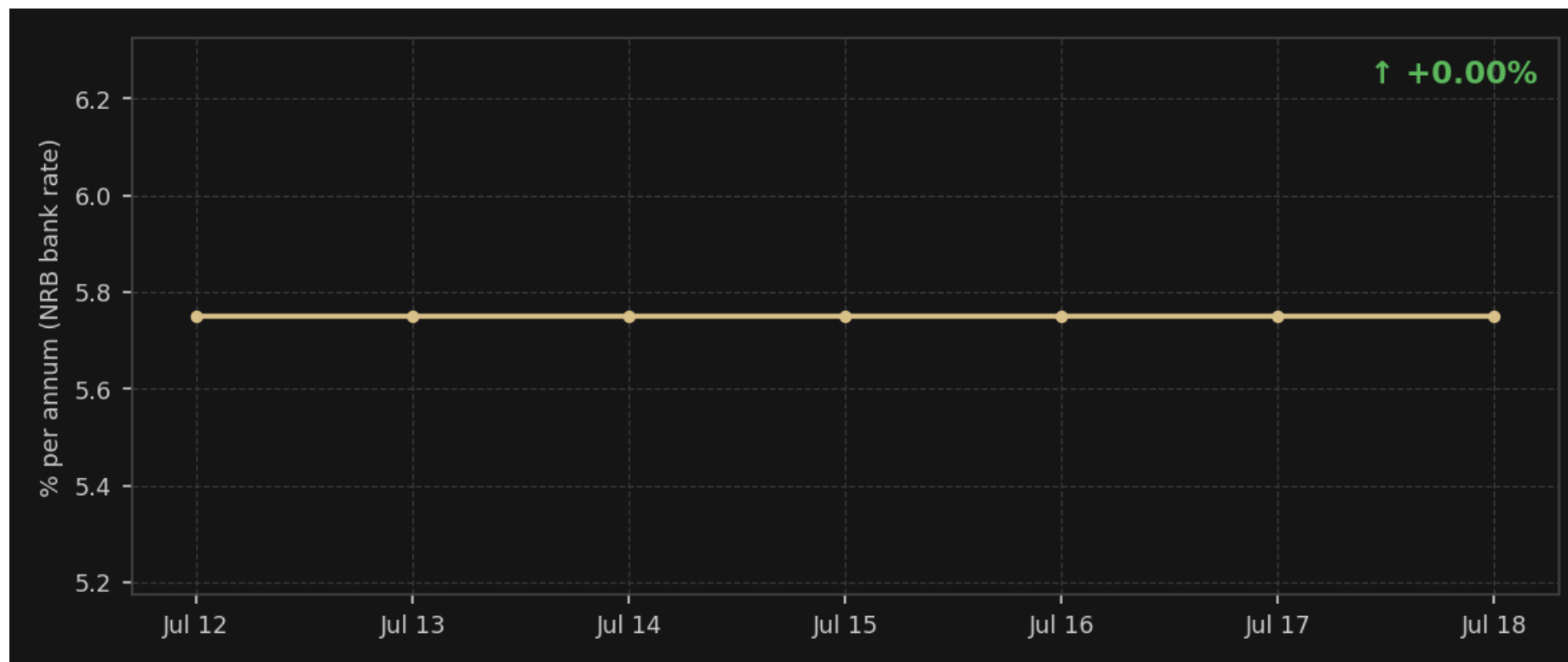
Silver Prices (in Nepali Rupees/Tola)



Silver held around Rs 4,460/tola through the week.

Indicative weekly series compiled from reported market data; interim points are approximations where official daily closes were unavailable.

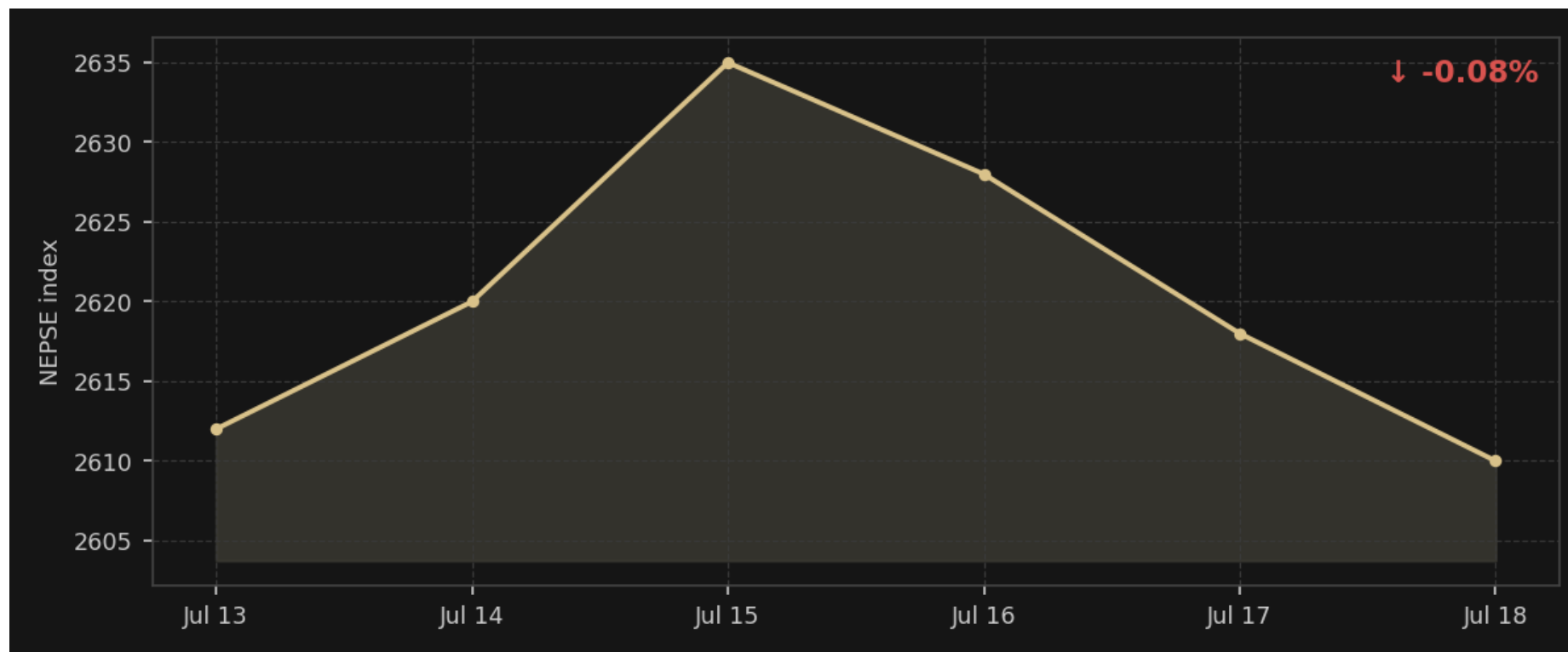
Nepal Rastra Bank — Bank Rate



NRB held its bank rate at 5.75% under the FY 2026/27 monetary policy announced July 7.

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NEPSE Index



NEPSE traded around 2,610-2,635 through the week.

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