

## Market Review for July 2023

This is a marketing communication. Please note past performance information does not predict future returns.

1st August 2023

### MONTHLY REVIEW

The Japanese stock market continued its rally in July, with TOPIX up 1.5% and the Nikkei 225 down only 0.1%. At the start of the month unexpected yen appreciation weighed on the market however the stock market recovered towards the second half of the month due to the strong performance of US stocks. The Bank of Japan surprised markets at the month-end with a tweak to its yield curve control policy, which led the yen to spike up. However, optimism surrounding the US market spread still to Japanese equities. July saw small- and mid-cap stocks perform well in the first half of the month, while large caps shined in the latter half of the month.

TABLE 1. MARKET PERFORMANCE

2023	As of the end of July 2023	Jul-23	Year to Date
TOPIX	2,322.56	1.48%	22.78%
Nikkei 225	33,172.22	-0.05%	27.12%
USD/JPY*	142.29	144.31 (Jun-23)	131.12

\*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

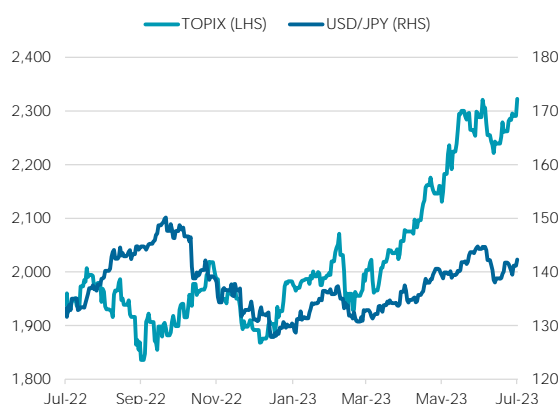


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of July 2023, local currency)

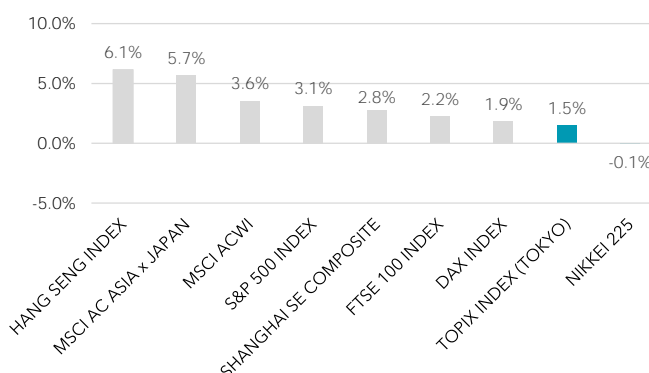


TABLE 2. TOP 5 PERFORMING SECTORS

Sectors	Return
Mining	14.31%
Marine Transportation	10.85%
Banks	7.85%
Iron & Steel	6.69%
Securities & Commodity Futures	5.05%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sectors	Return
Pharmaceutical	-4.17%
Precision Instruments	-3.62%
Other Products	-2.12%
Chemicals	-1.87%
Foods	-1.28%

TABLE 4. TOP 5 PERFORMING STOCKS\*

Name	Ticker	Return
RYOHIN KEIKAKU	7453 JT Equity	29.67%
SHIFT	3697 JT Equity	28.27%
KAWASAKI KISEN KAISHA	9107 JT Equity	21.68%
ZENSHO HOLDINGS	7550 JT Equity	18.34%
DISCO	6146 JT Equity	17.82%

TABLE 5. BOTTOM 5 PERFORMING STOCKS\*

Name	Ticker	Return
SOCIONEXT	6526 JT Equity	-19.41%
BAYCURRENT CONSULTING	6532 JT Equity	-14.53%
FANUC	6954 JT Equity	-13.59%
YAKULT HONSHA	2267 JT Equity	-13.25%
OMRON	6645 JT Equity	-13.07%

\*Stocks with a market cap of over JPY 500 billion

Note. Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as of July 2023)

FIGURE 3. VALUE-GROWTH SPREAD



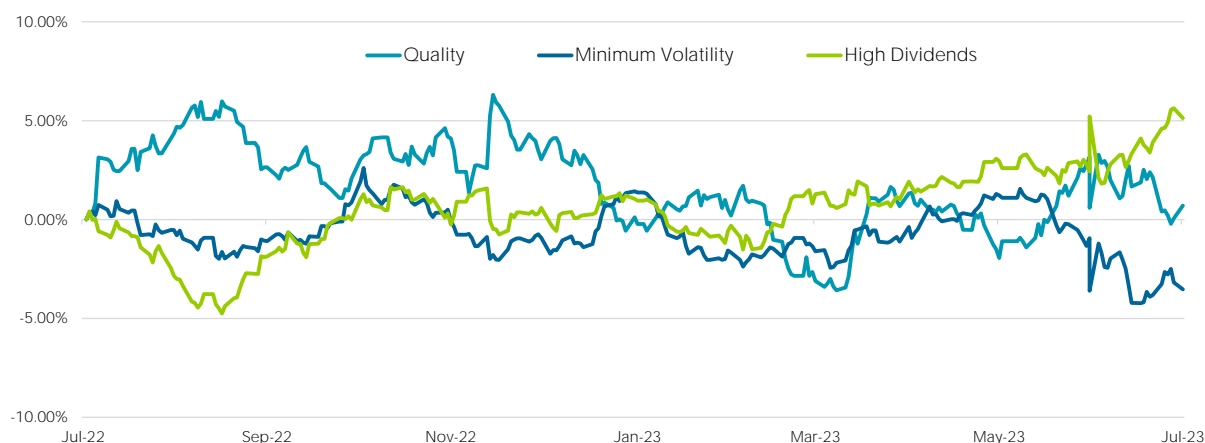
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



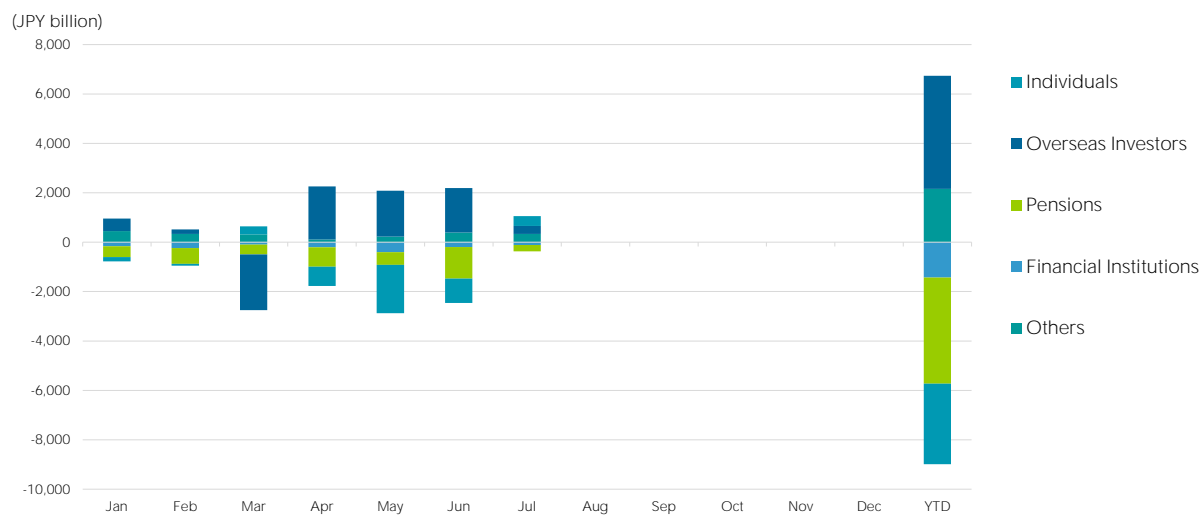
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

FIGURE 5. MSCI JAPAN FACTOR INDEXES SPREAD AGAINST MSCI JAPAN\*



\*The measurement begins from the end of July 2022, starting from 0%.

FIGURE 6. MONTHLY INVESTMENT ACTIVITIES BY INVESTOR TYPE IN THE JAPANESE EQUITY MARKET\*\*



\*\*Latest month figures are until the 3rd week of the month

Note: Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as of July 2023)

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