

Market Review for November 2023

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

MONTHLY REVIEW

The Japanese equity market rallied in November with TOPIX up by 5.4% and the Nikkei 225 up by 8.5%. In the first half of the month the Japanese equity market was boosted by the announcement of weaker-than-expected employment statistics in the US, which signalled a potential cut in US interest rates as early as March 2024. Favourable Japanese corporate results and a recovery in Chinese economic indicators were also tailwinds for Japanese equities. The decline in both domestic and international long-term interest rates led to a rebound in growth stocks. Large cap stocks outperformed in the beginning of the month but small and mid cap stocks dominated towards the end of the month.

TABLE 1. MARKET PERFORMANCE

| 2023 | As of the end of November 2023 | Nov-23 | Year to Date |
|------------|--------------------------------|-----------------|----------------------|
| TOPIX | 2,374.93 | 5.38% | 25.54% |
| Nikkei 225 | 33486.89 | 8.52% | 28.33% |
| USD/JPY* | 148.20 | 151.68 (Oct-23) | 131.12 (end of 2022) |

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

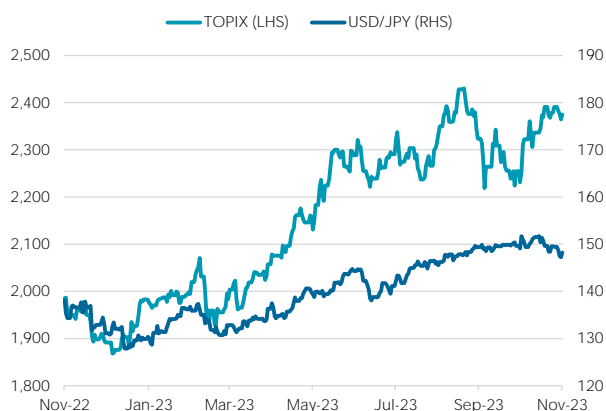


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of November 2023, local currency)

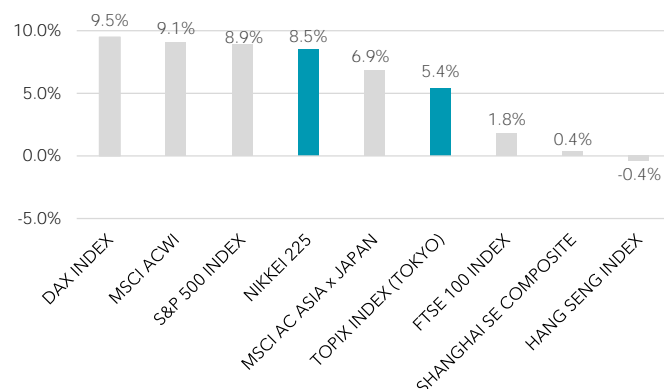


TABLE 2. TOP 5 PERFORMING SECTORS

| Sectors | Return |
|-----------------------|--------|
| Precision Instruments | 12.90% |
| Electric Appliance | 11.95% |
| Services | 9.41% |
| Rubber Products | 8.77% |
| Oil & Coal Products | 8.27% |

TABLE 3. BOTTOM 5 PERFORMING SECTORS

| Sectors | Return |
|--------------------------|--------|
| Pulp & Paper | -6.51% |
| Mining | -2.42% |
| Banks | -0.89% |
| Construction | -0.64% |
| Other Financing Business | 0.78% |

TABLE 4. TOP 5 PERFORMING STOCKS*

| Name | Ticker | Return |
|-----------------------|----------------|--------|
| SCREEN HOLDINGS | 7735 JT Equity | 55.32% |
| TAISHO PHARMACEUTICAL | 4581 JT Equity | 45.76% |
| GMO PAYMENT GATEWAY | 3769 JT Equity | 45.46% |
| KOKUSAI ELECTRIC | 6525 JT Equity | 34.21% |
| TREND MICRO | 4704 JT Equity | 33.18% |

TABLE 5. BOTTOM 5 PERFORMING STOCKS*

| Name | Ticker | Return |
|-------------------------|----------------|---------|
| T&D HOLDING | 8795 JT Equity | -18.19% |
| SHISEIDO | 4911 JT Equity | -16.72% |
| OPEN HOUSE GROUP | 3288 JT Equity | -16.23% |
| OJI HOLDINGS | 3861 JT Equity | -14.64% |
| FUKUOKA FINANCIAL GROUP | 8354 JT Equity | -13.24% |

*Stocks with a market cap of over JPY 500 billion at the beginning of the month

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

FIGURE 3. VALUE-GROWTH SPREAD



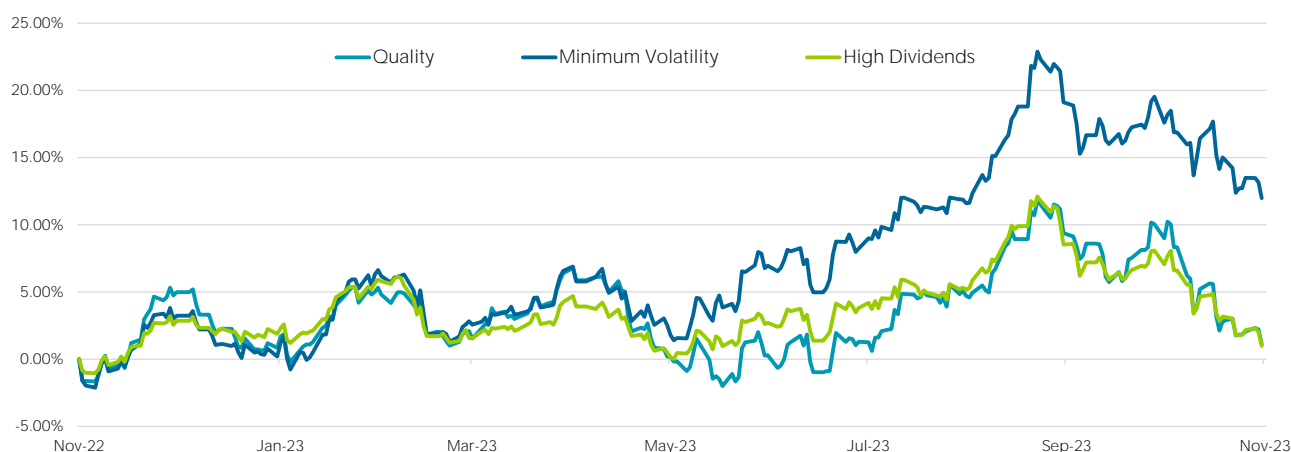
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



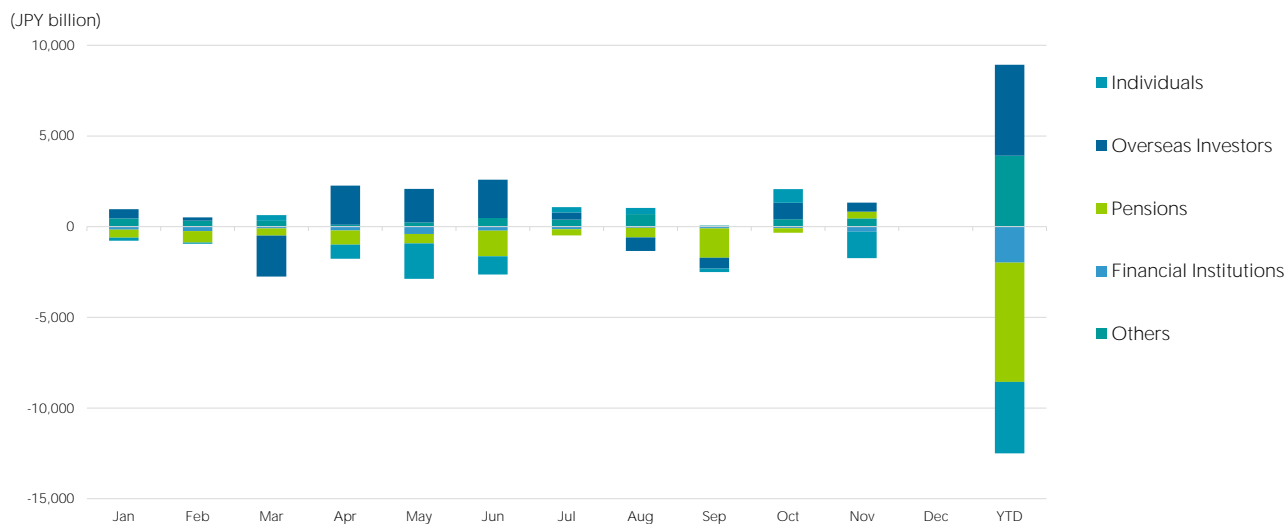
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



*The measurement begins from the end of November 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 November 2023)

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