

## Market Review for February 2021

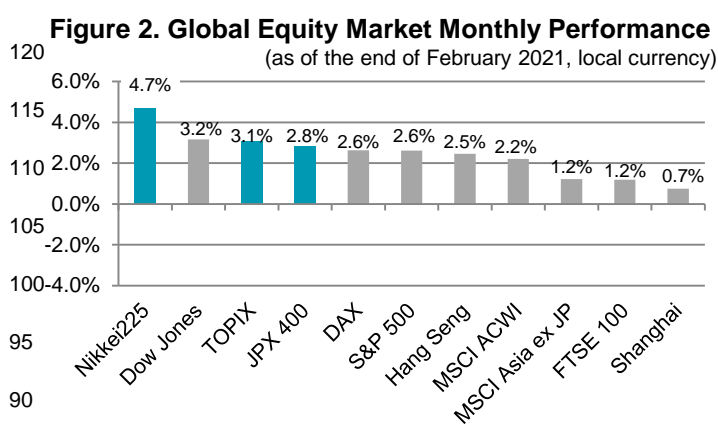
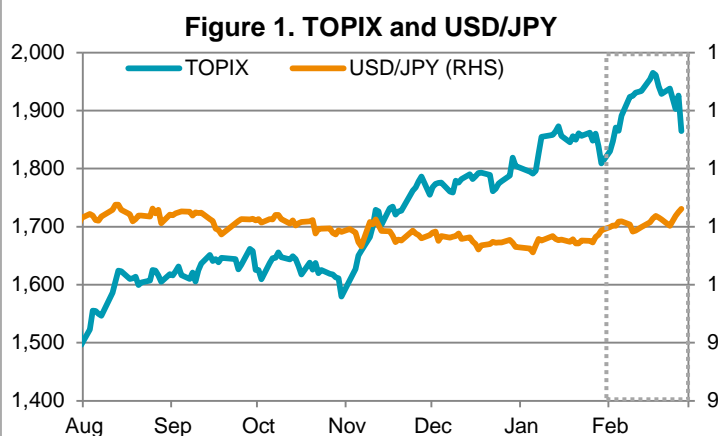
2<sup>nd</sup> March 2021

TOPIX ended up 3.08% on the previous month-end. The expectations for a recovery of company's earnings and US additional economic stimulus pushed the market higher. The market lost the momentum in the latter half of the month due to the decline of the US equity market following a sharp hike in US bond yield but closed higher than the previous month-end.

**Table 1. Market Performance**

2021	As of the end of Feb.	February	Year to Date
TOPIX	1,864.49	3.08%*	3.31%*
Nikkei 225	28,966.01	4.71%	5.55%
USD/JPY**	106.54	104.07 (31 Jan)	103.25 (end of 2020)

\*MTD: 3.12%, YTD: 3.36% in total return index, \*\*Reuters London 4pm



**Table 2. Top 5 performing sectors in February 2021**

Sector	Return
Mining	26.62%
Air Transportation	23.92%
Marine Transportation	20.48%
Iron & Steel	18.87%
Banks	13.97%

**Table 3. Bottom 5 performing sectors in February 2021**

Sector	Return
Pharmaceutical	-6.51%
Foods	-3.91%
Precision Instruments	-2.13%
Electric Power & Gas	-1.74%
Chemicals	-1.43%

**Table 4. Top 5 performing stocks\* in February 2021**

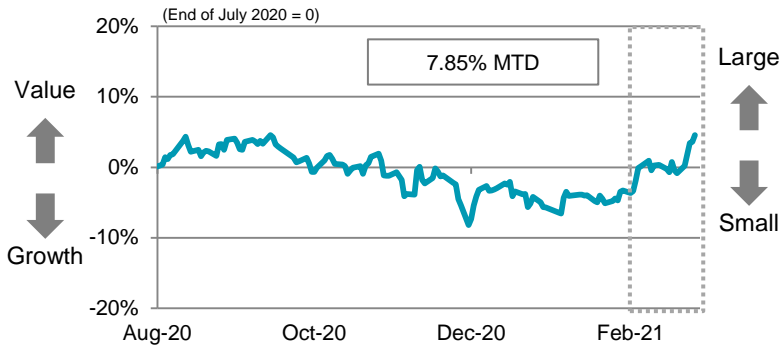
Name	Return
Japan Airline (9201 JP)	35.80%
Nippon Steel (5401 JP)	29.87%
Inpex (1605 JP)	29.59%
Nippon Yusen (9101 JP)	26.97%
JFE Holdings (5411 JP)	22.99%

**Table 5. Bottom 5 performing stocks\* in February 2021**

Sector	Return
Tokyo Century (8439 JP)	-17.97%
PeptiDream (4587 JP)	-17.02%
Nippon Paint Holdings (4612 JP)	-15.92%
Santen Pharmaceutical (4536 JP)	-15.54%
Azbil (6845 JP)	-15.26%

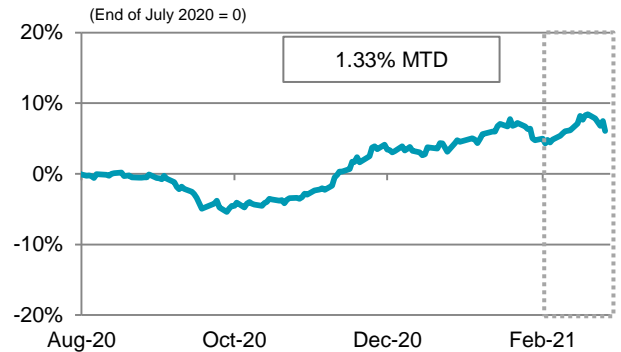
\*Stocks with a market cap of over JPY 500 billion

**Figure 3. Value-Growth Spread**



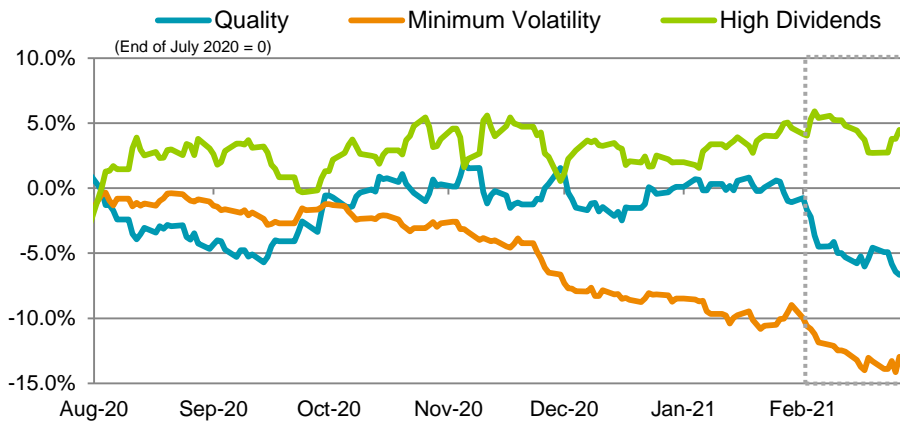
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

**Figure 4. Large-Small Cap Spread**



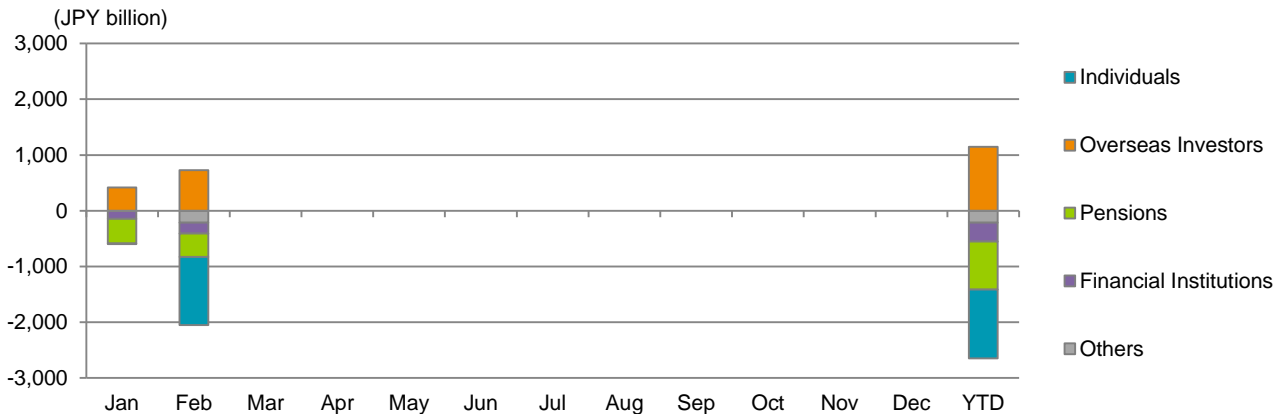
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

**Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan**



Data: Bloomberg, Nomura Securities, SuMi TRUST (as at the end of February 2021)

**Figure 6. Monthly Investment Activities by Investor Type in the Japanese Equity Market**



Data: Bloomberg, SuMi TRUST (as of 19<sup>th</sup> February 2021)

**Disclaimer**

This marketing communication is issued by Sumitomo Mitsui Trust International Limited ("SMTI"). SMTI is authorised and regulated by the United Kingdom's Financial Conduct Authority (the "FCA"), whose address is Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN, United Kingdom. This marketing communication has been made available to you only because SMTI has classified you as a professional client in accordance with the FCA's rules. If you have received this marketing communication from a source other than SMTI, you should contact SMTI before using it or relying on it. You must not send this marketing communication to any other person without first having received written approval from SMTI. The information contained in this marketing communication (the "Material") is being made available for information purposes only and is designed to provide information on the investment services which SMTI may offer to clients. Nothing in the Material amounts to or should be construed as an actual offer by SMTI to provide any investment services to any person. If SMTI agrees to provide any investment services to any person, those services will be the subject of a separate written agreement between SMTI and that person. Furthermore, the Material has not been prepared with any consideration of the individual circumstances of any person to whom it is communicated. Accordingly, it is not intended to, and does not, constitute a personnel recommendation in relation to the purchase or sale of, or exercise of any rights in relation to, any financial instruments or advice in relation to any investment policy or strategy to be followed. The Material also does not contain the results of any investment research carried out by SMTI and is not intended to amount to a financial promotion of any particular financial instrument which may be referred to in it. While SMTI uses all reasonable endeavours to ensure the Material is accurate, it has not been prepared with a view to any person relying on it. Accordingly, SMTI accepts no responsibility for any loss caused to any recipient of this document as a result of any error, inaccuracy or incompleteness in the Material, nor for any error in the transmission or receipt of this communication.

All enquiries regarding this report should be made to:

**Akimichi Oi**  
**Head of Investment Management Department**  
 Sumitomo Mitsui Trust International Limited  
 155 Bishopsgate, London EC2M 3XU, UK  
 Direct: +44 20 7562 8412  
 imd@smti.com

## Disclaimer – UK

This marketing communication is issued by Sumitomo Mitsui Trust International Limited (“SMTI”). SMTI is authorised and regulated by the United Kingdom’s Financial Conduct Authority (the “FCA”), whose address is 12 Endeavour Square, London, E20 1JN, United Kingdom.

This marketing communication has been made available to you only because SMTI has classified you as a professional client in accordance with the FCA’s rules. If you have received this marketing communication from a source other than SMTI, you should contact SMTI before using it or relying on it. You must not send this marketing communication to any other person without first having received written approval from SMTI.

The information contained in this marketing communication (the “Material”) is being made available for information purposes only and is designed to provide information on the investment services which SMTI may offer to clients.

Nothing in the Material amounts to or should be construed as an actual offer by SMTI to provide any investment services to any person. If SMTI agrees to provide any investment services to any person, those services will be the subject of a separate written agreement between SMTI and that person. Furthermore, the Material has not been prepared with any consideration of the individual circumstances of any person to whom it is communicated.

Accordingly, it is not intended to, and does not, constitute a personnel recommendation in relation to the purchase or sale of, or exercise of any rights in relation to, any financial instruments or advice in relation to any investment policy or strategy to be followed. The Material also does not contain the results of any investment research carried out by SMTI and is not intended to amount to a financial promotion of any particular financial instrument which may be referred to in it.

While SMTI uses all reasonable endeavours to ensure the Material is accurate, it has not been prepared with a view to any person relying on it. Accordingly, SMTI accepts no responsibility for any loss caused to any recipient of this document as a result of any error, inaccuracy or incompleteness in the Material, nor for any error in the transmission or receipt of this communication.

Any enquiries regarding the products should be made to:

Hirofumi Hayashi

Head of Investment Management Department

Sumitomo Mitsui Trust International Limited

155 Bishopsgate, London EC2M 3XU, United Kingdom

Direct: +44 (0)20 7562 8405

Email: [imd@smtil.com](mailto:imd@smtil.com)

Sumitomo Mitsui Trust International Limited is authorised and regulated by the Financial Conduct Authority

© Sumitomo Mitsui Trust International Limited 2024