

Market Review for January 2023

2nd February 2023

TOPIX ended up on the previous month-end. The Japanese equity market was supported by rallies of US equities and expectations of a recovery of China's economy following the announcement of the abandonment of China's strict Zero-Covid policy. The Bank of Japan's decision to maintain its current monetary easing policy also eased the market after they announced unexpected amendments to their policy last December.

Table 1. Market performance

2023	As of the end of Jan 2023	Jan 2023	Year to Date
TOPIX	1975.27	4.42%	4.42%
Nikkei 225	27327.11	4.72%	4.72%
USD/JPY*	130.19	131.12 (30 Dec)	131.12 (end of 2022)

*Bloomberg's preferred default source of generic FX data

Figure 1. TOPIX and USD/JPY

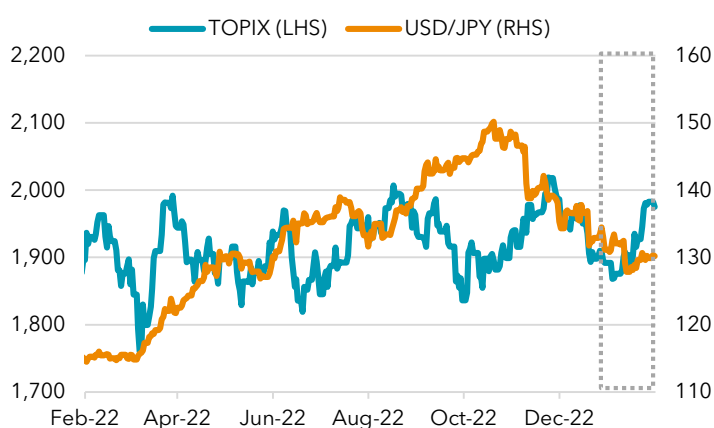


Figure 2. Global Equity Market Monthly Performance (as of the end of Jan 2023, local currency)

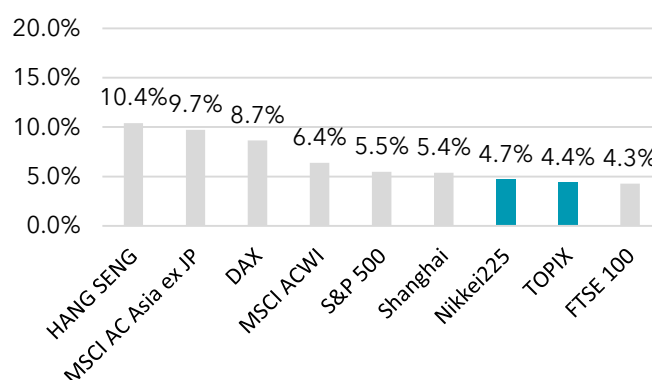


Table 2. Top 5 performing sectors

Sectors	Return
Iron & Steel	16.65%
Electric Appliance	11.15%
Machinery	10.42%
Metal Products	8.85%
Precision Instruments	8.83%

Table 3. Bottom 5 performing sectors

Sectors	Return
Insurance	-2.19%
Pharmaceutical	0.22%
Fishery, Agriculture & Forestry	0.26%
Land Transportation	0.96%
Real Estate	1.78%

Table 4. Top 5 performing stocks*

Name	Return
BAYCURRENT CONSULTING (6532 JP)	32.93%
YASKAWA ELECTRIC (6506 JP)	19.05%
NIPPON STEEL (5401 JP)	17.58%
SMC (6273 JP)	17.58%
SHIN-ETSU CHEMICAL (4063 JP)	17.57%

Table 5. Bottom 5 performing stocks

Name	Return
ONO PHARMACEUTICAL (4528 JP)	-8.42%
EISAI (4523 JP)	-7.95%
ABC-MART (2670 JP)	-6.43%
SHIONOGI (4507 JP)	-6.12%
TOHO (9602 JP)	-5.81%

*Stocks with a market cap of over JPY 500 billion

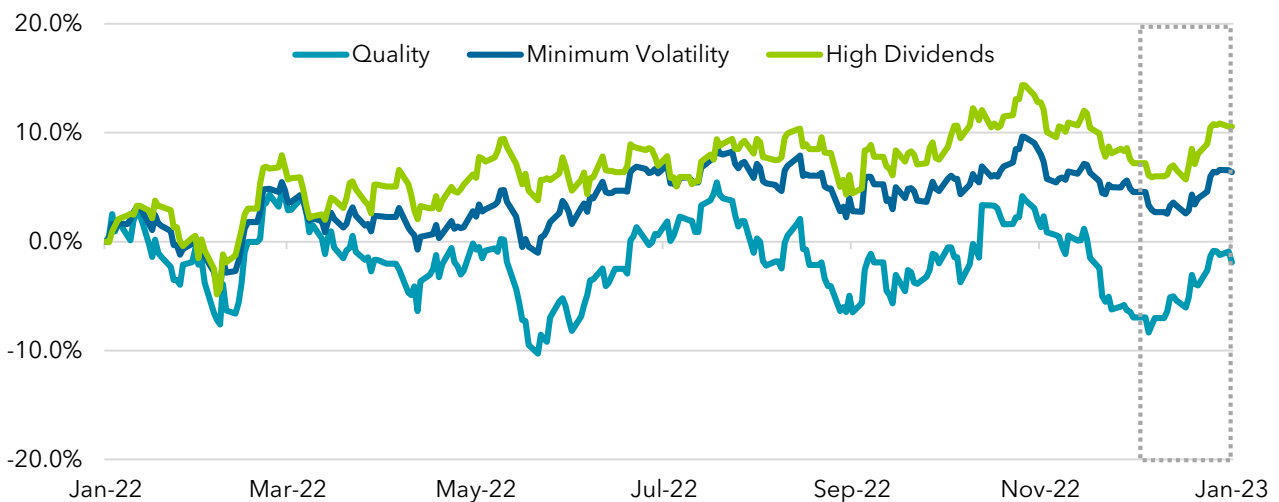
Note. Figures on this report are from SuMi TRUST, Bloomberg, Nomura (as of the end of January 2023)

Figure 3. Value-Growth Spread*

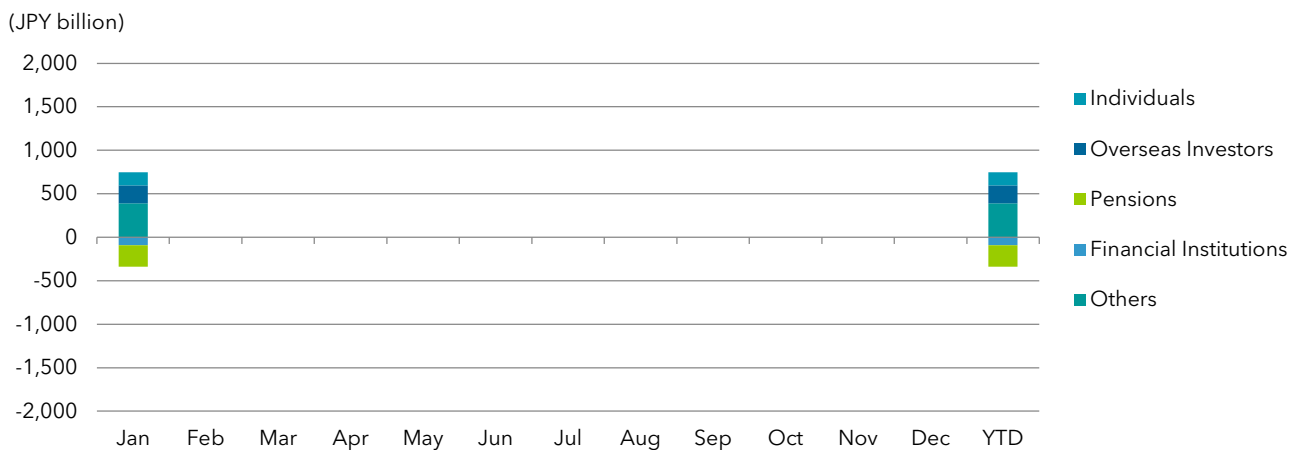

The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread*


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*


*End of January 2022=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.

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