

Market Review for May 2024

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

MONTHLY REVIEW

In May the Japanese Nikkei 225 and TOPIX indices experienced a minor rebound, rising by 0.2% and 1.1% respectively. In the first third of the month small caps performed above expectations but from mid-May onwards larger names dominated. In the Tokyo Stock Exchange's Prime and Standard markets foreign investors remained net buyers of stocks but to a lesser extent than in April due to a combination of conservative earnings forecasts and the weak yen. April-May also saw an increase of 1.6 times in share buybacks compared to the same time last year, this comes amid Japanese companies gaining an increased awareness of returning value to shareholders. In terms of sector performance, the Insurance sector was the best performer, while Real Estate trailed as the worst performer.

TABLE 1. MARKET PERFORMANCE (as of the end of May 2024)

	Index	Return	Year to Date
TOPIX	2,772.49	1.07%	17.16%
Nikkei 225	38,487.90	0.21%	15.01%
	May-24	Apr-24	End of 2023
USD/JPY*	157.31	157.80	141.04

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

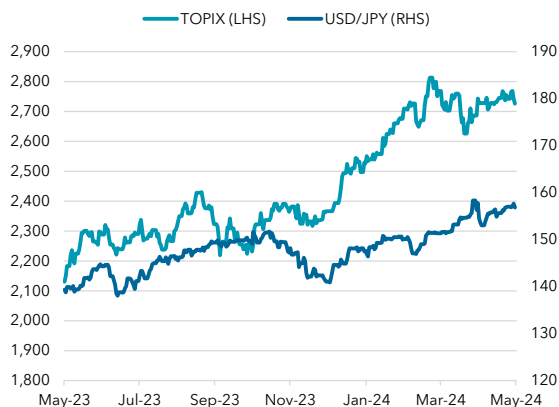


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of May 2024, local currency)

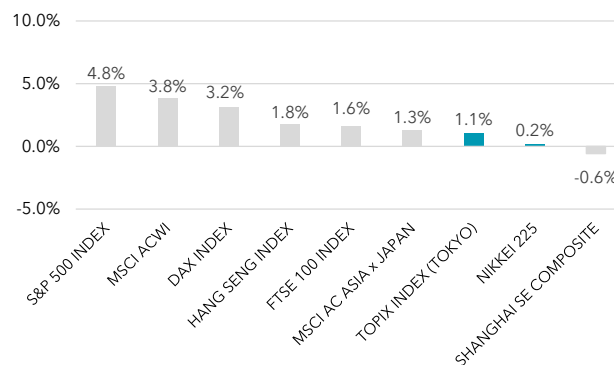


TABLE 2. TOP 5 PERFORMING SECTORS

Sectors	Return
Insurance	10.48%
Other Products	8.98%
Electric Power & Gas	8.36%
Banks	7.60%
Marine Transportation	7.49%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
ISETAN MITSUKOSHI	3099 JT Equity	46.73%
DISCO	6146 JT Equity	34.26%
TOHOKU ELECTRIC POWER	9506 JT Equity	30.53%
ASICS	7936 JT Equity	28.70%
KOSE	4922 JT Equity	27.33%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sectors	Return
Real Estate	-7.20%
Land Transportation	-4.29%
Pulp & Paper	-4.28%
Transportation Equipments	-4.24%
Glass & Ceramics Products	-3.17%

TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
HAMAMATSU PHOTON	6965 JT Equity	-20.44%
HORIBA	6856 JT Equity	-19.48%
NISSAN CHEMICAL	4021 JT Equity	-19.31%
NITORI	9843 JT Equity	-18.24%
KINTETSU	9041 JT Equity	-17.66%

*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 May 2024)

FIGURE 3. VALUE-GROWTH SPREAD



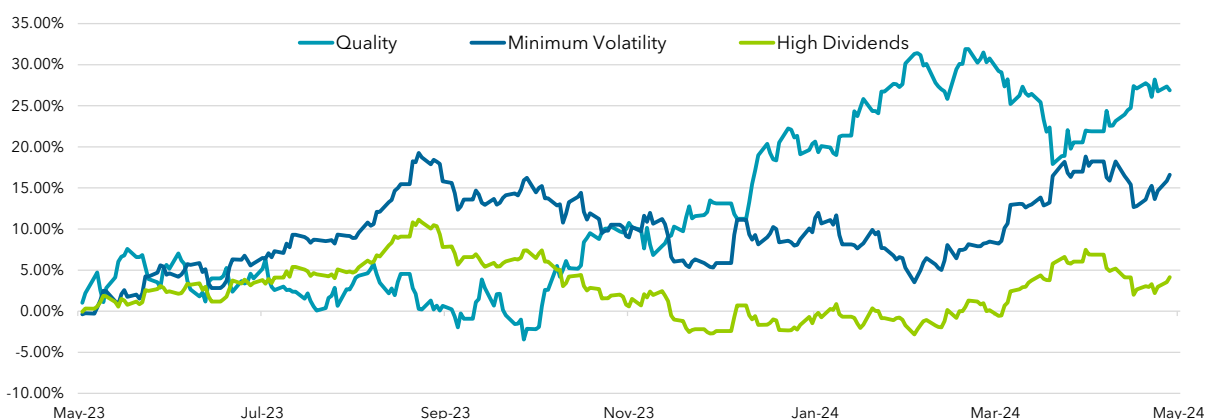
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means Value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



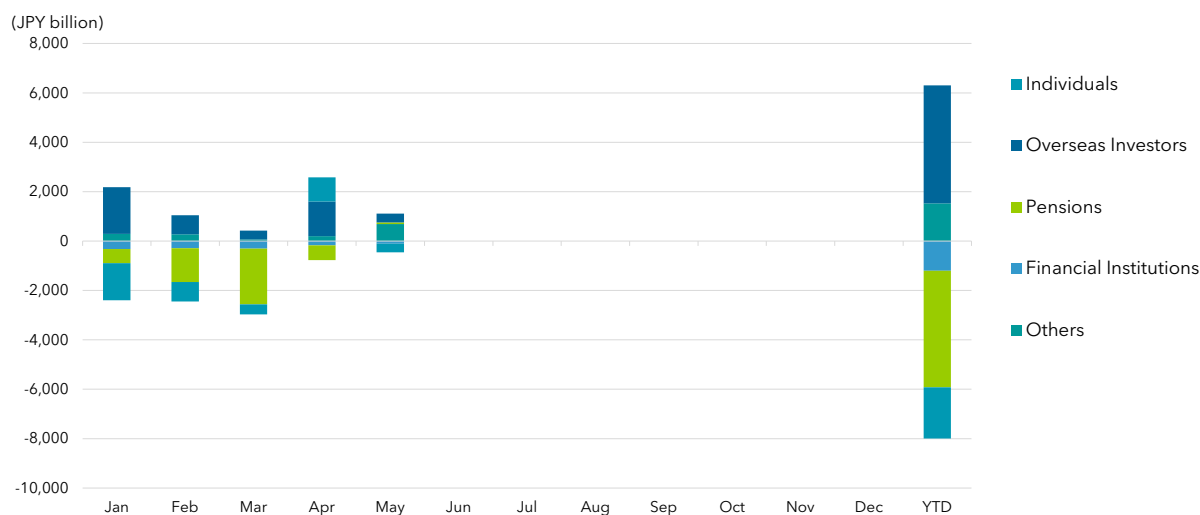
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



*The measurement begins from the end of May 2023, 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 May 2024)

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