

Market Review for December 2023

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

MONTHLY REVIEW

The Japanese equity market swayed back and forth in December with TOPIX ending the month down by 0.4% and the Nikkei 225 down by 0.1%. In the first half of the month the Japanese yen weakened following rising expectations for a cut in US interest rates in 2024. The Bank of Japan's (BOJ) decision to maintain its monetary easing policy was well received by the market, boosting TOPIX in the latter half of the month. Value factors dominated towards the beginning of the month but growth factors overtook in the latter half of the month. Meanwhile small and mid cap stocks performed well throughout the month.

TABLE 1. MARKET PERFORMANCE

2023	As of the end of December 2023	Dec-23	Year to Date
TOPIX	2,366.39	-0.36%	24.86%
Nikkei 225	33,464.17	-0.07%	28.25%
USD/JPY*	141.04	148.20 (Nov-23)	133.03 (end of 2022)

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

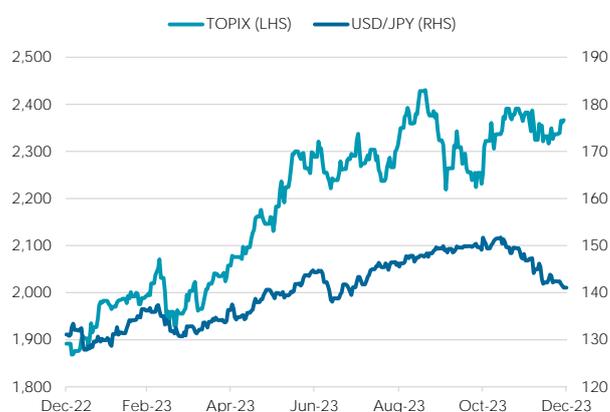


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of December 2023, local currency)

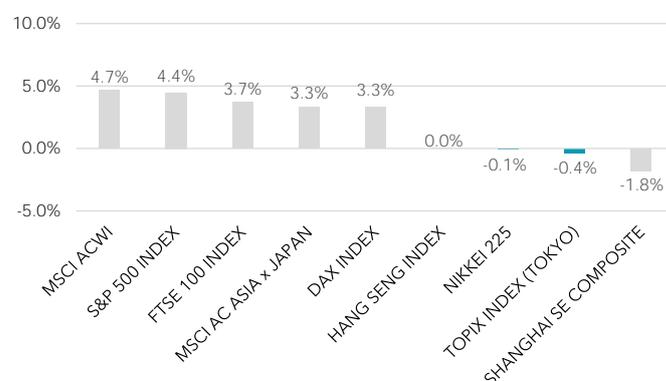


TABLE 2. TOP 5 PERFORMING SECTORS

Sectors	Return
Marine Transportation	11.09%
Services	3.27%
Chemicals	3.15%
Other Products	3.00%
Land Transportation	1.93%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sectors	Return
Mining	-8.19%
Transportation Equipments	-5.97%
Rubber Products	-4.33%
Banks	-3.82%
Oil & Coal Products	-3.77%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
SANKYO	6417 JT Equity	28.73%
TOKYO ELECTRIC POWER COMPANY HOLDINGS	9501 JT Equity	17.06%
KAWASAKI KISEN KAISHA	9107 JT Equity	16.59%
LY	4689 JT Equity	16.05%
CANON MARKETING JAPAN	8060 JT Equity	14.61%

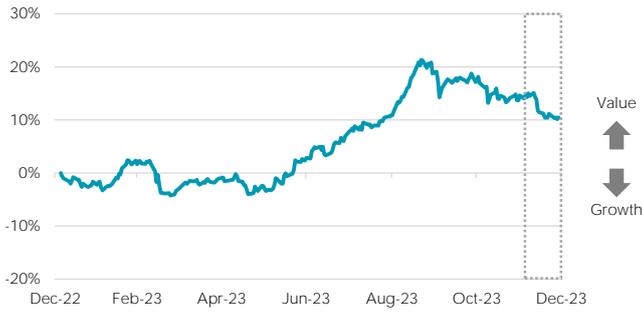
TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
NEXON	3659 JT Equity	-19.65%
ASICS	7936 JT Equity	-16.48%
KOEI TECMO HOLDINGS	3635 JT Equity	-11.16%
MITSUBISHI CHEMICAL GROUP	4188 JT Equity	-10.79%
RICOH	7752 JT Equity	-10.27%

*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 December 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



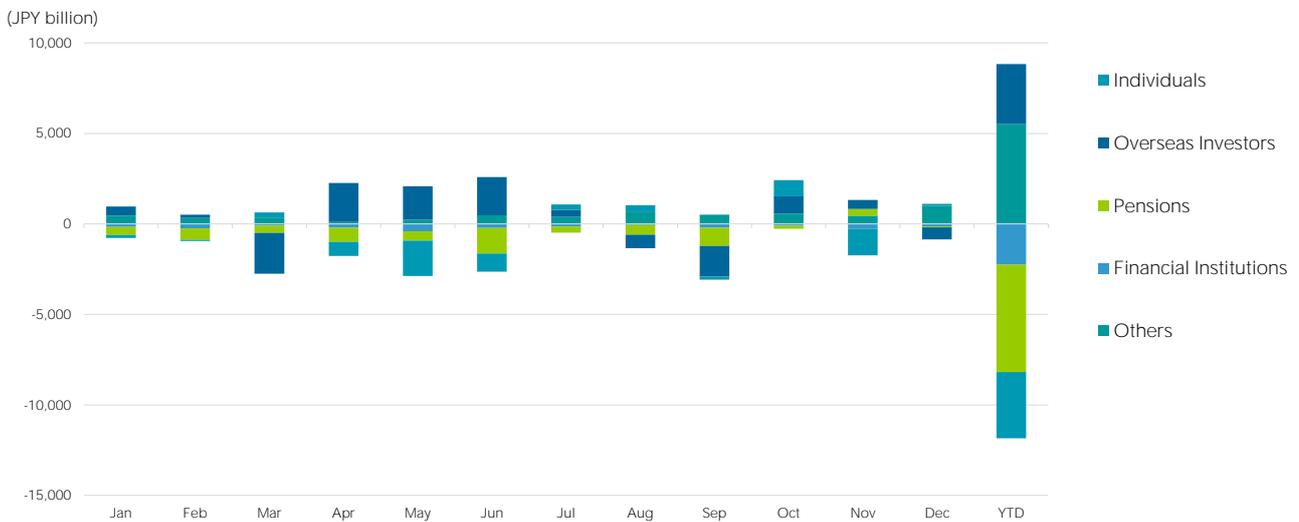
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



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

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