

## Market Review for February 2022

2<sup>nd</sup> March 2022

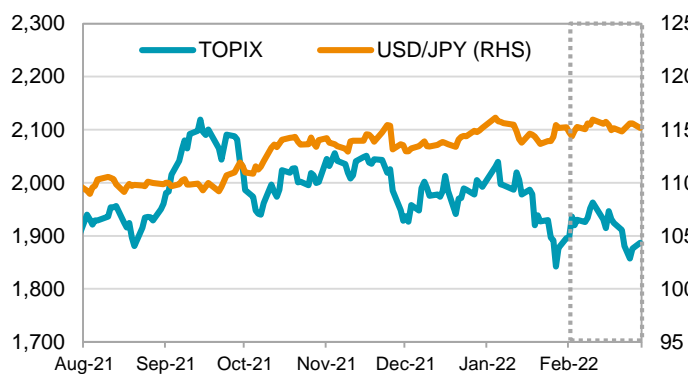
TOPIX ended slightly down on the previous month-end. The Japanese equity market declined on growing concerns over geopolitical risks around eastern Europe. The market was up at the start of the month, supported by strong US economic statistics and solid quarterly corporate earnings of Japanese companies. However, it was shaken by the news of Russia's attack on Ukraine in the latter half of the month.

**Table 1. Market Performance**

| 2022       | As of the end of Feb 2022 | February 2022   | Year to Date         |
|------------|---------------------------|-----------------|----------------------|
| TOPIX      | 1,886.93                  | -0.47%*         | -5.29%*              |
| Nikkei 225 | 26,526.82                 | -1.76%          | -7.87%               |
| USD/JPY**  | 115.18                    | 115.23 (31 Jan) | 115.16 (end of 2021) |

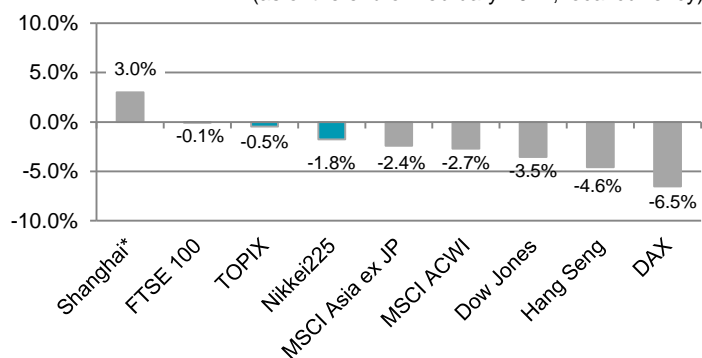
\*MTD: -0.43%, YTD: -5.24% in total return index, \*\*Reuters London 4pm

**Figure 1. TOPIX and USD/JPY**



**Figure 2. Global Equity Market Monthly Performance**

(as of the end of February 2022, local currency)



\*The figures are calculated based on the closing price as of 28<sup>th</sup> January 2021 due to a national holiday

**Table 2. Top 5 performing sectors in February 2022**

| Sector                | Return |
|-----------------------|--------|
| Marine Transportation | 15.37% |
| Iron & Steel          | 11.11% |
| Air Transportation    | 5.94%  |
| Pharmaceutical        | 5.29%  |
| Electric Power & Gas  | 4.52%  |

**Table 3. Bottom 5 performing sectors in February 2022**

| Sector              | Return |
|---------------------|--------|
| Rubber Products     | -5.31% |
| Pulp & Paper        | -4.28% |
| Textiles & Apparels | -4.25% |
| Electric Appliance  | -4.04% |
| Insurance           | -3.84% |

**Table 4. Top 5 performing stocks\* in February 2022**

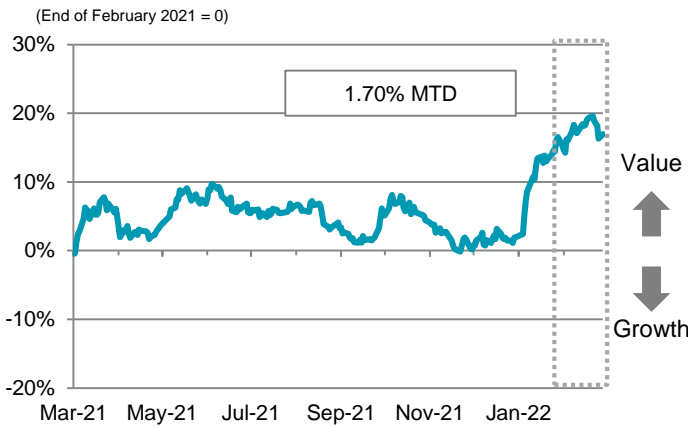
| Name                                         | Return |
|----------------------------------------------|--------|
| Asahi Intecc (7747 JP)                       | 26.21% |
| Kose (4922 JP)                               | 26.01% |
| Pan Pacific International Holdings (7532 JP) | 21.84% |
| Nippon Yusen KK (9101 JP)                    | 19.89% |
| Shionogi (4507 JP)                           | 18.89% |

**Table 5. Bottom 5 performing stocks\* in February 2022**

| Sector                     | Return  |
|----------------------------|---------|
| Lasertec (6920 JP)         | -16.89% |
| Systemex (6869 JP)         | -15.75% |
| Kubota (6326 JP)           | -15.63% |
| Sharp (6753 JP)            | -14.66% |
| Recruit Holdings (6098 JP) | -13.87% |

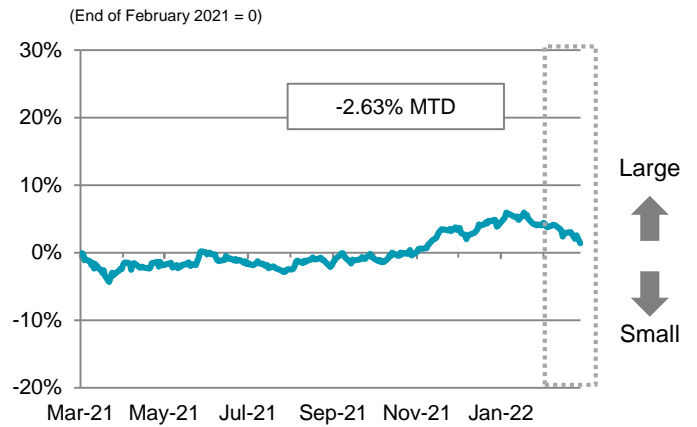
\*Stocks with a market cap of over JPY 500 billion

**Figure 3. Value-Growth Spread**



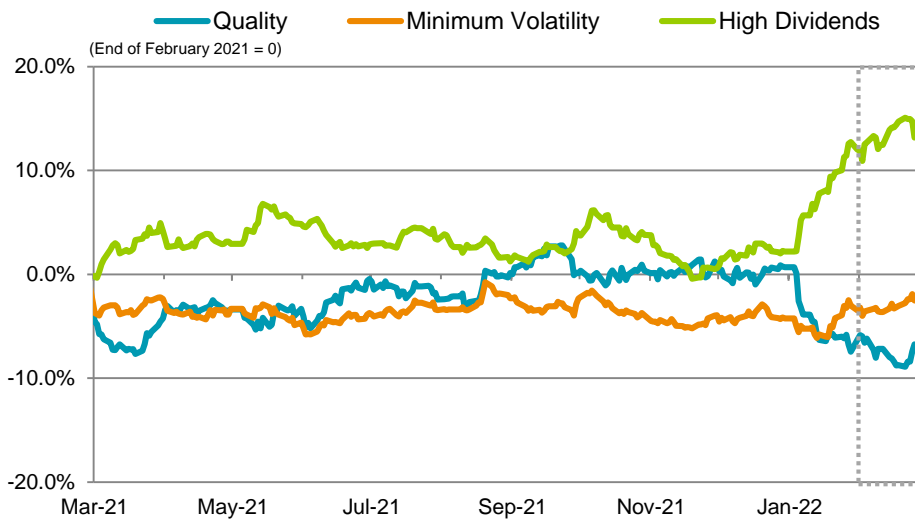
The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

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



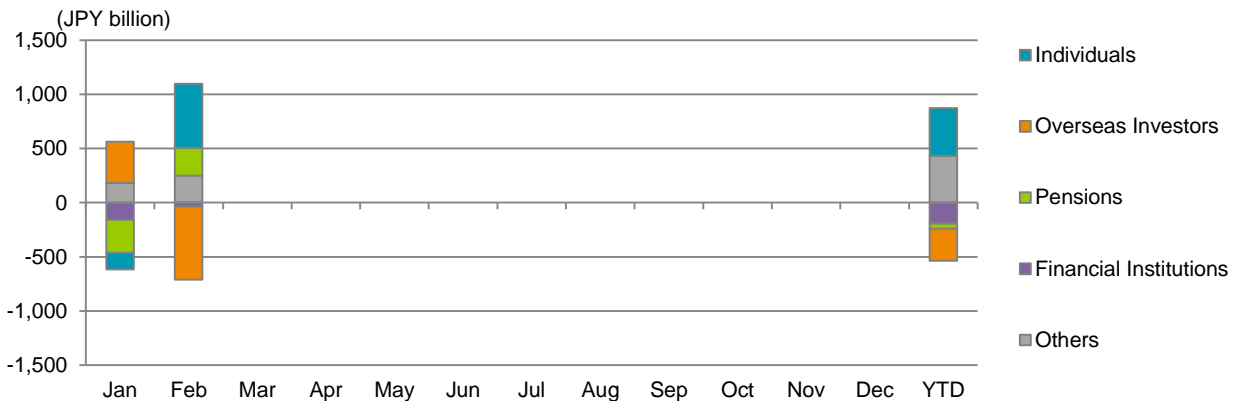
The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



Data: Bloomberg, Nomura Securities, SuMi TRUST (as at the end of February 2022)

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



Data: Bloomberg, SuMi TRUST (as of 18<sup>th</sup> February 2022)

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