

Market Review for January 2024

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

MONTHLY REVIEW

In January, Japanese equities rebounded in price due to a weaker yen and higher U.S. stock prices. The TOPIX surged by 7.8% to its highest point in the past 2 months, while the Nikkei 225 reached the 36,000-yen level, up by 8.4%. This takes the Nikkei 225 to its highest level in 34 years. However, in the wake of the tragic earthquake on the Noto Peninsula the Bank of Japan (BoJ) remains cautious and will continue its monetary easing policy, although it is expected that this may change in the coming months. These expectations have proved to be a tailwind for Japanese equities. Growth factors dominated towards the beginning of the month, but were overtaken by value factors in the latter half of the month. Meanwhile large cap stocks outperformed this month.

TABLE 1. MARKET PERFORMANCE

2024	As of the end of January 2024	Jan-24	Year to Date
TOPIX	2,551.10	7.81%	7.81%
Nikkei 225	36,286.71	8.43%	8.43%
USD/JPY*	146.92	141.04 (Dec-23)	141.04 (end of 2023)

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

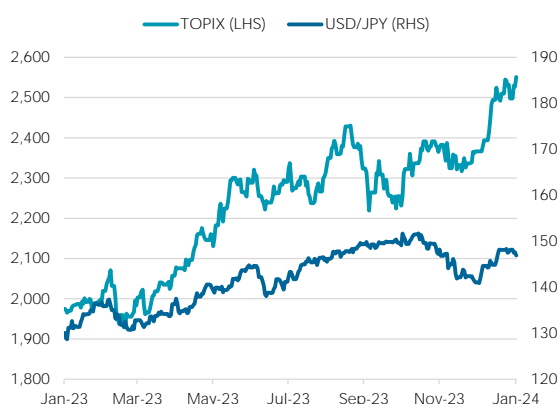


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of January 2024, local currency)

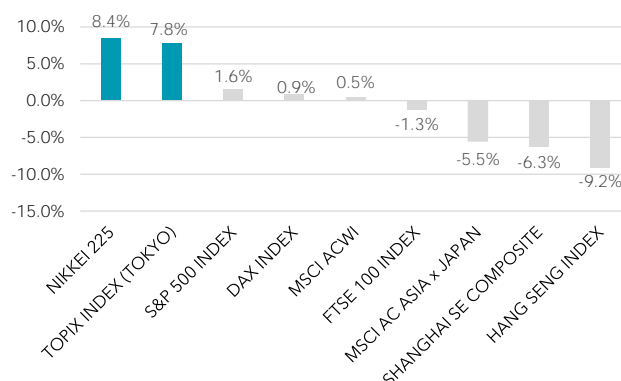


TABLE 2. TOP 5 PERFORMING SECTORS

Sectors	Return
Marine Transportation	17.12%
Securities & Commodity Futures	15.19%
Transportation Equipments	13.43%
Banks	11.94%
Wholesale Trade	11.91%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
SOCIONEXT	6526 JT Equity	34.06%
KOKUSAI ELECTRIC	6525 JT Equity	24.14%
CAPCOM	9697 JT Equity	23.90%
KONAMI GROUP	9766 JT Equity	23.61%
SCREEN HOLDINGS	7735 JT Equity	22.97%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sectors	Return
Textiles & Apparels	1.91%
Services	1.95%
Land Transportation	2.41%
Chemicals	2.66%
Fishery, Agriculture & Forestry	3.02%

TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
BAYCURRENT CONSULTING	6532 JT Equity	-29.99%
KOBE BUSSAN	3038 JT Equity	-9.51%
TSURUHA HOLDINGS	3391 JT Equity	-9.48%
MONOTARO	3064 JT Equity	-9.03%
KOSE	4922 JT Equity	-8.28%

*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 January 2024)

FIGURE 3. VALUE-GROWTH SPREAD



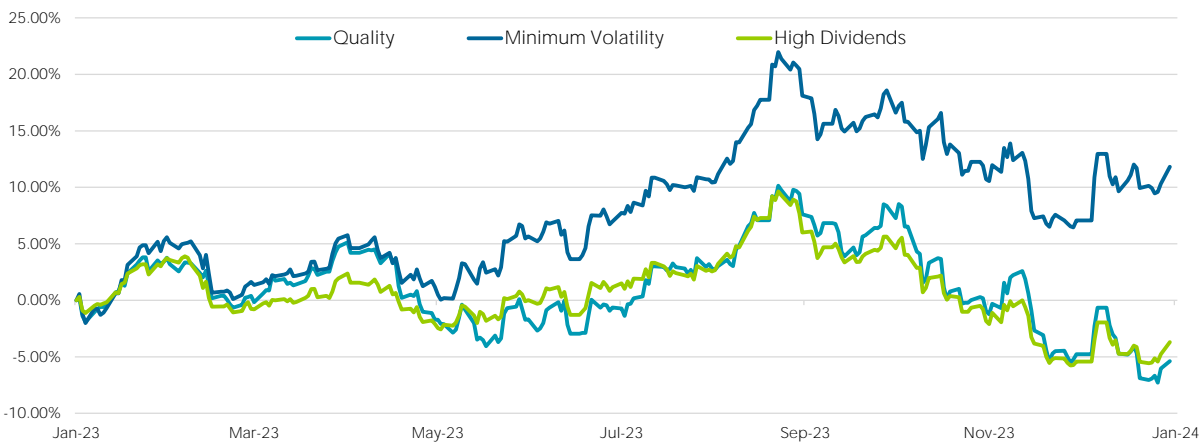
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

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 January 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 January 2024)

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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

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