

## Market Review for October 2022

4<sup>th</sup> November 2022

TOPIX ended up on the previous month-end. The Japanese equity market went up in tandem with the rise in the US equity market. The market was mixed driven by US economic statistics and concerns over future US interest rate hikes in the first half of the month. In the latter half of the month, the market rose led by larger cap equities supported by the rise in the US equity market as the concerns receded.

Table 1. Market performance

| 2022       | As of the end of Oct 2022 | Oct 2022        | Year to Date         |
|------------|---------------------------|-----------------|----------------------|
| TOPIX      | 1,929.43                  | 5.09%           | -3.16%               |
| Nikkei 225 | 27,587.46                 | 6.36%           | -4.18%               |
| USD/JPY*   | 148.64                    | 144.75 (30 Sep) | 115.16 (end of 2021) |

\*Reuters London 4pm

Figure 1. TOPIX and USD/JPY

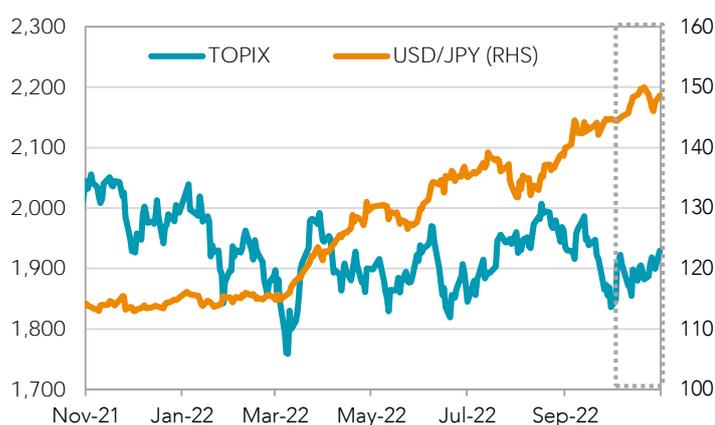


Figure 2. Global Equity Market Monthly Performance (as of the end of Oct 2022, local currency)

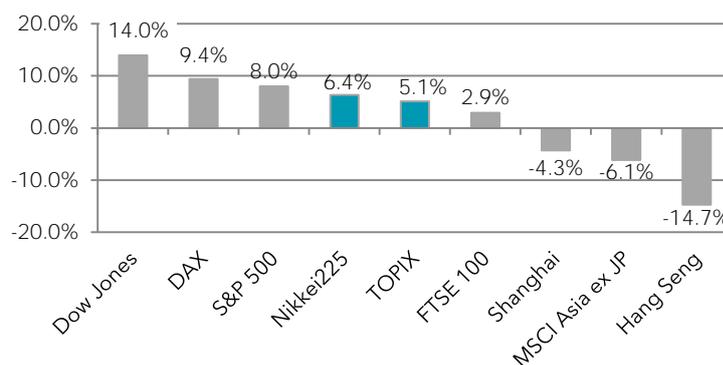


Table 2. Top 5 performing sectors in October 2022

| Sectors                   | Return |
|---------------------------|--------|
| Rubber Products           | 13.00% |
| Mining                    | 10.90% |
| Marine Transportation     | 10.88% |
| Transportation Equipments | 8.76%  |
| Electric Appliance        | 7.78%  |

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

| Name                     | Return |
|--------------------------|--------|
| Lasertec (6920 JP)       | 44.88% |
| SoftBank Group (9984 JP) | 30.61% |
| Ibiden (4062 JP)         | 27.02% |
| Daiichi Sankyo (4568 JP) | 17.94% |
| Keyence (6861 JP)        | 17.58% |

Table 3. Bottom 5 performing sectors in October 2022

| Sectors                         | Return |
|---------------------------------|--------|
| Pulp & Paper                    | -2.93% |
| Foods                           | -1.61% |
| Fishery, Agriculture & Forestry | -1.10% |
| Electric Power & Gas            | -1.07% |
| Glass & Ceramics Products       | 0.03%  |

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

| Name                             | Return  |
|----------------------------------|---------|
| MatsukiyoCocokara & Co (3088 JP) | -13.00% |
| TOTO (5332 JP)                   | -11.83% |
| Kobe Bussan (3038 JP)            | -7.44%  |
| Asahi Group Holdings (2502 JP)   | -7.14%  |
| Chubu Electric Power (9502 JP)   | -7.13%  |

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

**Figure 3. Value-Growth Spread**

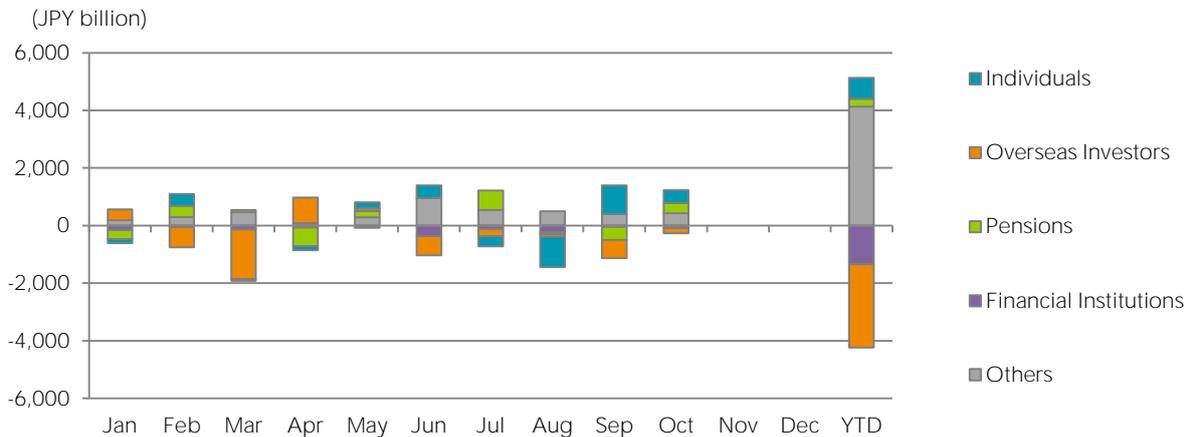

The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

**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, SuMi TRUST (as at the end of October 2022)

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


Data: Bloomberg, SuMi TRUST (as of 28<sup>th</sup> October 2022)

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