

## Market Review for August 2022

1<sup>st</sup> September 2022

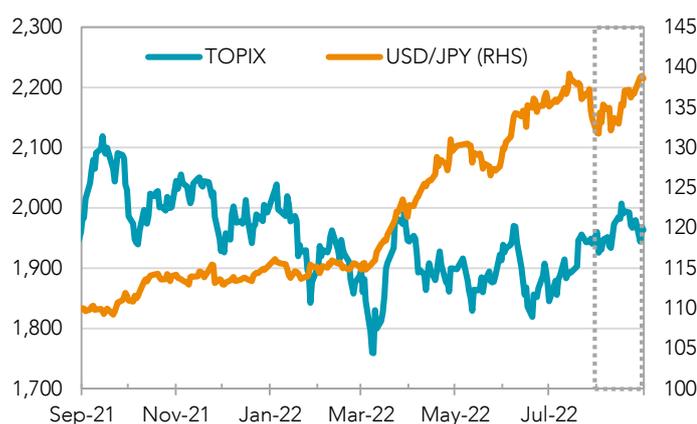
TOPIX ended up on the previous month-end. The Japanese equity market rose in the first half of the month supported by a rally of US equities with receding concerns over US interest rate hikes. However, Federal Reserve Chair Powell showed his strong commitment to continue the current hawkish monetary policy on 26<sup>th</sup> August. This caused a plunge of not only the US equity market but also the Japanese equity market, which shaved the gains in the first half of the month.

**Table 1. Market performance**

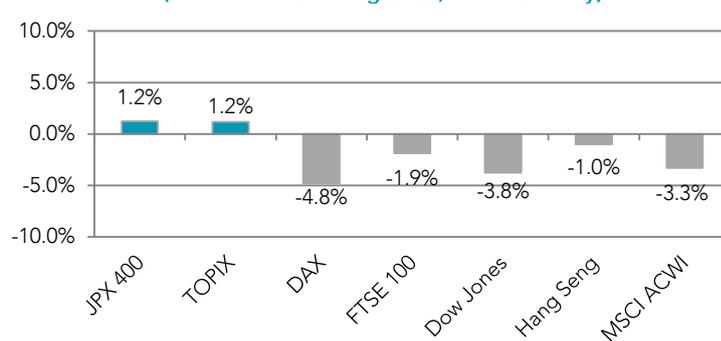
2022	As of the end of Aug 2022	Aug 2022	Year to Date
TOPIX	1,963.16	1.18%	-1.46%
Nikkei 225	28,091.53	1.04%	-2.43%
USD/JPY*	138.63	133.65 (31 Jul)	115.16 (end of 2021)

\*Reuters London 4pm

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



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



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

Sector	Return
Air Transportation	9.82%
Wholesale Trade	7.63%
Mining	7.30%
Nonferrous Metals	7.11%
Iron & Steel	6.94%

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

Sector	Return
Other Products	-2.44%
Real Estate	-2.09%
Services	-1.54%
Information & Communication	-0.80%
Other Financing Business	-0.74%

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

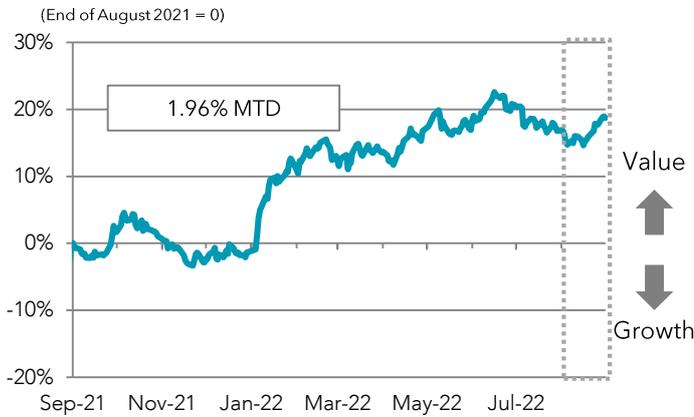
Name	Return
Mitsubishi Motors (7211 JP)	21.52%
Pan Pacific International Holdings (7532 JP)	21.19%
Hikari Tsushin (9435 JP)	20.64%
Daiichi Sankyo (4568 JP)	19.13%
Isuzu Motors (7202 JP)	19.05%

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

Name	Return
JSR (4185 JP)	-14.60%
Shimadzu (7701 JP)	-13.26%
Z Holdings (4689 JP)	-11.53%
Ono Pharmaceutical (4528 JP)	-10.97%
Lixil (5938 JP)	-10.92%

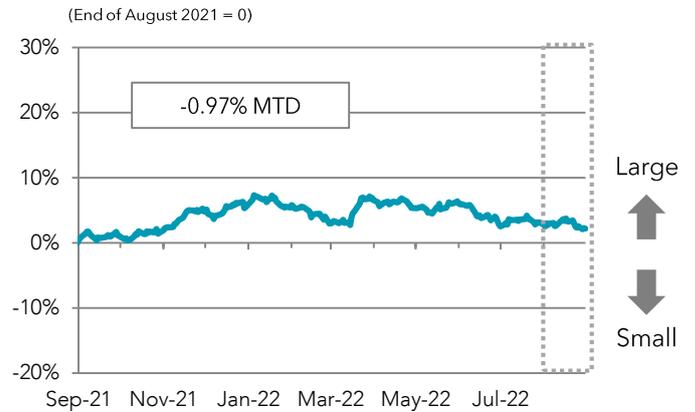
\*Stocks with a market cap of over JPY 500 billion

**Figure 3. Value-Growth Spread**



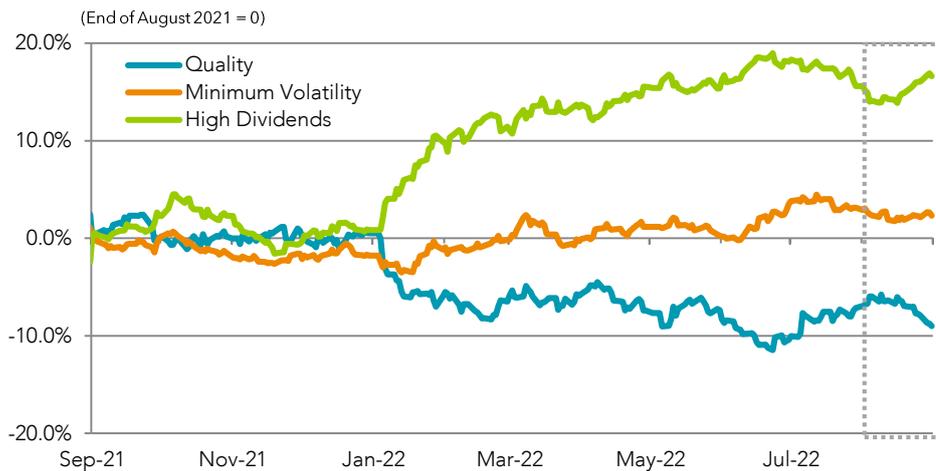
The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

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



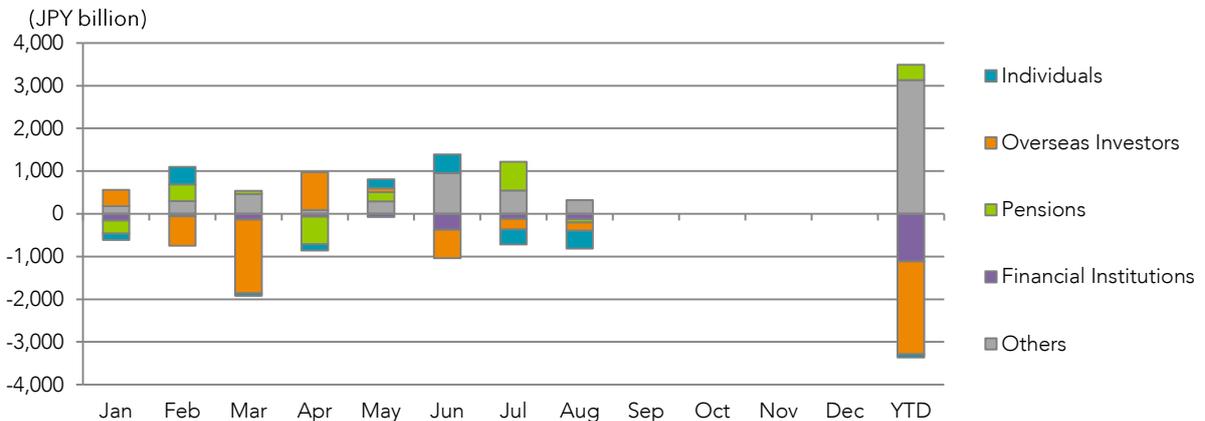
The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



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

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



Data: Bloomberg, SuMi TRUST (as of 19<sup>th</sup> August 2022)

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