

Market Review for August 2022

1st 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 26th 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

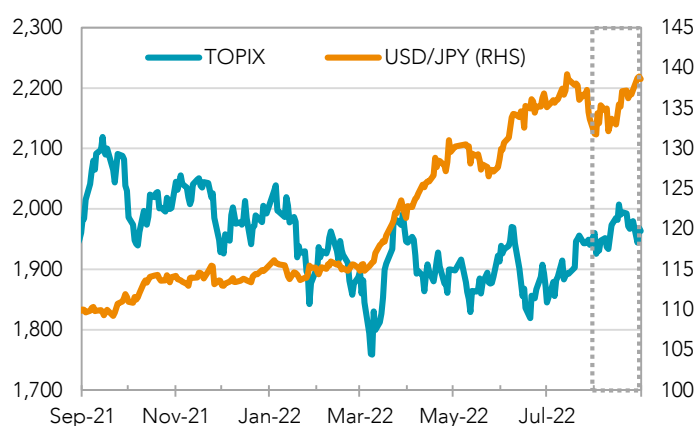


Figure 2. Global Equity Market Monthly Performance (as of the end of Aug 2022, local currency)

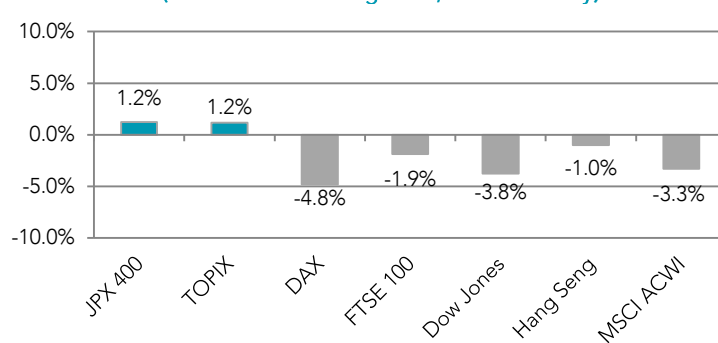


Table 2. Top 5 performing sectors in August 2022

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

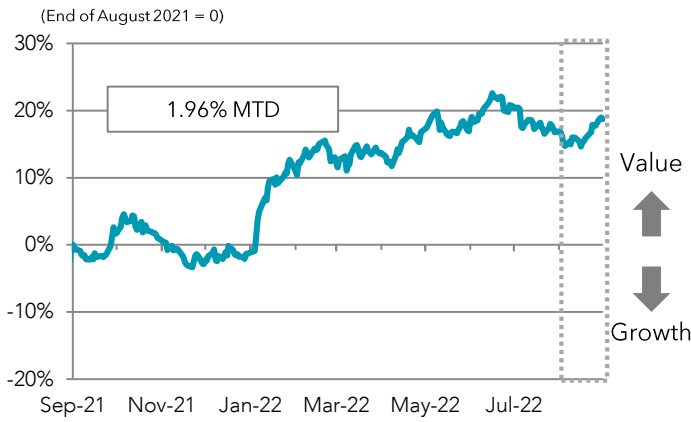
Name	Return
Mitsubishi Motors (7211 JP)	21.52%
Pan Pacific International Holdings (7532 JP)	21.19%
Hikari Tsushin (9435 JP)	20.64%
Daiichi Sankyo (4568 JP)	19.13%
Isuzu Motors (7202 JP)	19.05%

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%

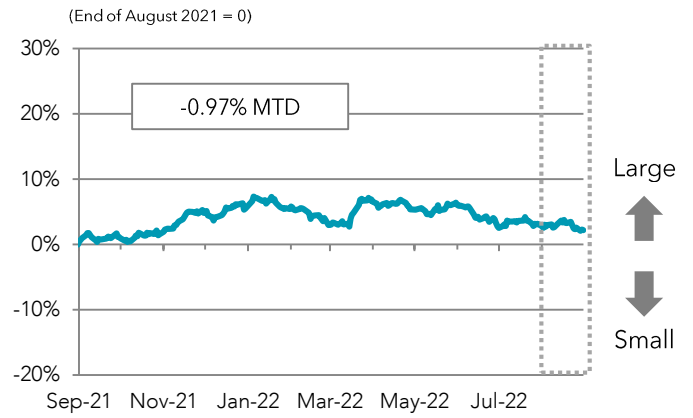
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



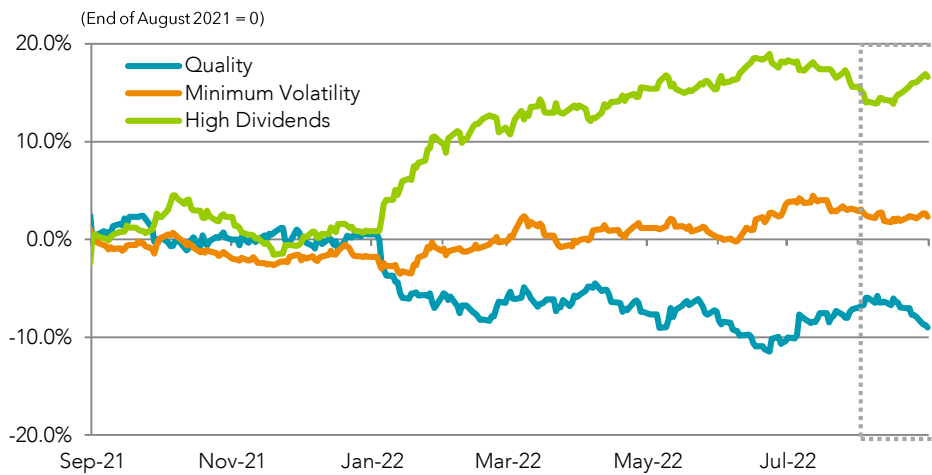
The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



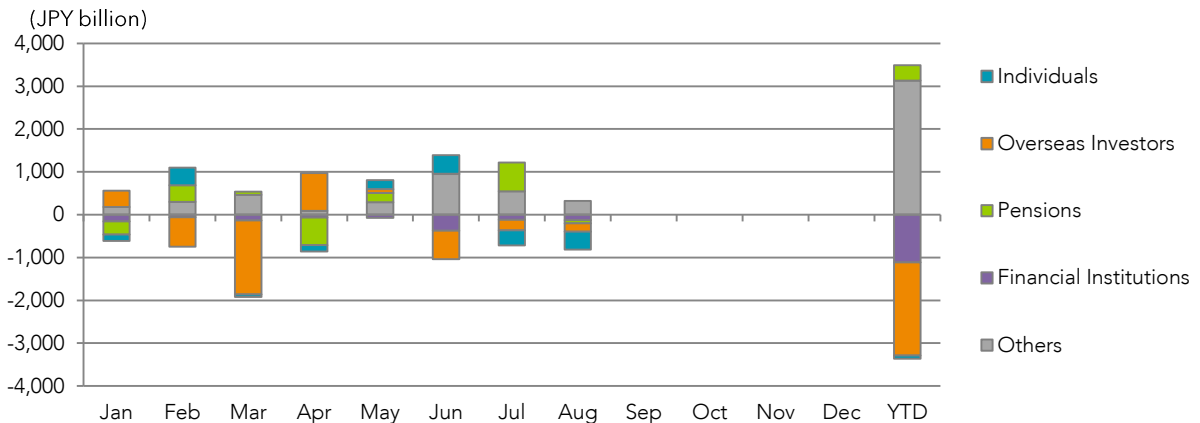
The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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 19th August 2022)

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Any enquiries regarding the products should be made to:

Shigeo Mito

Head of Investment Management Department

Sumitomo Mitsui Trust International Limited

155 Bishopsgate, London EC2M 3XU, United Kingdom

Direct: +44 (0)20 7562 8446

Email: imd@smtil.com

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