

Market Review for August 2023

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

1st September 2023

MONTHLY REVIEW

The Japanese equity market saw TOPIX increase by 0.4% and the Nikkei 225 slide by 1.7% in August. In the first half of the month, concerns over rising long-term US interest rates and China's economy weighed on Japanese equities. However in the second half of the month Japanese equities rebounded following the positive performance of US semi-conductor stocks like NVIDIA and Governor Powell's speech at Jackson Hole, which was not as hawkish as markets had feared. August saw small-cap stocks outperform large-cap stocks.

TABLE 1. MARKET PERFORMANCE

2023	As of the end of August 2023	Aug-23	Year to Date
TOPIX	2,332.00	0.41%	23.27%
Nikkei 225	32,619.34	-1.67%	25.00%
USD/JPY*	145.53	142.29 (Aug-23)	131.12

*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 August 2023, local currency)

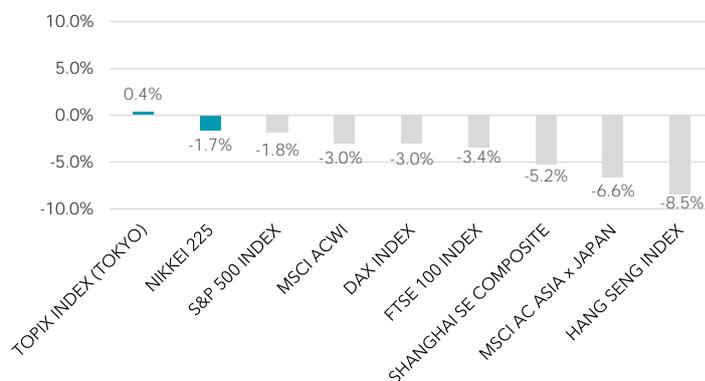


TABLE 2. TOP 5 PERFORMING SECTORS

Sectors	Return
Marine Transportation	11.79%
Mining	9.68%
Oil & Coal Products	6.76%
Fishery, Agriculture & Forestry	6.28%
Electric Power & Gas	6.10%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sectors	Return
Precision Instruments	-4.75%
Electric Appliance	-3.50%
Air Transportation	-2.98%
Textiles & Apparels	-2.93%
Nonferrous Metals	-2.77%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
YAMAZAKI BAKING	2212 JT Equity	34.48%
ROHTO PHARMACEUTICAL	4527 JT Equity	25.31%
MITSUBISHI HEAVY INDUSTRY	7011 JT Equity	22.86%
ITOCHU TECHNO SOLUTIONS	4739 JT Equity	20.07%
SUMITOMO FOREST	1911 JT Equity	19.74%

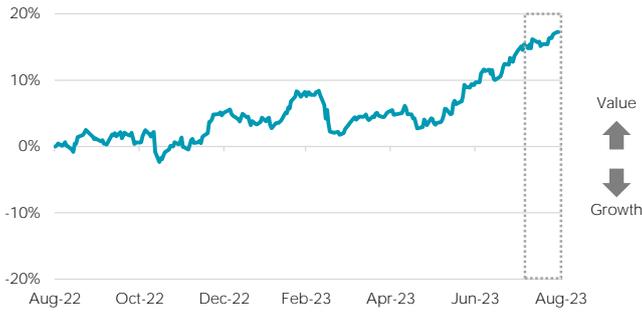
TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
SYSMEX	6869 JT Equity	-19.47%
YAMAHA	7951 JT Equity	-18.20%
NIKON	7731 JT Equity	-16.10%
SQUARE ENIX HOLDINGS	9684 JT Equity	-16.01%
HAKUHODO DY HOLDINGS	2433 JT Equity	-15.28%

*Stocks with a market cap of over JPY 500 billion

Note. Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as of August 2023)

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



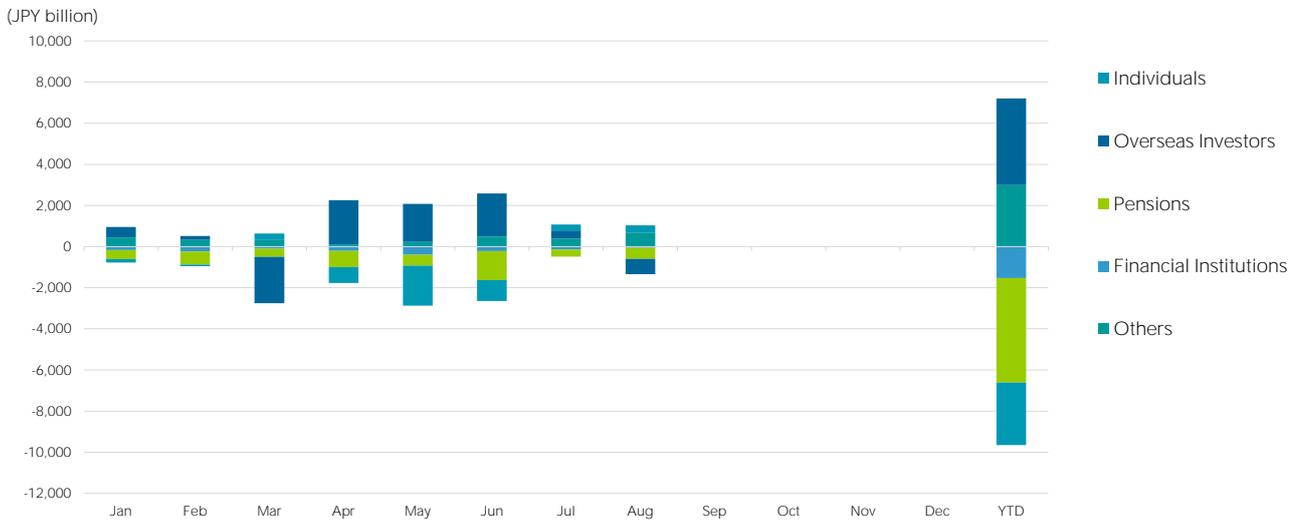
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

FIGURE 5. MSCI JAPAN FACTOR INDEXES SPREAD AGAINST MSCI JAPAN*



*The measurement begins from the end of August 2022, 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 August 2023)

Disclaimer – UK

This marketing communication is issued by Sumitomo Mitsui Trust International Limited (“SMTI”). SMTI is authorised and regulated by the United Kingdom’s Financial Conduct Authority (the “FCA”), whose address is 12 Endeavour Square, London, E20 1JN, United Kingdom.

This marketing communication has been made available to you only because SMTI has classified you as a professional client in accordance with the FCA’s rules. If you have received this marketing communication from a source other than SMTI, you should contact SMTI before using it or relying on it. You must not send this marketing communication to any other person without first having received written approval from SMTI.

The information contained in this marketing communication (the “Material”) is being made available for information purposes only and is designed to provide information on the investment services which SMTI may offer to clients.

Nothing in the Material amounts to or should be construed as an actual offer by SMTI to provide any investment services to any person. If SMTI agrees to provide any investment services to any person, those services will be the subject of a separate written agreement between SMTI and that person. Furthermore, the Material has not been prepared with any consideration of the individual circumstances of any person to whom it is communicated.

Accordingly, it is not intended to, and does not, constitute a personnel recommendation in relation to the purchase or sale of, or exercise of any rights in relation to, any financial instruments or advice in relation to any investment policy or strategy to be followed. The Material also does not contain the results of any investment research carried out by SMTI and is not intended to amount to a financial promotion of any particular financial instrument which may be referred to in it.

While SMTI uses all reasonable endeavours to ensure the Material is accurate, it has not been prepared with a view to any person relying on it. Accordingly, SMTI accepts no responsibility for any loss caused to any recipient of this document as a result of any error, inaccuracy or incompleteness in the Material, nor for any error in the transmission or receipt of this communication.

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

Sumitomo Mitsui Trust International Limited is authorised and regulated by the Financial Conduct Authority

© Sumitomo Mitsui Trust International Limited 2025