

Market Review for July 2021

2nd Aug 2021

TOPIX ended down on the previous month-end. Concerns over an increase of COVID 19 variant cases capped the upside of the Japanese equity market throughout the month. Whilst a rise in US equity market and a solid Japanese economic statistics supported the market, the announcement of the fourth state of emergency in major cities in Japan following the spread of COVID 19 due to the variant, shaved investors' sentiment and fuelled uncertainty over the outlook for the recovery of economic activities.

Table 1. Market Performance

2021	As of the end of July	July	Year to Date
TOPIX	1,901.08	-2.19%*	5.34%*
Nikkei 225	27,283.59	-5.24%	-0.59%
USD/JPY**	109.75	110.99 (30 Jun)	103.25 (end of 2020)

*MTD: -2.18%, YTD: 6.52% in total return index, **Reuters London 4pm

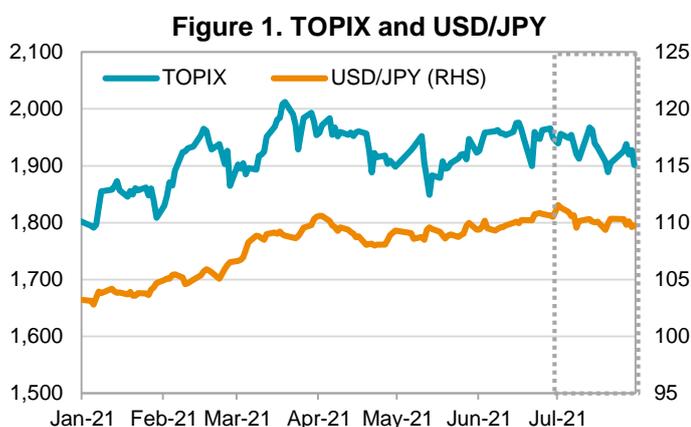


Figure 2. Global Equity Market Monthly Performance
(as of the end of July 2021, local currency)

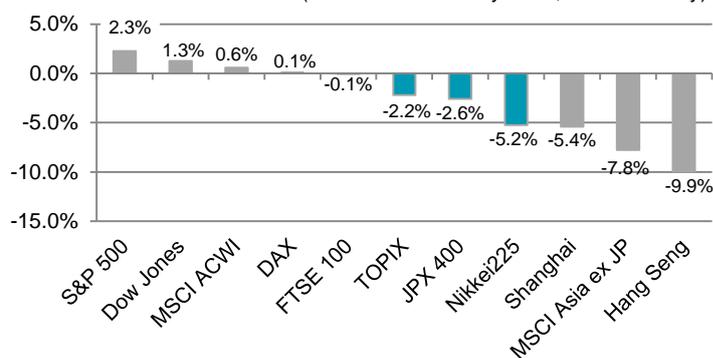


Table 2. Top 5 performing sectors in July 2021

Sector	Return
Marine Transportation	3.35%
Insurance	2.31%
Fishery, Agriculture & Forestry	2.04%
Warehousing & Harbour Transportation Services	2.00%
Precision Instruments	1.05%

Table 3. Bottom 5 performing sectors in July 2021

Sector	Return
Other Products	-7.85%
Pharmaceutical	-6.87%
Mining	-6.08%
Information & Communication	-5.60%
Rubber Products	-5.22%

Table 4. Top 5 performing stocks* in July 2021

Name	Return
Nissan Motor (7201 JP)	14.44%
Cosmos Pharmaceutical (3349 JP)	14.05%
Asahi Intecc (7747 JP)	11.37%
Sompo Holdings (8630JP)	10.33%
Daikin Industries (6367 JP)	9.55%

Table 5. Bottom 5 performing stocks* in July 2021

Sector	Return
Sumitomo Dainippon Pharma (4506 JP)	-18.86%
Eisai (4523 JP)	-17.78%
CyberAgent (4751 JP)	-17.65%
PeptiDream (4587 JP)	-17.34%
Nintendo (7974 JP)	-12.72%

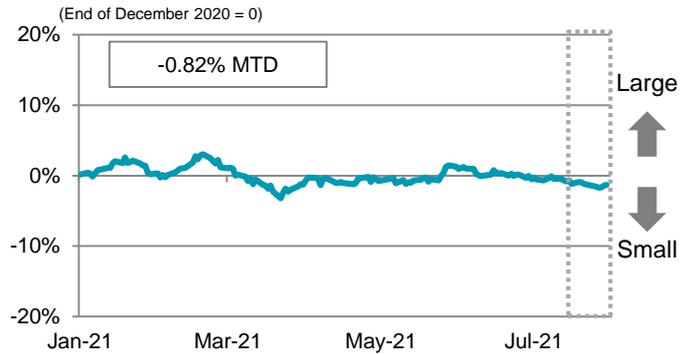
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



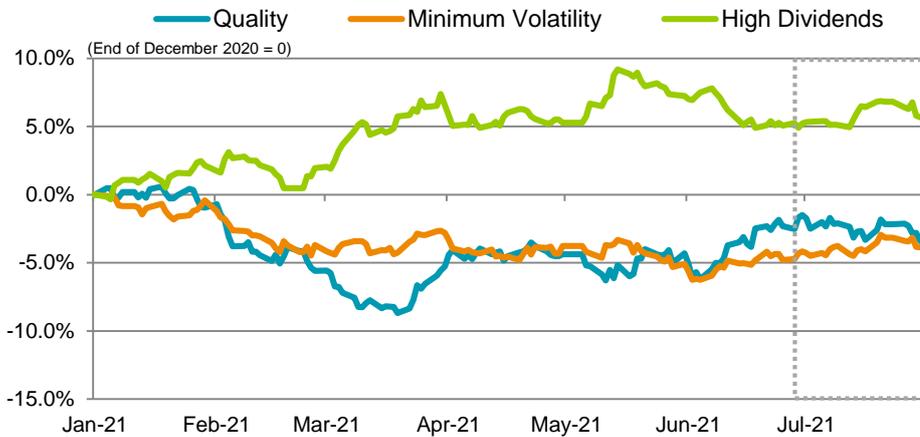
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



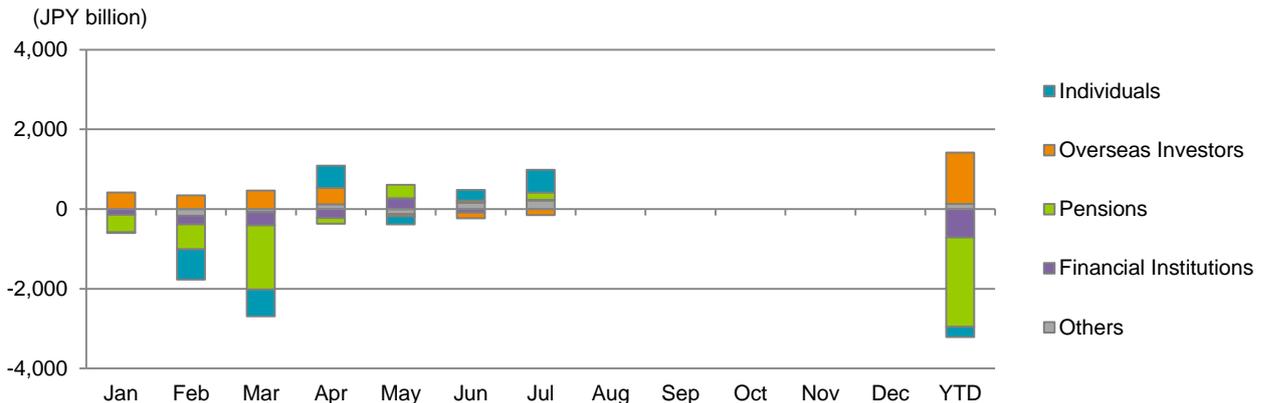
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan



Data: Bloomberg, Nomura Securities, SuMi TRUST (as at the end of July 2021)

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



Data: Bloomberg, SuMi TRUST (as of 23rd July 2021)

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