

Market Review for November 2022

1st December 2022

TOPIX continued to rise this month. The Japanese equity market rallied on expectations of a slowdown in the pace of interest rate hikes in response to the lower-than-expected U.S. CPI. The market rose mainly in large-cap stocks due to strong corporate earnings announcements in the first half of the month. In the latter half of the month, the market further increased thanks to expectations of a slowdown in interest rate hikes following the FOMC meeting summary.

Table 1. Market performance

2022	As of the end of Nov 2022	Nov 2022	Year to Date
TOPIX	1,985.57	2.91%	-0.34%
Nikkei 225	27,968.99	1.38%	-2.86%
USD/JPY*	139.54	148.64 (31 Oct)	115.16 (end of 2021)

*Reuters London 4pm

Figure 1. TOPIX and USD/JPY

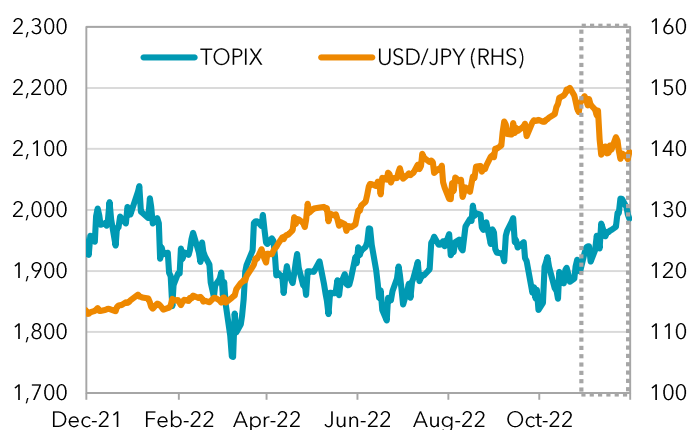


Figure 2. Global Equity Market Monthly Performance (as of the end of Nov 2022, local currency)

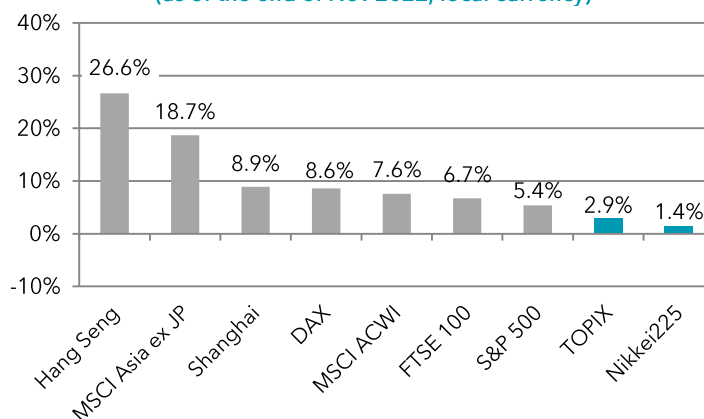


Table 2. Top 5 performing sectors in November 2022

Sectors	Return
Marine Transportation	13.08%
Wholesale Trade	12.16%
Banks	8.36%
Nonferrous Metals	8.20%
Iron & Steel	7.85%

Table 3. Bottom 5 performing sectors in November 2022

Sectors	Return
Precision Instruments	-3.78%
Rubber Products	-3.62%
Oil & Coal Products	-2.91%
Information & Communication	-2.79%
Other Products	-2.13%

Table 4. Top 5 performing stocks* in November 2022

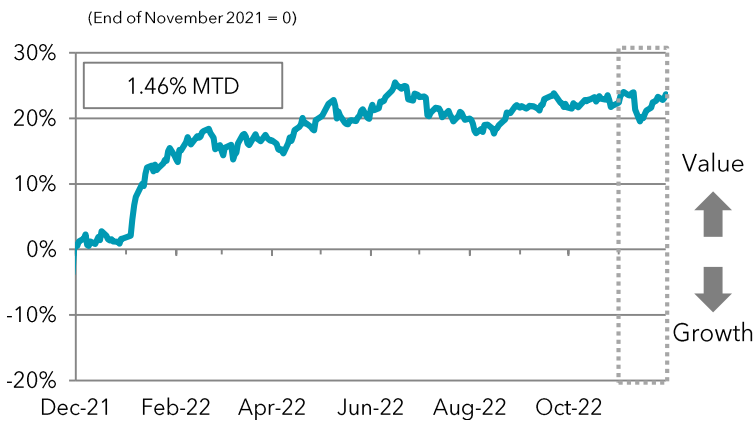
Name	Return
Asics (7936 JP)	29.38%
Mitsubishi Motors (7211 JP)	27.20%
SHIFT (3697 JP)	23.85%
Mitsui & Co (8031 JP)	20.95%
Panasonic Holdings (6752 JP)	19.68%

Table 5. Bottom 5 performing stocks* in November 2022

Name	Return
Brother Industries (6448 JP)	-12.52%
Olympus (7733 JP)	-10.64%
Terumo (4543 JP)	-10.63%
Toshiba (6502 JP)	-9.48%
Kyowa Kirin (4151 JP)	-9.42%

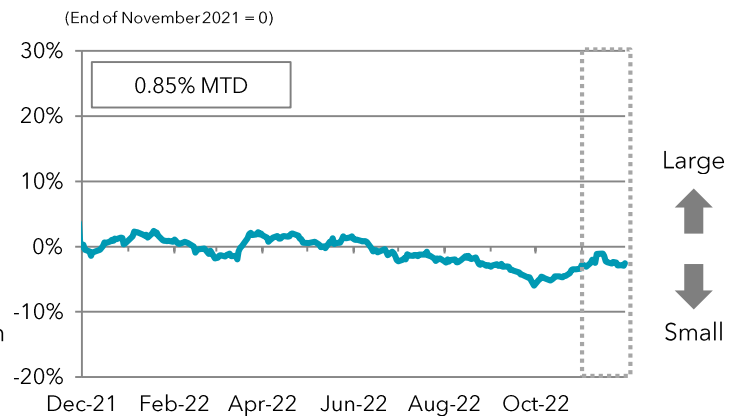
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



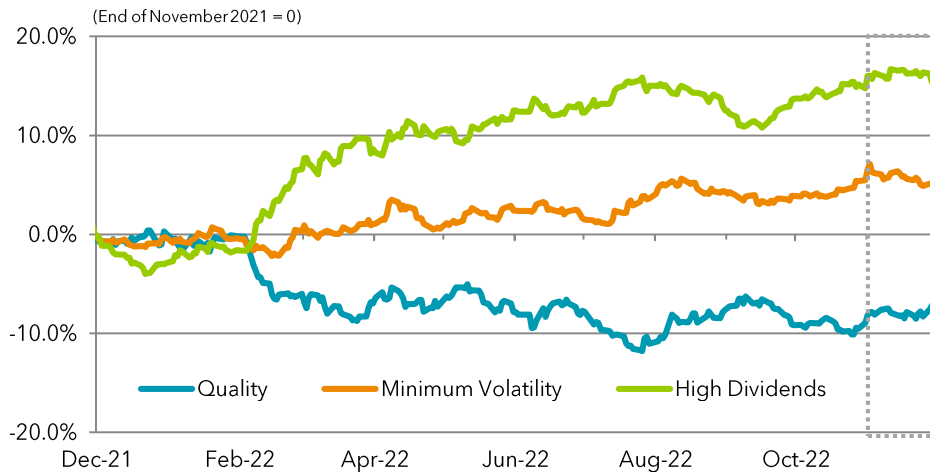
The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



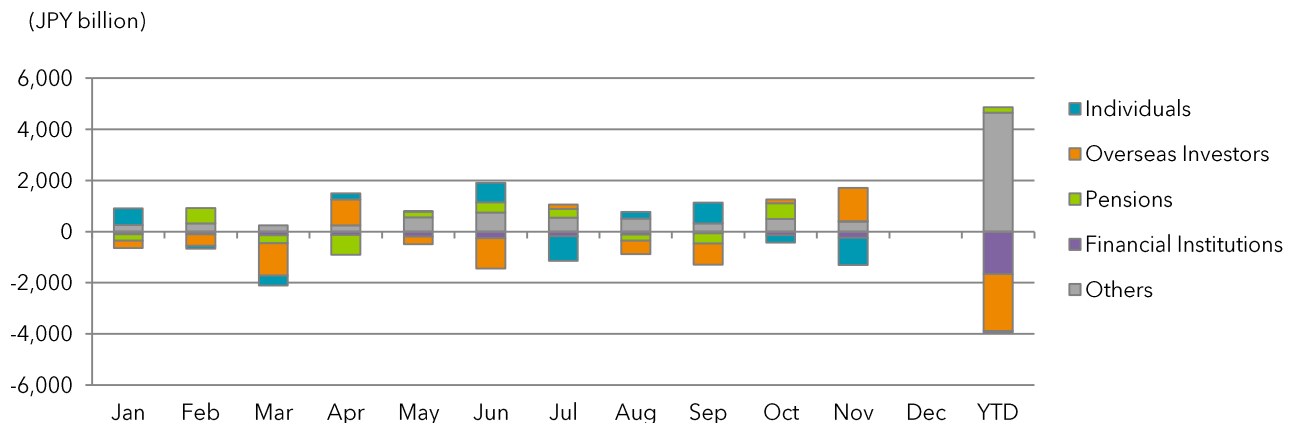
The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan



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

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



Data: Bloomberg, SuMi TRUST (as of 25th November 2022)

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:

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

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

© Sumitomo Mitsui Trust International Limited 2022