

## Market Review for October 2021

2<sup>nd</sup> November 2021

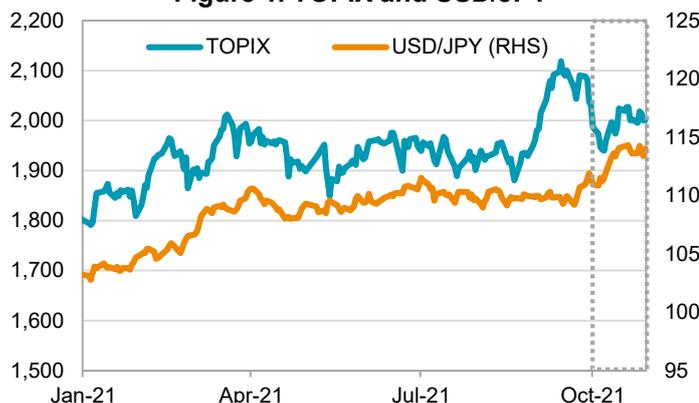
TOPIX ended down on the previous month-end. The Japanese equity market was dragged down by some concerns over global stagflation on rising commodity prices, an increase in US bond yield and default of the Chinese property giant, EVERGRANDE.

**Table 1. Market Performance**

| 2021       | As of the end of Oct | October         | Year to Date         |
|------------|----------------------|-----------------|----------------------|
| TOPIX      | 2,001.18             | -1.43%*         | 10.89%*              |
| Nikkei 225 | 28,892.69            | -1.90%          | 5.28%                |
| USD/JPY**  | 114.03               | 111.58 (30 Sep) | 103.25 (end of 2020) |

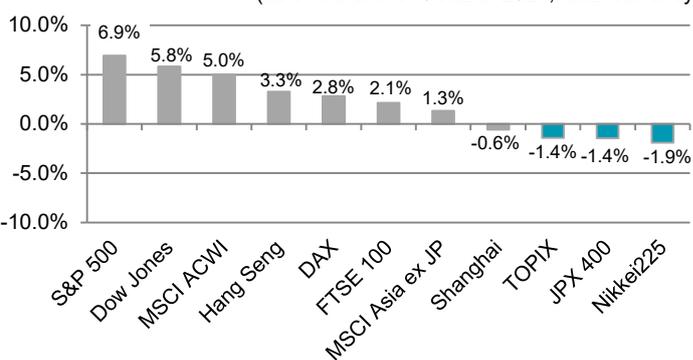
\*MTD: -1.42%, YTD: 13.06% in total return index, \*\*Reuters London 4pm

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



**Figure 2. Global Equity Market Monthly Performance**

(as of the end of October 2021, local currency)



**Table 2. Top 5 performing sectors in October 2021**

| Sector                    | Return |
|---------------------------|--------|
| Mining                    | 7.66%  |
| Nonferrous Metals         | 2.74%  |
| Glass & Ceramics Products | 1.79%  |
| Oil & Coal Products       | 1.63%  |
| Other Financing Business  | 1.38%  |

**Table 3. Bottom 5 performing sectors in October 2021**

| Sector               | Return |
|----------------------|--------|
| Air Transportation   | -8.38% |
| Electric Power & Gas | -8.06% |
| Land Transportation  | -5.79% |
| Retail Trade         | -5.25% |
| Rubber Products      | -5.05% |

**Table 4. Top 5 performing stocks\* in October 2021**

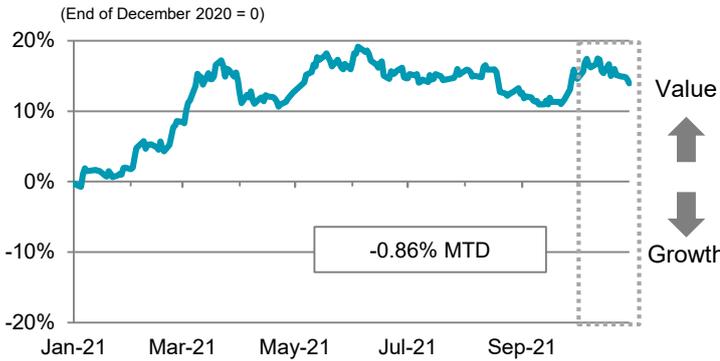
| Name                                     | Return |
|--|--------|
| Shinko Electric Industries (6967 JP)     | 21.93% |
| Mitsubishi Motors (7211 JP)              | 18.24% |
| Yokogawa Electric (6841 JP)              | 15.98% |
| Rakuten Group (4755 JP)                  | 15.63% |
| Hitachi Construction Machinery (6305 JP) | 14.17% |

**Table 5. Bottom 5 performing stocks\* in October 2021**

| Sector                              | Return  |
|-------------------------------------|---------|
| Sumitomo Dainippon Pharma (4506 JP) | -19.57% |
| BayCurrent Consulting (6532 JP)     | -17.43% |
| M3 (2413 JP)                        | -16.07% |
| Makita (6586 JP)                    | -14.42% |
| Takeda Pharmaceutical (4502 JP)     | -13.41% |

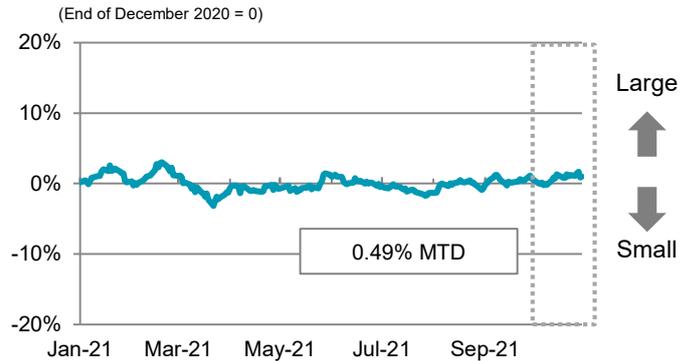
\*Stocks with a market cap of over JPY 500 billion

**Figure 3. Value-Growth Spread**



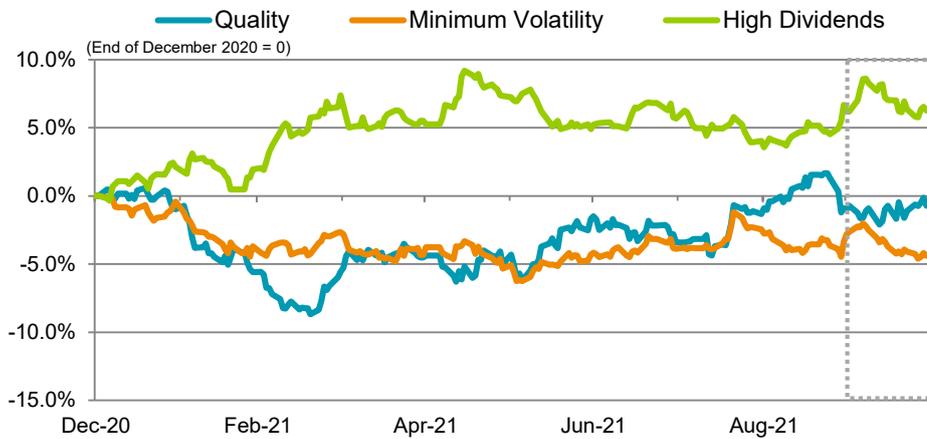
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

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



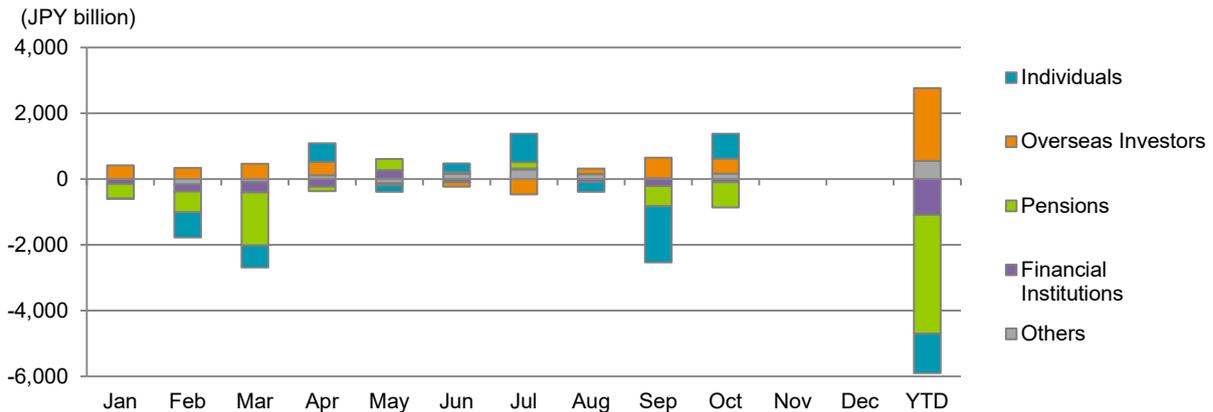
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



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

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



Data: Bloomberg, SuMi TRUST (as of 22<sup>nd</sup> October 2021)

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