

## Market Review for October 2025

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

### MONTHLY REVIEW

In October 2025, the Japanese market extended its rally for the seventh month in a row, with both the TOPIX and Nikkei 225 reaching record highs amid optimism over the new Takaichi cabinet, expansionary fiscal expectations, and strong U.S. tech and generative AI stocks. The Nikkei 225 surged to a record high surpassing the 52,000 yen level, with a rise of 16.6%, far outpacing the TOPIX's 6.2% gain. Political uncertainty early in the month eased after Sanae Takaichi's cabinet formation with support from the Japan Innovation Party. Foreign investors were significant net buyers of Japanese equities, purchasing over 3 trillion yen in equities as global markets and the depreciation of the yen boosted large-cap, export-oriented, and AI-related sectors, while domestic demand sectors like insurance and real estate lagged.

TABLE 1. MARKET PERFORMANCE (as of the end of October 2025)

	Index	Return	Year to Date
TOPIX	3,331.83	6.19%	19.64%
Nikkei 225	52,411.34	16.64%	31.37%

	Oct-25	Sep-25	End of 2024
USD/JPY*	153.99	147.90	157.20

\*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

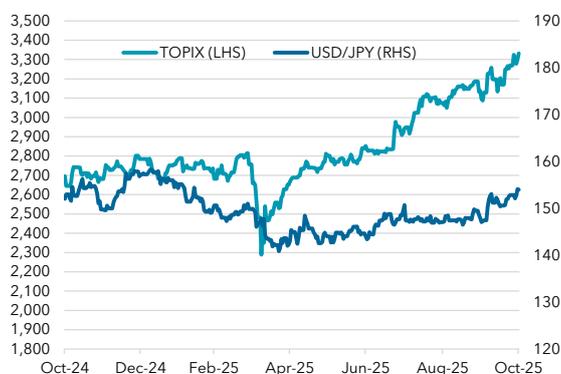


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as of the end of October 2025, local currency)

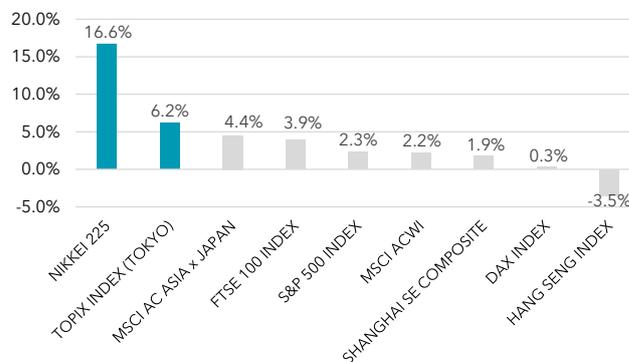


TABLE 2. TOP 5 PERFORMING SECTORS

Sector	Return
Nonferrous Metals	26.81%
Electric Appliance	17.53%
Information & Communication	12.52%
Precision Instruments	12.28%
Machinery	10.54%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sector	Return
Insurance	-5.50%
Services	-4.87%
Pulp & Paper	-4.81%
Land Transportation	-3.33%
Real Estate	-2.79%

TABLE 4. TOP 5 PERFORMING STOCKS\*

Name	Ticker	Return
KIOXIA	285A JT Equity	122.05%
IBIDEN	4062 JT Equity	62.68%
ADVANTEST	6857 JT Equity	57.92%
FUJIKURA	5803 JT Equity	46.45%
SOFTBANK GROUP	9984 JT Equity	44.85%

TABLE 5. BOTTOM 5 PERFORMING STOCKS\*

Name	Ticker	Return
COSMOS PHARMACEUTICAL	3349 JT Equity	-20.15%
BAYCURRENT	6532 JT Equity	-18.79%
AIR WATER	4088 JT Equity	-15.32%
CYBERAGENT	4751 JT Equity	-13.46%
ORIENTAL LAND	4661 JT Equity	-12.53%

\*Stocks with a market cap of over JPY 500 billion at the beginning of the month

Note. Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as of October 2025)

FIGURE 3. VALUE-GROWTH SPREAD



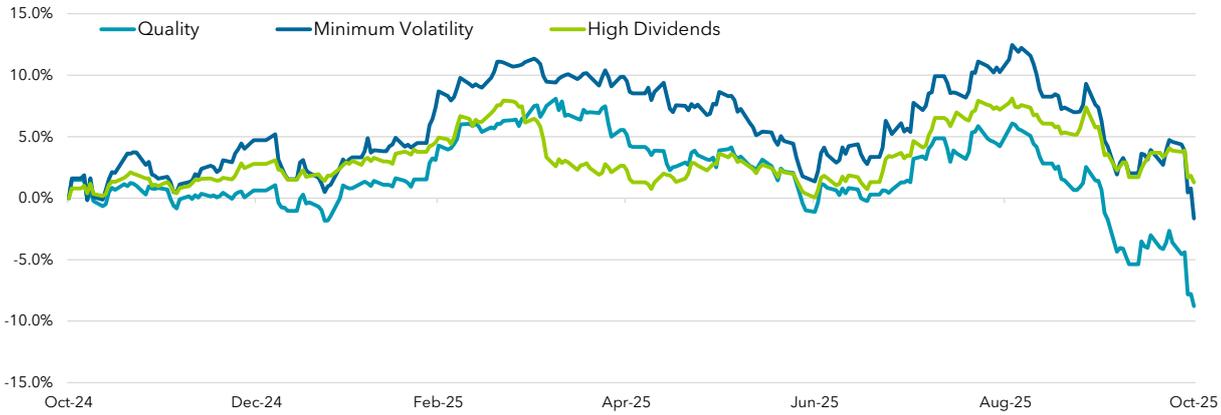
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means Value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



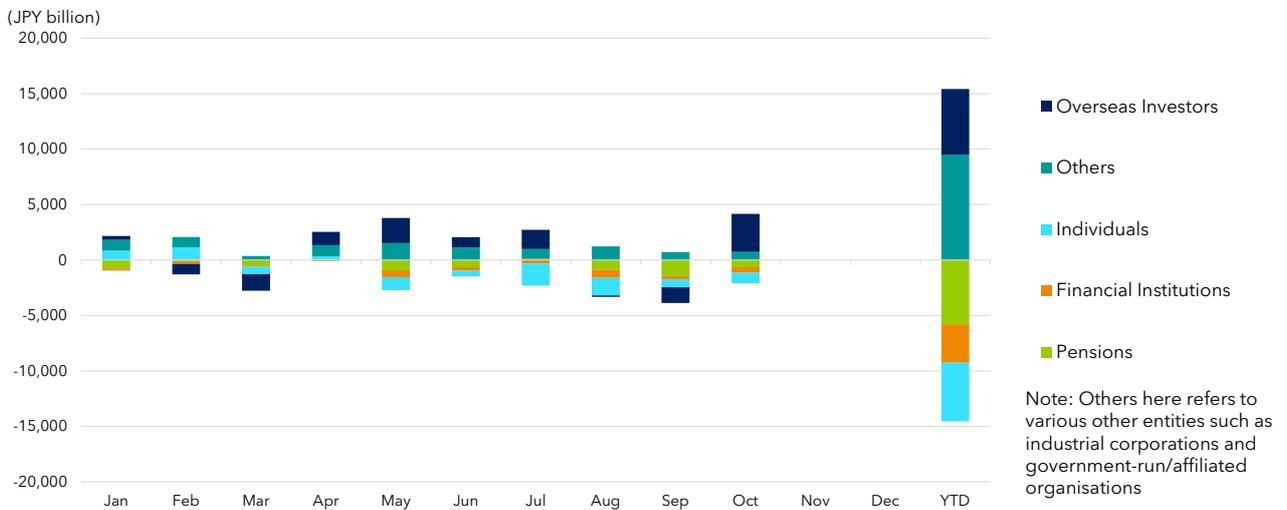
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



\*The measurement begins from the end of October 2024, 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 October 2025)

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