SuMi TRUST

Market Review for October 2026

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

MONTHLY REVIEW

In October 2026, the Japanese equity market weakened, with the TOPIX falling 3.5% and the Nikkei 225 declining 5.2%, as rising oil prices, concerns over the sustainability of AI investment, and weaker sentiment towards global technology stocks weighed on markets. AI and semiconductor-related shares led the decline following credit concerns surrounding U.S. AI cloud providers and growing questions over the profitability of AI investment. High-beta and small-cap stocks underperformed, while defensive sectors such as services, pharmaceuticals, retail and mining outperformed. Despite the market weakness, foreign and retail investors remained net buyers, and robust share buyback announcements by Japanese companies provided some support to valuations.

TABLE 1. MARKET PERFORMANCE (as at the end of October 2026)

	Index	Return	Year to Date
TOPIX	3,965.07	-3.49%	16.31%
Nikkei 225	63,290.11	-5.19%	25.73%
	Oct-26	**Sep-26**	**End of 2025**
USD/JPY*	157.56	157.41	156.71

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

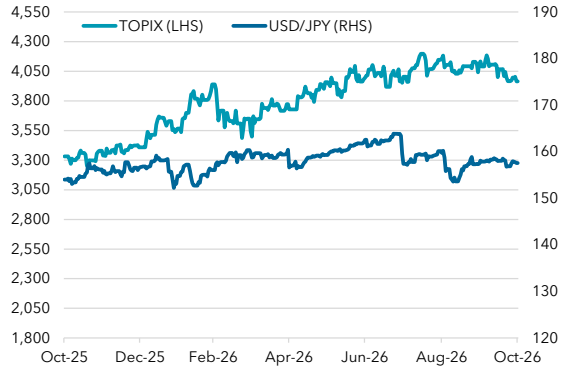


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE
(as at the end of October 2026, local currency)

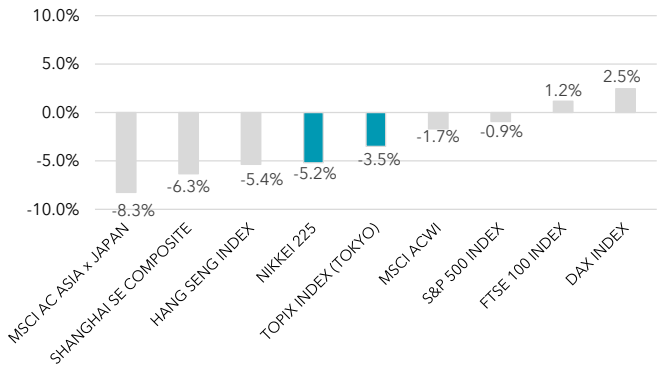


TABLE 2. TOP 5 PERFORMING SECTORS

Sector	Return
Services	9.98%
Mining	8.37%
Pharmaceutical	7.33%
Marine Transportation	6.00%
Retail Trade	5.84%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sector	Return
Nonferrous Metals	-21.63%
Machinery	-10.65%
Banks	-9.73%
Electric Appliance	-9.21%
Metal Products	-9.03%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
TOKAI CARBON	6532 JT Equity	53.77%
TAKARA	4307 JT Equity	25.85%
SOFTBANK	4733 JT Equity	23.84%
MEIKO ELECTRONIC	4684 JT Equity	23.59%
LASERTEC	9766 JT Equity	23.29%

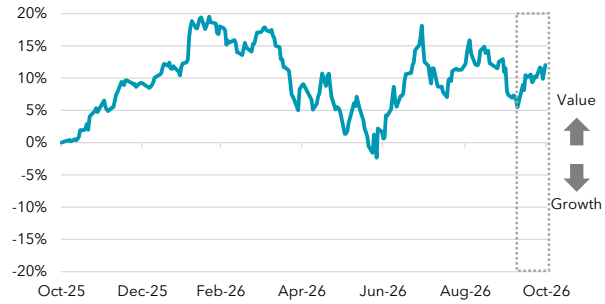
TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
MERCARI	9984 JT Equity	-30.31%
MITSUI KINZOKU	3436 JT Equity	-29.99%
CITIZEN WATCH	6963 JT Equity	-27.77%
NEXON	6525 JT Equity	-27.76%
SEIKO GROUP	5801 JT Equity	-27.23%

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

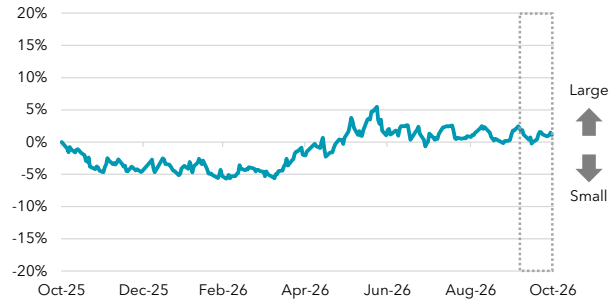
Note. Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as at the end of October 2026)

FIGURE 3. VALUE-GROWTH SPREAD



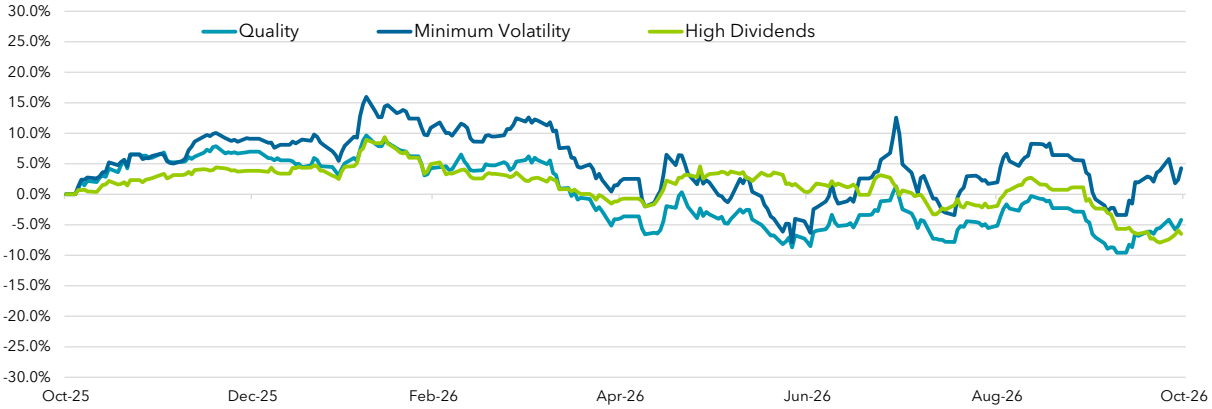
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means Value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



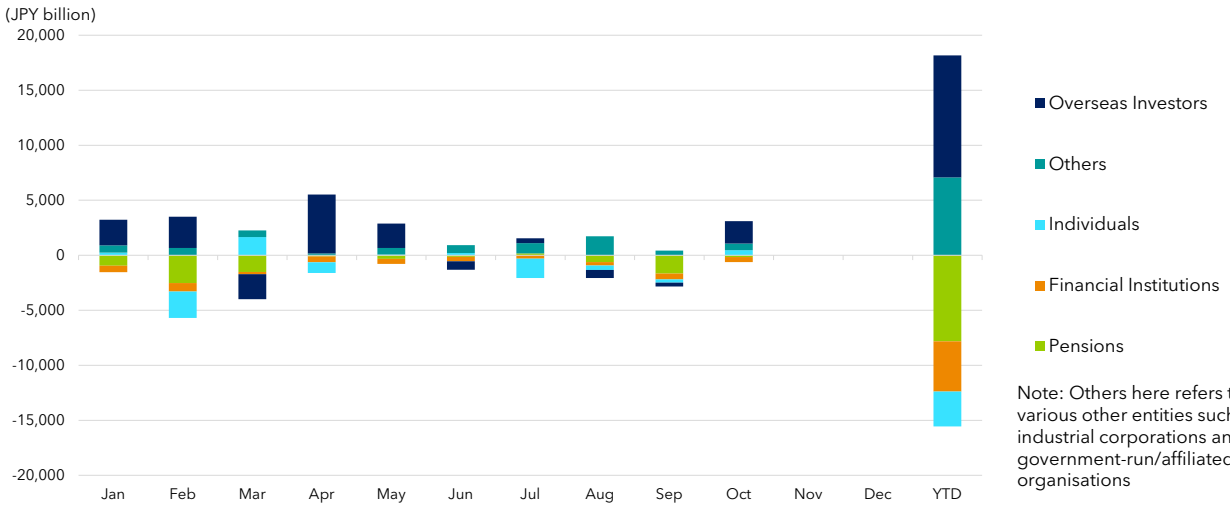
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



*The measurement begins from the end of October 2025, starting from 0%.

FIGURE 6. MONTHLY INVESTMENT ACTIVITIES BY INVESTOR TYPE IN THE JAPANESE EQUITY MARKET**



Note: Others here refers to various other entities such as industrial corporations and government-run/affiliated organisations

**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 at the end of October 2026)

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