

## Market Review for September 2022

3<sup>rd</sup> October 2022

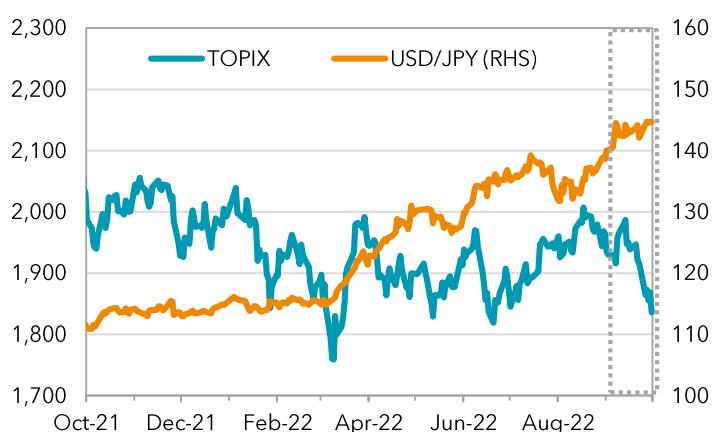
TOPIX ended down on the previous month-end. The Japanese equity market declined due to external risk factors including the Federal Reserve Bank's (FRB) hawkish stance and the UK's controversial fiscal policy. The FRB raised US interest rates by 75 bps in three consecutive Federal Open Market Committee meetings and showed their commitment to further tightening monetary policy, which shocked the global equity market. The UK's new fiscal policy followed by plunges in gilts, sterling and UK equities also dampened market sentiment.

**Table 1. Market performance**

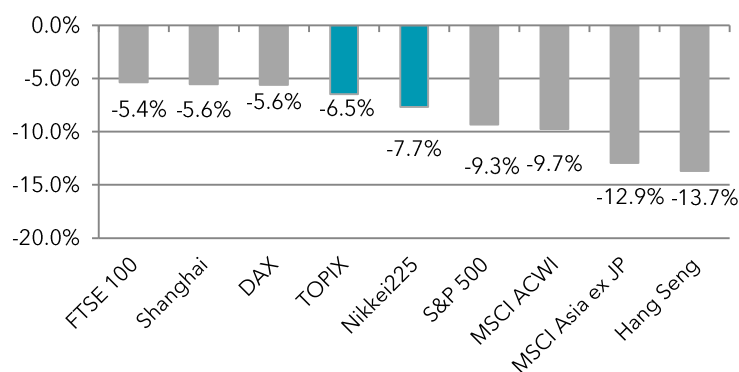
| 2022       | As of the end of Sep 2022 | Sep 2022        | Year to Date         |
|------------|---------------------------|-----------------|----------------------|
| TOPIX      | 1,835.94                  | -6.48%          | -7.85%               |
| Nikkei 225 | 25,937.21                 | -7.67%          | -9.91%               |
| USD/JPY*   | 144.75                    | 138.63 (31 Aug) | 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 Sep 2022, local currency)**



**Table 2. Top 5 performing sectors in September 2022**

| Sectors             | Return |
|---------------------|--------|
| Land Transportation | 0.86%  |
| Air Transportation  | 0.75%  |
| Pharmaceutical      | 0.37%  |
| Retail Trade        | -0.32% |
| Foods               | -0.78% |

**Table 3. Bottom 5 performing sectors in September 2022**

| Sectors                  | Return  |
|--------------------------|---------|
| Marine Transportation    | -29.84% |
| Mining                   | -14.87% |
| Oil & Coal Products      | -11.84% |
| Transportation Equipment | -11.76% |
| Electric Appliance       | -11.46% |

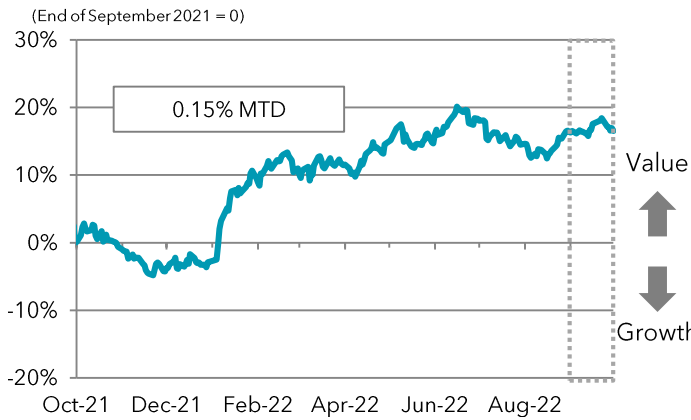
**Table 4. Top 5 performing stocks\* in September 2022**

| Name                              | Return |
|-----------------------------------|--------|
| Eisai (4523 JP)                   | 36.02% |
| Kose (4922 JP)                    | 12.54% |
| MatsukiyoCocokara & Co. (3088 JP) | 12.45% |
| ABC-Mart (2670 JP)                | 11.05% |
| Shizuoka Bank (8355 JP)           | 10.30% |

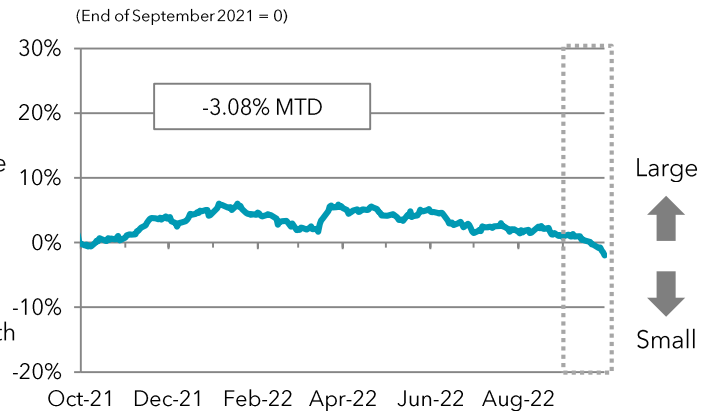
**Table 5. Bottom 5 performing stocks\* in September 2022**

| Name                            | Return  |
|---------------------------------|---------|
| Kawasaki Kisen Kaisha (9107 JP) | -31.35% |
| Nippon Yusen (9101 JP)          | -30.77% |
| Mitsui OSK (9104 JP)            | -28.81% |
| Lasertec (6920 JP)              | -24.27% |
| Mazda Motor (7261 JP)           | -22.34% |

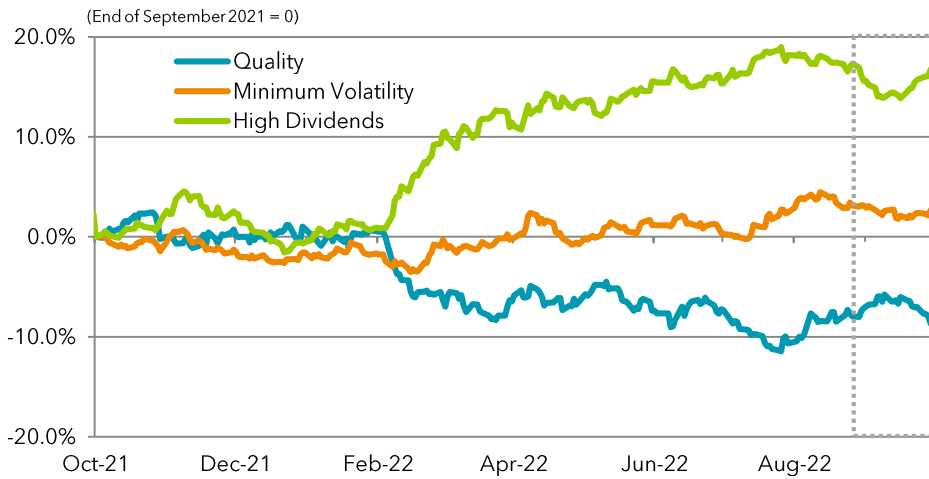
\*Stocks with a market cap of over JPY 500 billion

**Figure 3. Value-Growth Spread**


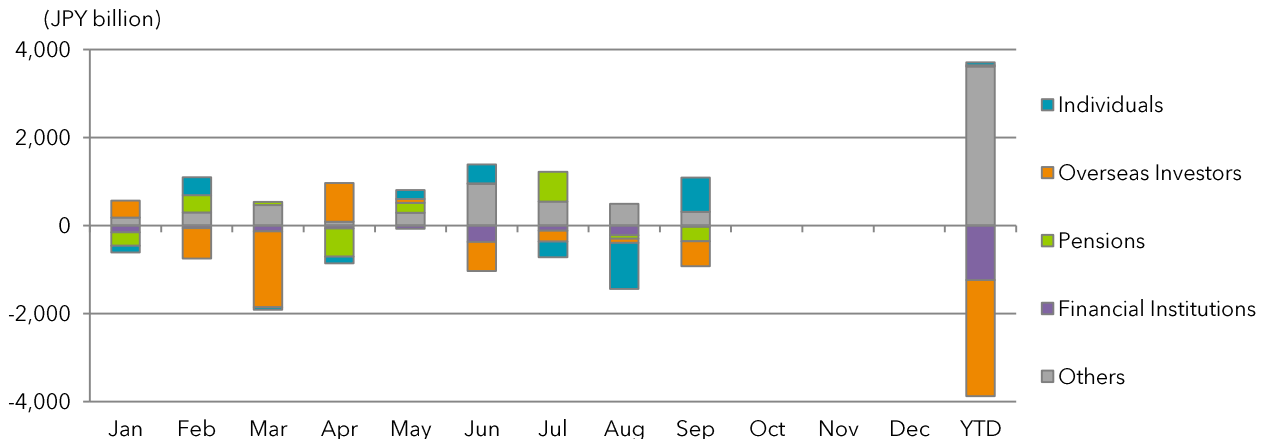
The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means value dominant)

**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 September 2022)

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


Data: Bloomberg, SuMi TRUST (as of 23<sup>rd</sup> September 2022)

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