

Market Review for June 2021

2nd July 2021

TOPIX ended up on the previous month-end. The Japanese equity market was driven by the US equity market throughout the month. At the beginning of the month, the market rose on the good progress of the vaccination program in Japan. The market plunged after an earlier than expected tapering was hinted at by the Federal Open Market Committee (FOMC) followed by a sharp fall in the US equity market. However, the market gradually offset the fall as US interest rate stopped rising towards the month-end.

Table 1. Market Performance

2021	As of the end of June	June	Year to Date
TOPIX	1,943.57	1.07%*	7.70%*
Nikkei 225	28,791.53	-0.24%	4.91%
USD/JPY**	110.99	109.04 (31 May)	103.25 (end of 2020)

*MTD: 1.19%, YTD: 8.90% in total return index, **Reuters London 4pm

Figure 1. TOPIX and USD/JPY

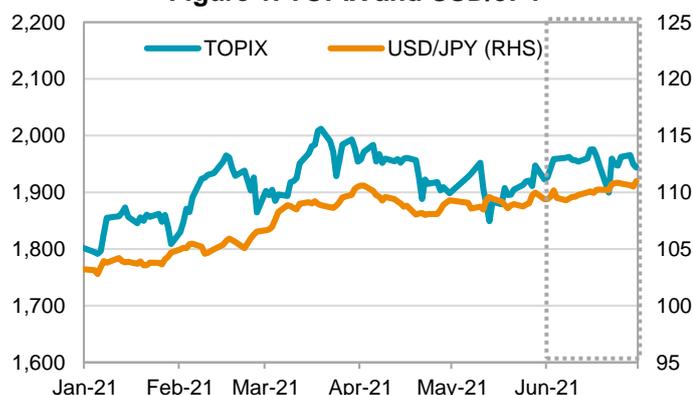


Figure 2. Global Equity Market Monthly Performance
(as of the end of June 2021, local currency)

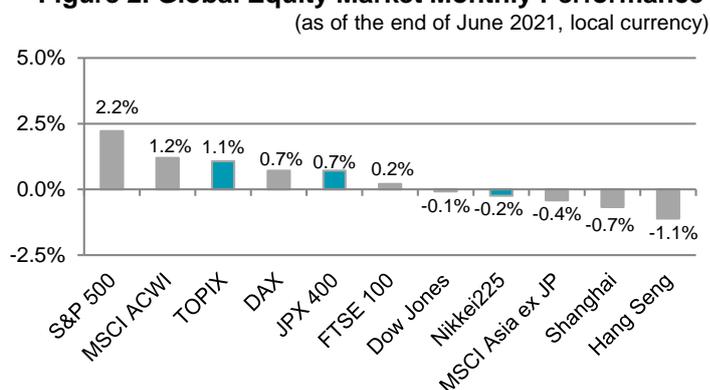


Table 2. Top 5 performing sectors in June 2021

Sector	Return
Marine Transportation	23.97%
Mining	8.22%
Rubber Products	5.51%
Pharmaceutical	5.04%
Transportation Equipments	4.43%

Table 3. Bottom 5 performing sectors in June 2021

Sector	Return
Iron & Steel	-6.33%
Securities & Commodity Futures	-5.16%
Nonferrous Metals	-4.94%
Insurance	-4.57%
Banks	-3.65%

Table 4. Top 5 performing stocks* in June 2021

Name	Return
Rakus (3923 JP)	49.80%
Eisai (4523 JP)	48.48%
Kobe Bussan (3038 JP)	26.63%
Nippon Yusen (9101JP)	24.70%
Mitsui OSK Lines (9104 JP)	21.50%

Table 5. Bottom 5 performing stocks* in June 2021

Sector	Return
Nabtesco (6268 JP)	-16.33%
Oracle Japan (4716 JP)	-14.74%
Komatsu (6301 JP)	-13.82%
Sumitomo Metal Mining (5713 JP)	-11.88%
JFE Holdings (5411 JP)	-10.77%

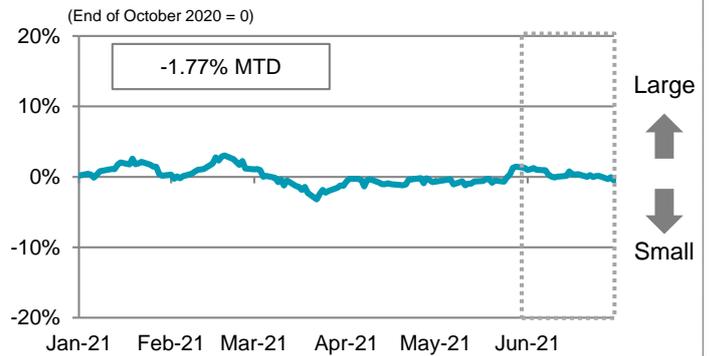
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



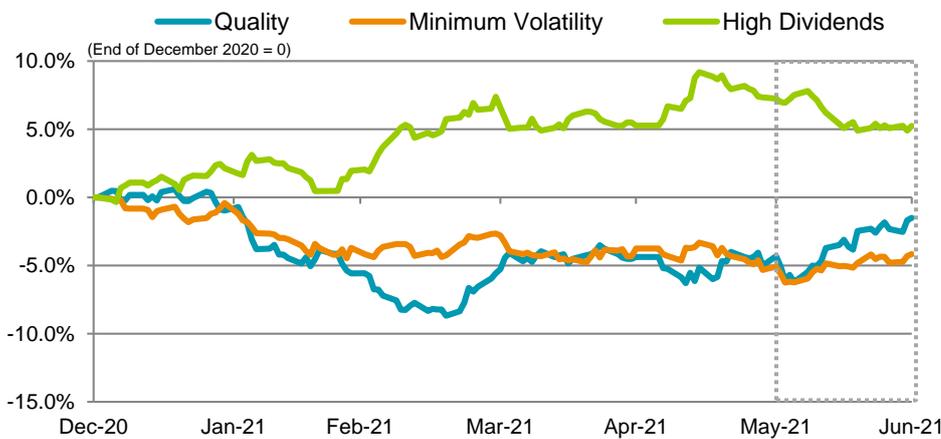
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



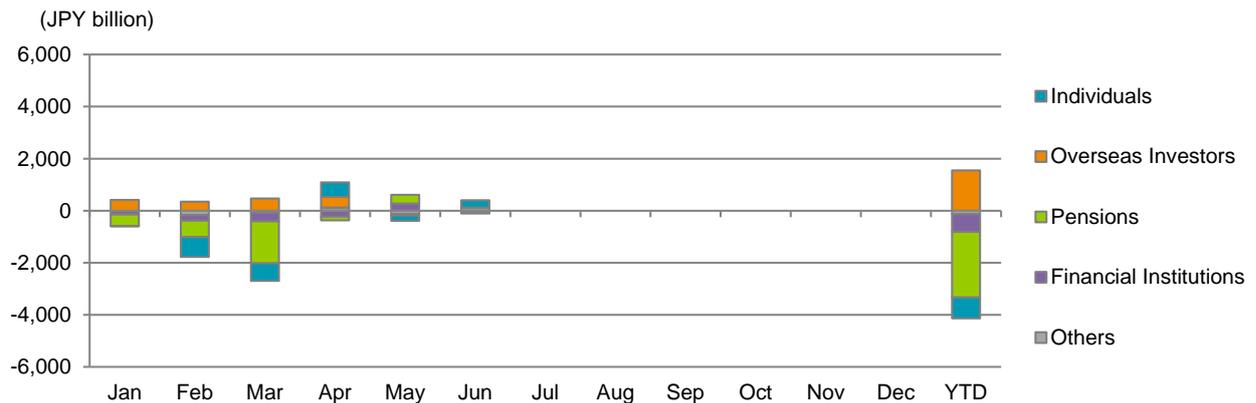
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan



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

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



Data: Bloomberg, SuMi TRUST (as of 25th June 2021)

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