

Market Review for January 2026

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

MONTHLY REVIEW

In January Japan's equity market began the year with a rally, driven by optimism surrounding a possible dissolution of the House of Representatives which has now been confirmed, expectations of economic stimulus, and renewed inflows from foreign investors. The Nikkei 225 and TOPIX rose by 5.93% and 4.62% respectively. Early momentum was supported by strength in U.S. semiconductor stocks and broader global equity rallies, while value-oriented sectors such as non-ferrous metals, energy, machinery, banking, and mining led gains. As the month progressed, market momentum moderated amid concerns over fiscal deterioration linked to proposed consumption tax cuts, rising domestic long-term interest rates, yen appreciation, and U.S.-Europe political friction, which weighed particularly on export stocks.

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

	Index	Return	Year to Date
TOPIX	3,566.32	4.62%	4.62%
Nikkei 225	53,322.85	5.93%	5.93%
	Jan-26	Dec-25	End of 2025
USD/JPY*	154.78	156.71	156.71

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

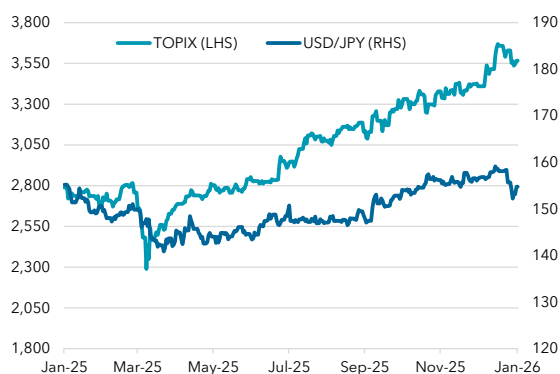


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as at the end of January 2026, local currency)

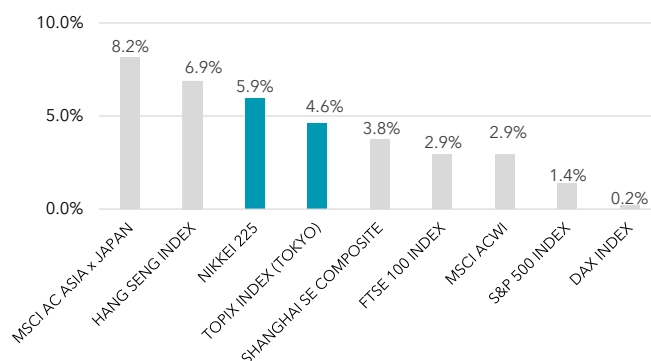


TABLE 2. TOP 5 PERFORMING SECTORS

Sector	Return
Nonferrous Metals	17.60%
Oil & Coal Products	14.81%
Machinery	14.67%
Banks	13.19%
Mining	12.87%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sector	Return
Services	-4.27%
Information & Communication	-4.02%
Other Products	-2.80%
Retail Trade	-2.45%
Land Transportation	-0.91%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
KIOXIA	285A JT Equity	104.70%
SUMITOMO METAL MINING	5713 JT Equity	47.24%
RORZE	6323 JT Equity	46.26%
NITTO BOSEKI	3110 JT Equity	45.39%
DISCO	6146 JT Equity	37.41%

TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
NOMURA RESEARCH	4307 JT Equity	-21.92%
ORACLE JAPAN	4716 JT Equity	-20.70%
OBIC BUSINESS	4733 JT Equity	-18.85%
MONOTARO	3064 JT Equity	-16.36%
BAYCURRENT	6532 JT Equity	-16.29%

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

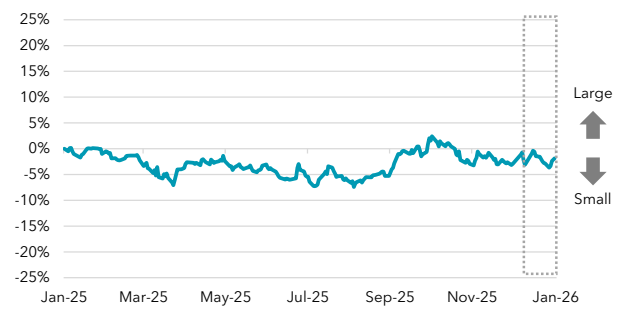
Note. Figures on this sheet are from SuMi TRUST, Bloomberg, NEEDS, MSCI and Nomura (as at the end of January 2026)

FIGURE 3. VALUE-GROWTH SPREAD



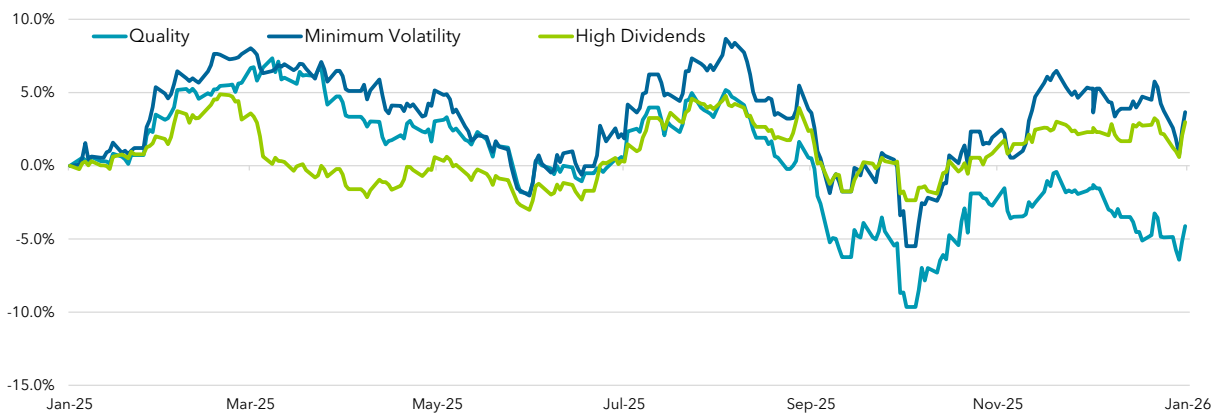
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means Value dominant)

FIGURE 4. LARGE-SMALL CAP SPREAD



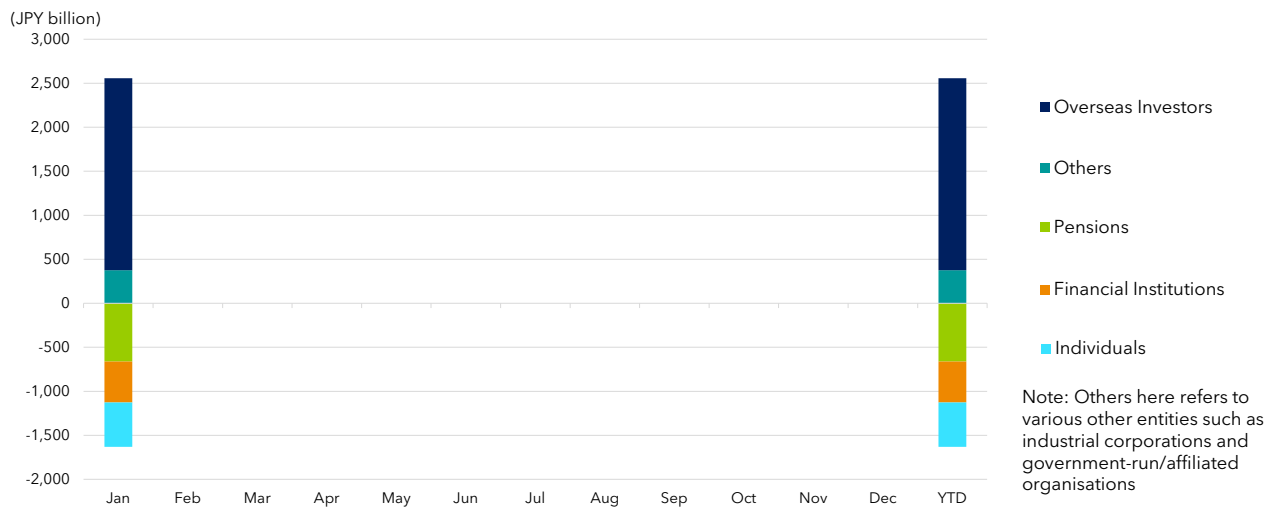
Note: The spread between the Russell/Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

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



*The measurement begins from the end of January 2025, 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 at the end of January 2026)

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