

Market Review for May 2019

4th June 2019

TOPIX ended down 6.53% on April end. The market fell due to reheated concerns over prolonged US-China trade wars following the news of a breakdown in US-China trade talks. The concerns were fuelled further by the news of the US's additional tariff on imports from China and the ban on exports to Huawei. Under these circumstances, the Japanese yen has appreciated against USD, which also weakened investors' sentiment.

Table 1. Market Performance

2019	As of the end of May	Month to Date	Year to Date
TOPIX	1,512.28	-6.53%*	1.22%*
Nikkei 225	20,601.19	-7.45%	2.93%
USD/JPY*	108.58	111.38 (30 Apr)	109.72 (end of 2018)

*MTD: -6.52%, YTD: +2.38% in total return index, **Reuters London 4pm

Figure 1. TOPIX and USD/JPY in 2019

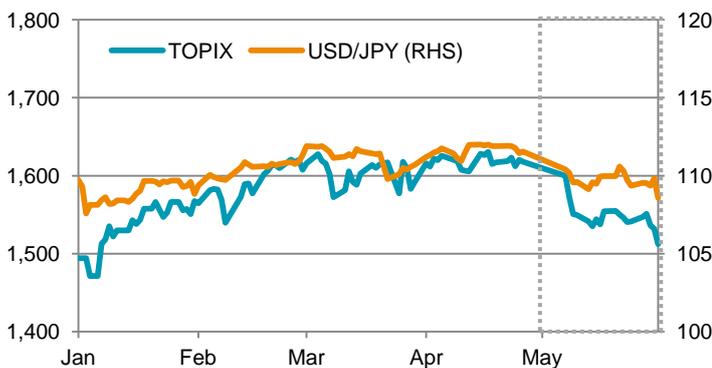


Figure 2. Global Equity Market Monthly Performance

(as of the end of May 2019, local currency)

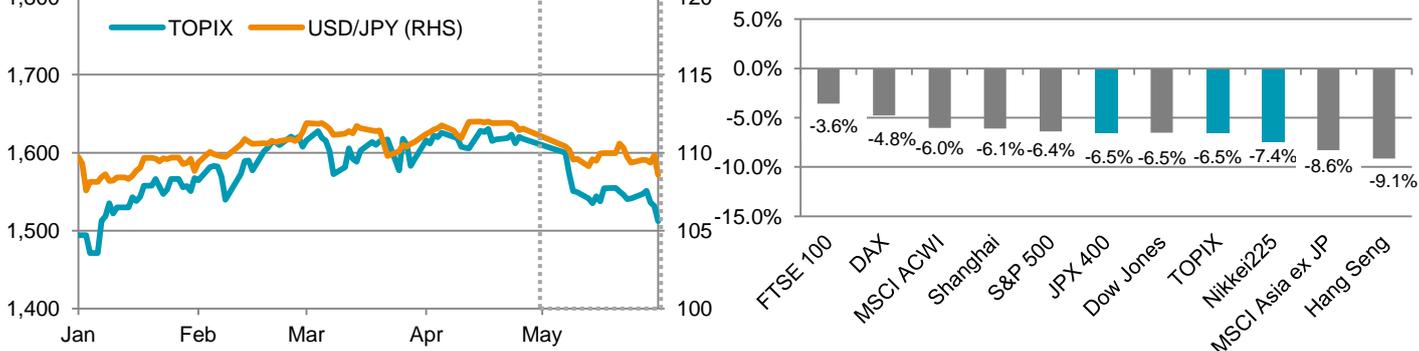


Table 2. Top 5 performing sectors in May 2019

Sector	Return
Real Estate	0.14%
Information & Communication	-0.14%
Services	-1.30%
Land Transportation	-1.50%
Insurance	-1.99%

Table 3. Bottom 5 performing sectors in May 2019

Sector	Return
Mining	-16.92%
Marine Transportation	-15.99%
Iron & Steel	-13.30%
Pulp & Paper	-12.55%
Glass & Ceramics Products	-11.52%

Table 4. Top 5 performing stocks* in May 2019

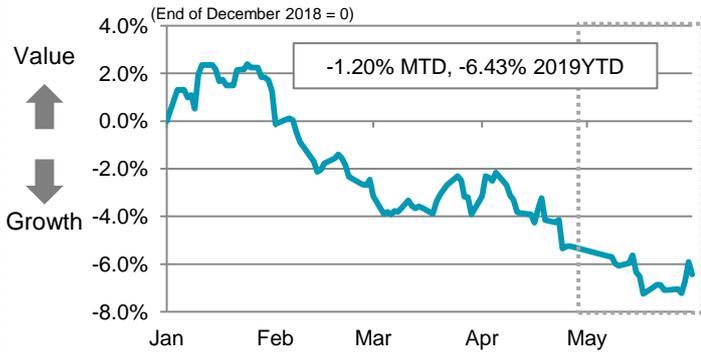
Name	Return
Systemex (6869 JP)	18.53%
Hoshizaki (6465 JP)	14.17%
Persol Holdings (2181 JP)	10.94%
Taiyo Nippon Sanso (4091 JP)	10.11%
KDDI (9433 JP)	9.76%

Table 5. Bottom 5 performing stocks* in May 2019

Sector	Return
Isuzu Motors (7202 JP)	-24.79%
Koito Manufacturing (7276 JP)	-23.87%
TDK (6762 JP)	-23.63%
Yaskawa Electric (6506 JP)	-23.08%
SMC (6273 JP)	-22.34%

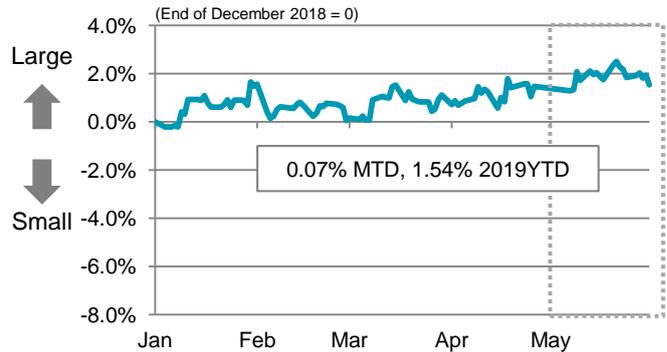
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread in 2019



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

Figure 4. Large-Small Cap Spread in 2019



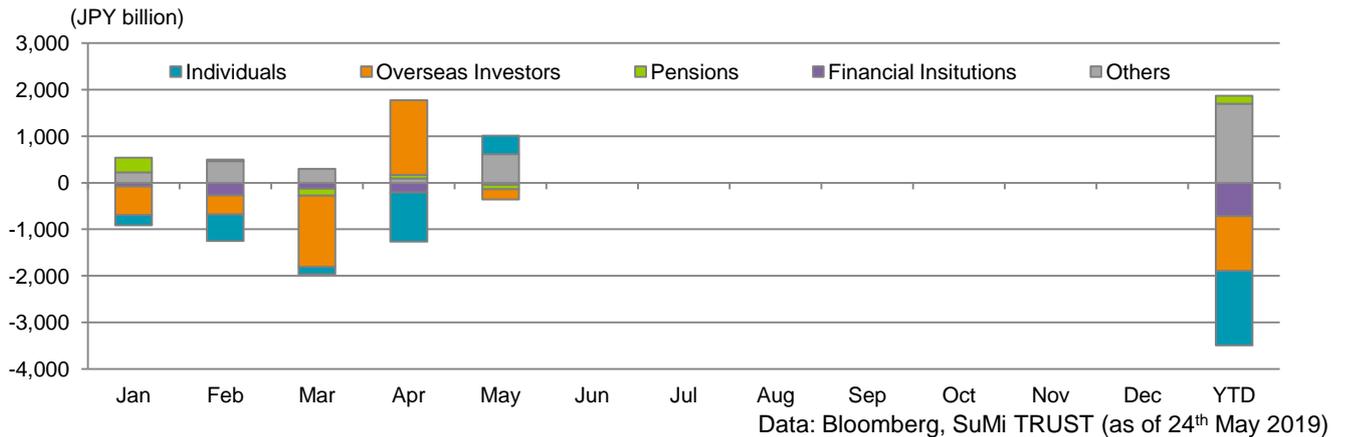
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan in 2019



Data: Bloomberg, Nomura Securities, SuMi TRUST (as at the end of May 2019)

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



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