

Market Review for February 2026

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

MONTHLY REVIEW

In February, Japanese stocks reached new all-time highs as the ruling party's landslide victory and the LDP's post-war record of 316 seats strengthened Prime Minister Takaichi's political base and boosted sentiment. The TOPIX and Nikkei 225 indices gained 10.44% and 10.37% respectively. Nonferrous metals, real estate, glass and ceramics, and construction materials led sector gains. The month saw a slight strengthening of the yen, falling bond yields, record trading activity. Foreign buyers of Japanese equities remained high with net purchases totalling JPY 2.7 trillion in the first three weeks of the month.

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

	Index	Return	Year to Date
TOPIX	3,938.68	10.44%	15.54%
Nikkei 225	58,850.27	10.37%	16.91%

	Feb-26	Jan-26	End of 2025
USD/JPY*	156.05	154.78	156.71

*Bloomberg's preferred default source of generic FX data

FIGURE 1. TOPIX and USD/JPY

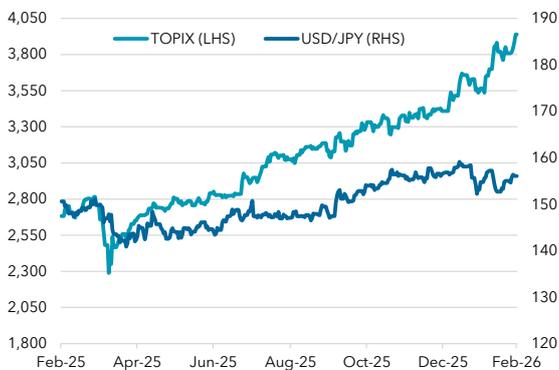


FIGURE 2. GLOBAL EQUITY MARKET MONTHLY PERFORMANCE (as at the end of February 2026, local currency)

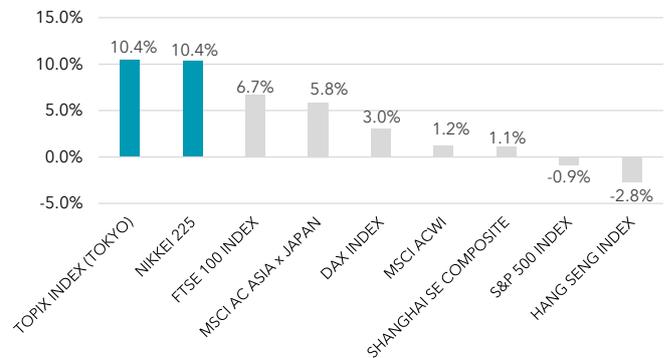


TABLE 2. TOP 5 PERFORMING SECTORS

Sector	Return
Nonferrous Metals	47.71%
Real Estate	20.80%
Glass & Ceramics Products	20.08%
Construction	17.94%
Wholesale Trade	17.60%

TABLE 3. BOTTOM 5 PERFORMING SECTORS

Sector	Return
Services	-4.14%
Information & Communication	-2.93%
Other Products	1.35%
Securities & Commodity Futures	3.26%
Iron & Steel	3.32%

TABLE 4. TOP 5 PERFORMING STOCKS*

Name	Ticker	Return
FURUKAWA ELECTRIC	5801 JT Equity	107.69%
MITSUI KINZOKU	5706 JT Equity	81.20%
MEIKO ELECTRONIC	6787 JT Equity	72.78%
SEIKO GROUP	8050 JT Equity	72.08%
NITTO BOSEKI	3110 JT Equity	69.93%

TABLE 5. BOTTOM 5 PERFORMING STOCKS*

Name	Ticker	Return
TIS	3626 JT Equity	-28.32%
BAYCURRENT	6532 JT Equity	-17.20%
OLYMPUS	7733 JT Equity	-17.00%
NEC	6701 JT Equity	-16.81%
FUJITSU	6702 JT Equity	-16.23%

*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 February 2026)

FIGURE 3. VALUE-GROWTH SPREAD



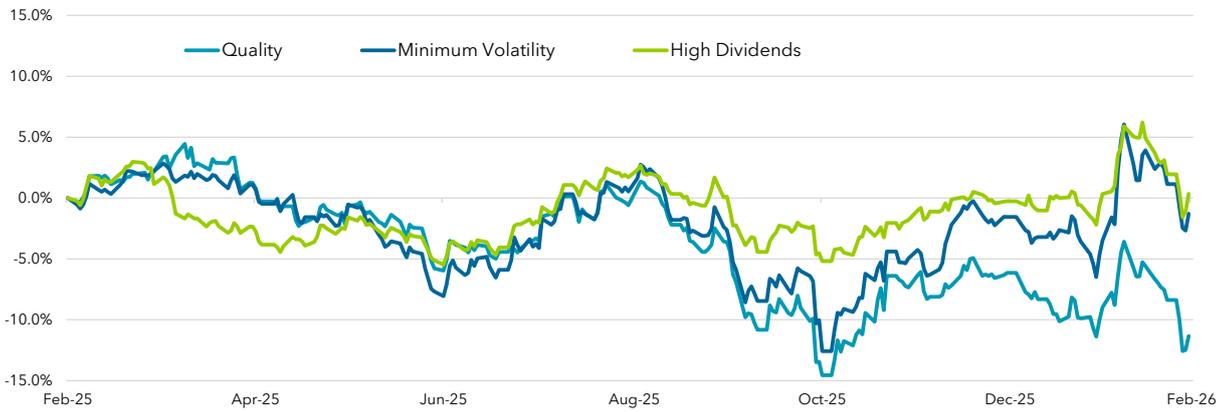
Note: The spread between the Russell/Nomura Value Index and the Growth Index (Positive figure means Value dominant)

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 February 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

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