

Market Review for May 2021

2nd June 2021

TOPIX ended up on the previous month-end. The market was supported by a pause in the rising number of COVID-19 cases in Japan and expectations for the progress of vaccination program whilst the market was temporarily impacted by a plunge of US IT stocks following a hike in US treasury rate in mid-month. The state of emergency in Japan which was extended by another month to mid-June but it did not affect the market.

Table 1. Market Performance

2021	As of the end of May	May	Year to Date
TOPIX	1,922.28	1.30%*	6.56%*
Nikkei 225	28,860.08	0.16%	5.16%
USD/JPY**	109.40	109.31 (31 Apr)	103.25 (end of 2020)

*MTD: 1.38%, YTD: 7.62% in total return index, **Reuters London 4pm

Figure 1. TOPIX and USD/JPY

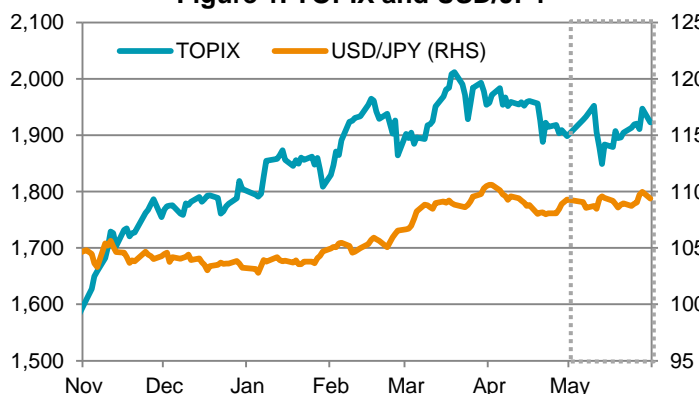


Figure 2. Global Equity Market Monthly Performance
(as of the end of May 2021, local currency)

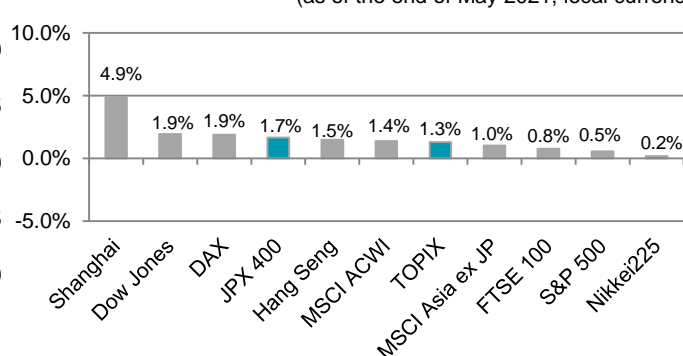


Table 2. Top 5 performing sectors in May 2021

Sector	Return
Rubber Products	8.87%
Transportation Equipments	8.82%
Precision Instruments	7.03%
Air Transportation	6.75%
Other Products	6.18%

Table 3. Bottom 5 performing sectors in May 2021

Sector	Return
Information & Communication	-4.43%
Fishery, Agriculture & Forestry	-3.41%
Electric Power & Gas	-3.40%
Glass & Ceramics Products	-3.32%
Pulp & Paper	-3.26%

Table 4. Top 5 performing stocks* in May 2021

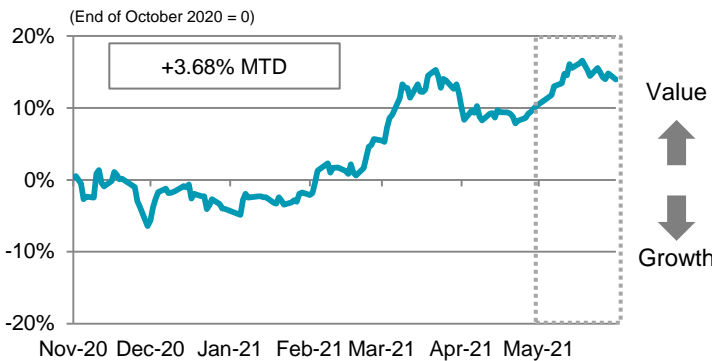
Name	Return
Isuzu Motors (7202 JP)	30.47%
Yamaha Motor (7272 JP)	17.08%
Ebara (6361 JP)	15.63%
HOYA (7741JP)	15.40%
Ajinomoto (2802 JP)	15.07%

Table 5. Bottom 5 performing stocks* in May 2021

Sector	Return
Nexon (3659 JP)	-28.72%
NEC (6701 JP)	-19.65%
SoftBank Group (9984 JP)	-16.48%
Daifuku (6383 JP)	-14.97%
Renesas Electronics (6723 JP)	-12.63%

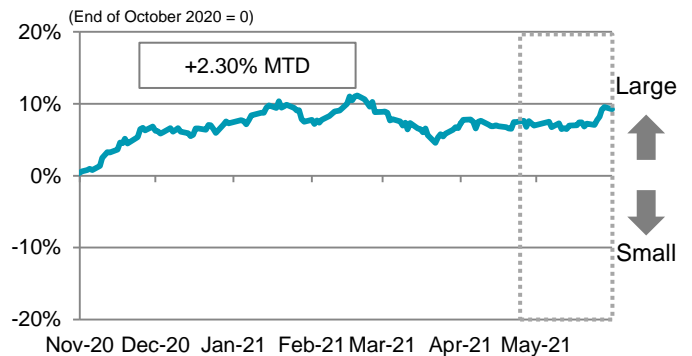
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



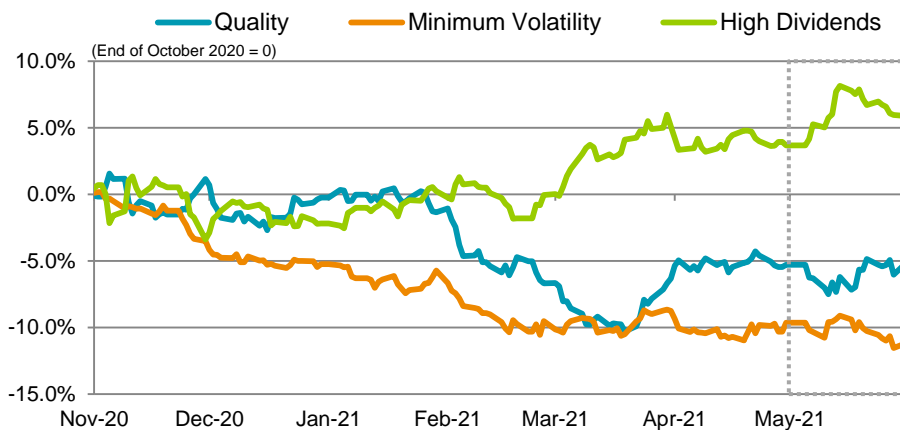
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



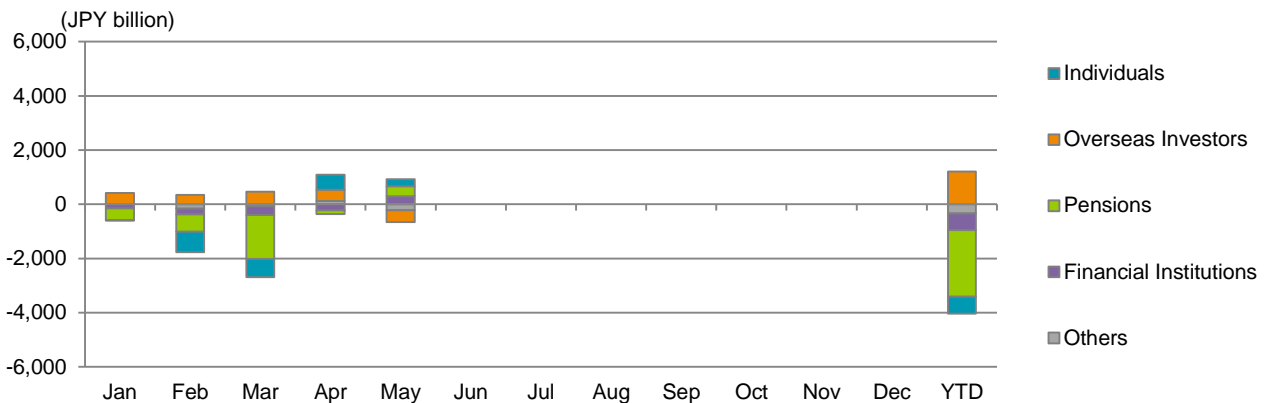
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan



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

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



Data: Bloomberg, SuMi TRUST (as of 21st May 2021)

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