

Market Review for March 2021

1st April 2021

TOPIX ended up 4.80% on the previous month-end. The expectations for global COVID-19 vaccinations and US additional economic stimulus underpinned the Japanese equity market although concerns over the hike in US interest rates still remained. The Bank of Japan decided at a monetary policy meeting that they would exclude Nikkei 225 ETF from their ETF buying list, which impacted the Nikkei 225 index.

Table 1. Market Performance

2021	As of the end of March	March	Year to Date
TOPIX	1,954.00	4.80%*	8.27%*
Nikkei 225	29,178.80	0.73%	6.32%
USD/JPY**	110.50	106.545 (26 Feb)	103.25 (end of 2020)

*MTD: 5.71%, YTD: 9.25% in total return index, **Reuters London 4pm

Figure 1. TOPIX and USD/JPY

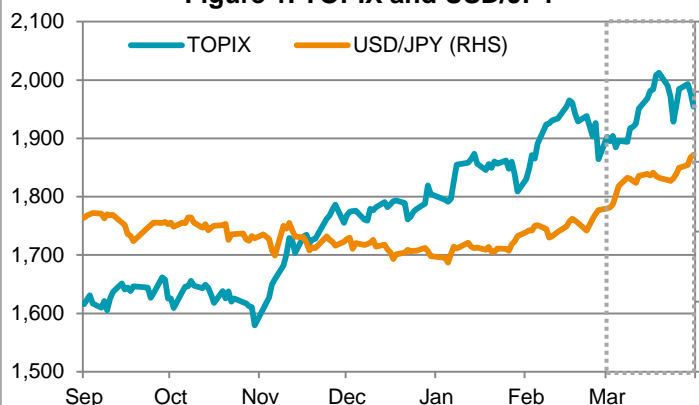


Figure 2. Global Equity Market Monthly Performance
(as of the end of March 2021, local currency)

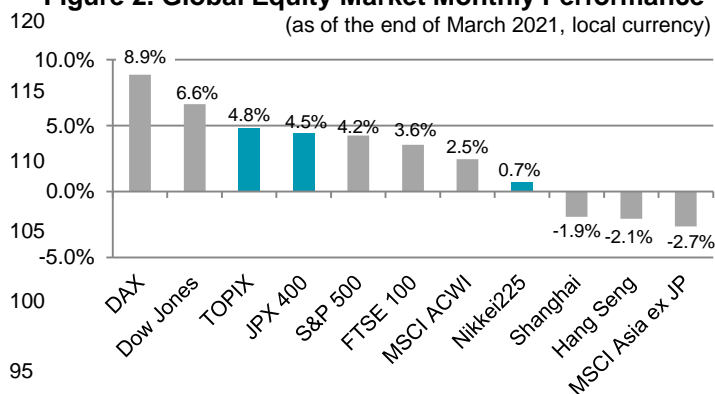


Table 2. Top 5 performing sectors in March 2021

Sector	Return
Pulp & Paper	3.23%
Information & Communication	2.98%
Construction	2.63%
Retail Trade	2.44%
Machinery	2.42%

Table 3. Bottom 5 performing sectors in March 2021

Sector	Return
Land Transportation	0.36%
Marine Transportation	0.62%
Iron & Steel	0.82%
Air Transportation	0.91%
Mining	1.07%

Table 4. Top 5 performing stocks* in March 2021

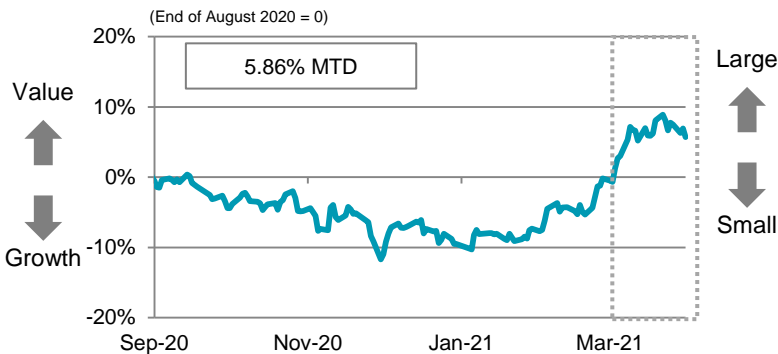
Name	Return
CyberAgent (4751 JP)	24.17%
Nippon Yusen (9101 JP)	23.57%
FOOD & LIFE COMPANIES (3563 JP)	22.71%
JFE Holdings (5411 JP)	21.91%
Ricoh (7752 JP)	21.91%

Table 5. Bottom 5 performing stocks* in March 2021

Sector	Return
Fast Retailing (9983 JP)	-16.07%
Z Holdings (4689 JP)	-15.10%
Kakaku.com (2371 JP)	-10.65%
M3 (2413 JP)	-10.14%
Kose (4922 JP)	-8.26%

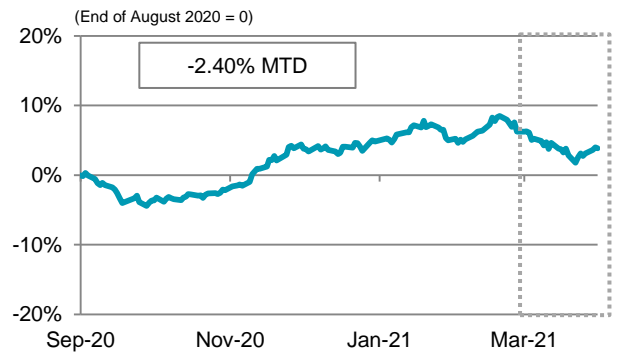
*Stocks with a market cap of over JPY 500 billion

Figure 3. Value-Growth Spread



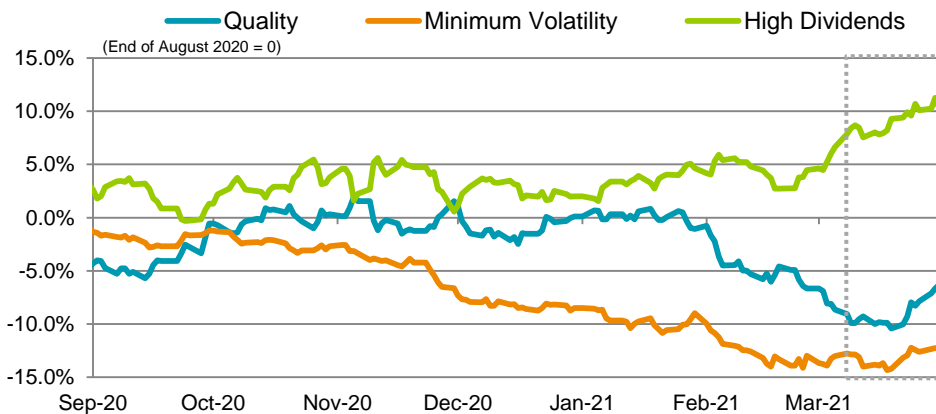
The spread between Russell Nomura Value Index and the Growth Index (Positive figure means value dominant)

Figure 4. Large-Small Cap Spread



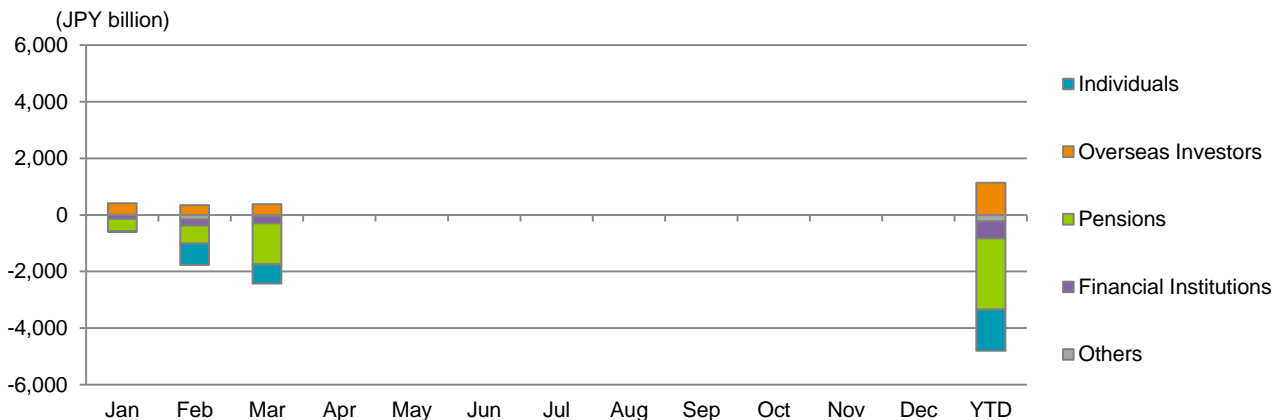
The spread between Russell Nomura Large Cap Index and the Small Cap Index (Positive figure means Large Cap dominant)

Figure 5. MSCI Japan Factor Indexes Spread against MSCI Japan



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

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



Data: Bloomberg, SuMi TRUST (as of 26th March 2021)

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All enquiries regarding this report should be made to:

Akimichi Oi
Head of Investment Management Department
 Sumitomo Mitsui Trust International Limited
 155 Bishopsgate, London EC2M 3XU, UK
 Direct: +44 20 7562 8412
 imd@smti.com

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Any enquiries regarding the products should be made to:

Kei Ohashi

Head of Investment Management Department

Sumitomo Mitsui Trust International Limited

155 Bishopsgate, London EC2M 3XU, United Kingdom

Direct: +44 (0)20 7562 8412

Email: imd@smtil.com

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