

# JAPAN WEEKLY REVIEW

For Week Commencing 13 June 2016

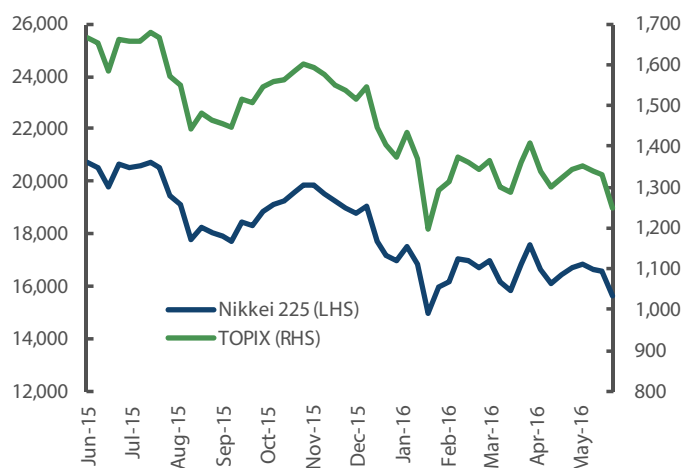
## Market Review

Below are performance data for the TOPIX, Nikkei 225 and JPX-Nikkei 400, stock indices representative of Japan's stock market:

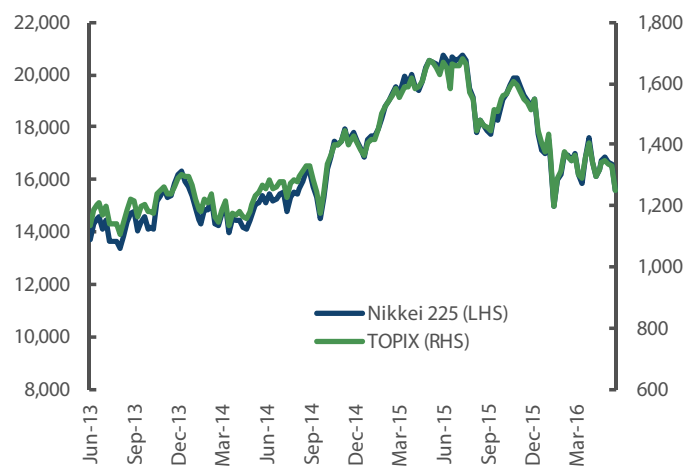
Stock Index	As of 2016/6/17	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	15,599.66	-6.0	-7.9	-19.4	-22.8	-9.5	-18.0
TOPIX	1,250.83	-6.0	-8.0	-20.1	-23.4	-9.3	-19.2
JPX-Nikkei 400	11,270.83	-5.9	-8.2	-20.1	-23.5	-9.5	-19.2

### Nikkei 225 & TOPIX

#### 1 Year Performance



#### 3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange, Inc. , as of 17 June 2016

Past performance or any prediction, projection or forecast is not indicative of future performance.

## Macro & Other Data

- Number of overseas visitors to Japan grows at record pace, surpassing 10 million in June
- Bank of Japan keeps its current monetary policy unchanged; says economy continues on moderate recovery
- Japan maintains assessment of economy for third month in a row in June Monthly Economic Report

- The Japan Tourism Agency announced on 15 June that the number of overseas visitors to Japan in 2016 has exceeded 10 million, growing at a record-breaking pace. It appears that 2016's pace will continue to exceed that of 2015, when the number of visitors totalled an all-time high of 19.74 million. According to the agency, spending by overseas visitors to Japan totalled JPY 3.5 trillion (approx. USD 28.1 billion) in 2015, accounting for 14% of all travel-related consumption in the country for that year. Strong tourist spending is one factor that has helped underpin the nation's economy.
- At its Monetary Policy Meeting on 15-16 June, the Bank of Japan voted to maintain its current monetary policy, while it provided an assessment that Japan's economy continues on a moderate recovery trend, despite sluggish exports and production. The bank also said that it would examine the risks to economic activity and prices and implement additional easing measures in terms of three dimensions—quantity, quality, and interest rate—if they are judged to be necessary, reiterating the same statement it made at April's meeting.
- On 17 June, the Japanese government released its monthly economic report for June, upholding its assessment for the third month in a row that the Japanese economy is moderately recovering, although weakness can be seen. Its assessments for most individual indicators, such as private consumption and business investment, remained unchanged. However, amid the strong yen and falling natural resource prices, the assessment for corporate earnings was lowered from "trending toward improvement" in May to "improvement appears to be pausing" in June.

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