

JAPAN WEEKLY REVIEW

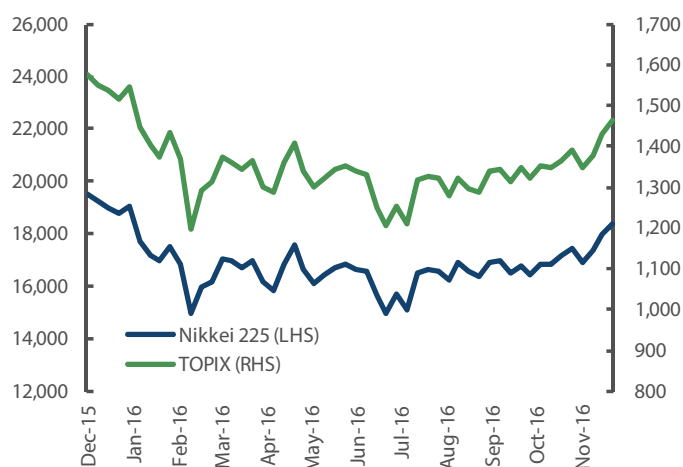
For Week Commencing 21 November 2016

Market Review

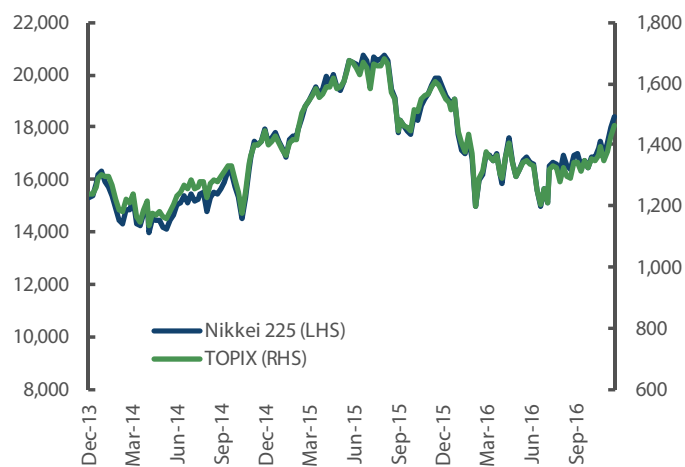
Below are performance data for the Nikkei 225, TOPIX, JPX-Nikkei 400 and MSCI Japan stock indices representative of Japan's stock market:

Stock Index	As of 2016/11/25	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	18,381.22	2.3	11.0	9.7	-7.4	5.5	-3.4
TOPIX	1,464.53	2.5	12.3	9.1	-8.2	5.1	-5.3
JPX-Nikkei 400	13,146.29	2.6	12.2	8.5	-8.6	5.3	-5.8
MSCI Japan	882.91	2.7	11.8	9.4	-8.9	5.5	-5.9

Nikkei 225 & TOPIX
1 Year Performance



3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc., as of 25 November 2016
Past performance or any prediction, projection or forecast is not indicative of future performance.

Macro & Other Data

- Japan posts trade surplus in October for second straight month
- Japan Nikkei Flash PMI down 0.3 points in November; remains above the 50-point threshold
- Japan CPI down 0.4% in October, in line with expectations
- Japan corporate service prices rise in October on higher advertising and hotel accommodation prices

- According to preliminary trade statistics (on a customs clearance basis) released by the Ministry of Finance on 21 November, Japan's trade balance—calculated as the value of exports minus the value of imports—posted a surplus of JPY 496.1 billion (approx. USD 4.72 billion) in October, a 3.7-fold increase from the previous year. This was the second straight month of trade surplus, although the figure fell short of market forecasts for a surplus of JPY 610.0 billion (approx. USD 5.80 billion). The value of both exports and imports continued to decline due to the stronger yen, but imports fell more sharply owing to such factors as falling crude oil prices.
- The November Nikkei Flash Japan Manufacturing Purchasing Managers' Index (PMI) was released on 24 November, showing the index falling 0.3 points on-month to 51.1. While the index—which is an indicator of manufacturing sector activity—fell for the first time in six months, it has remained above the 50-point threshold for three straight months. A reading above 50 indicates an expansion in manufacturing activity.
- Data released by the Ministry of Internal Affairs and Communications on 25 November showed that Japan's Consumer Price Index (core CPI excluding perishables) was 99.8 (2015 = 100), down 0.4% on-year. The drop was in line with market forecasts and marked the eighth straight month of falling prices. At the same time, the "core-core" CPI, which excludes food and energy, increased 0.2% to 100.6 and the CPI including all items rose 0.1% to 100.4.
- On 25 November, the Bank of Japan released the preliminary figures for the October Services Producer Price Index, showing the index climbing 0.3% on-month and 0.5% on-year to 103.2 (2010 = 100). The increase was driven by an uptick in advertising prices amid higher corporate earnings, as well as strong in-bound tourism boosting prices for hotel accommodations.

Nikko Asset Management Asia Limited

12 Marina View, #18-02, Asia Square Tower 2,
Singapore 018961
Phone: +65 6500 5700
Fax: +65 6534 5183
Email: SGContactUs@nikkoam.com

Important Information

This document is for information only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you. Investments in unit trusts are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia"). Past performance or any prediction, projection or forecast is not indicative of future performance.

The information contained herein may not be copied, reproduced or redistributed without the express consent of Nikko AM Asia. While reasonable care has been taken to ensure the accuracy of the information as at the date of publication, Nikko AM Asia does not give any warranty or representation, either express or implied, and expressly disclaims liability for any errors or omissions. Information may be subject to change without notice. Nikko AM Asia accepts no liability for any loss, indirect or consequential damages, arising from any use of or reliance on this document.

Nikko Asset Management Asia Limited, Registration Number 198202562H