

# JAPAN WEEKLY REVIEW

For 2 Weeks Commencing 25 December 2017

## Market Review

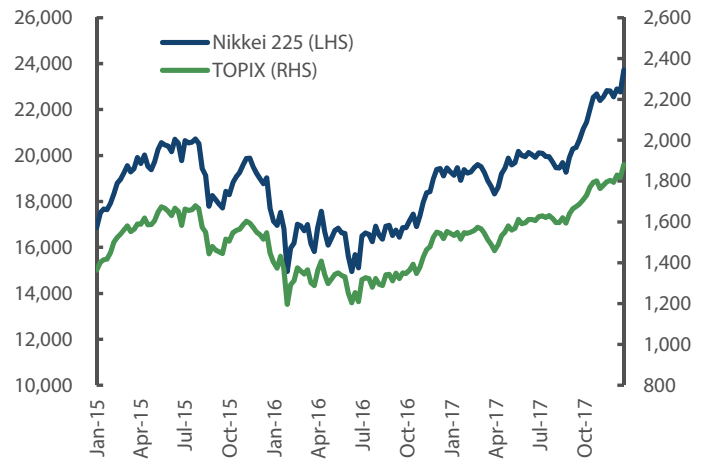
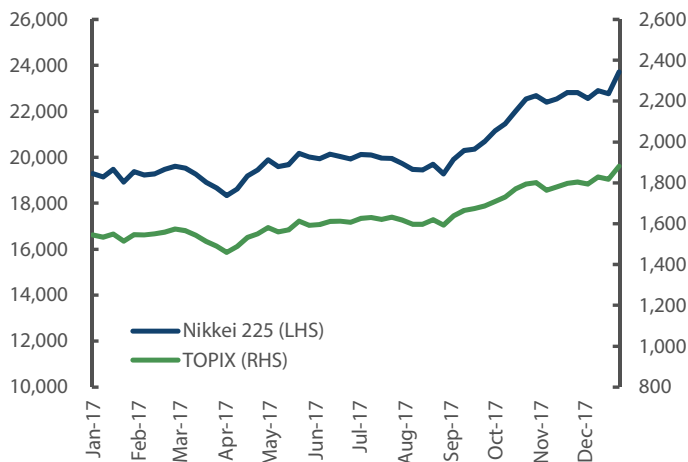
Below are performance data for the Nikkei 225, TOPIX, JPX-Nikkei 400 and MSCI Japan stock indices representative of Japan's stock market:

Stock Index	As of 2018/1/5	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	23,714.53	4.2	15.0	18.1	21.5	4.2	4.2
TOPIX	1,880.34	3.5	11.8	16.2	20.9	3.5	3.5
JPX-Nikkei 400	16,662.53	3.7	12.1	15.5	19.4	3.7	3.7
MSCI Japan	1,114.82	3.7	11.8	15.7	19.0	3.7	3.7

### Nikkei 225 & TOPIX

1 Year Performance

3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc.

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

## Macro & Other Data

- Japan CPI climbs 0.9% in November; 11<sup>th</sup> straight month of increase
- Japan household spending increases 1.7% on-year in November on home durables and food spending
- Japan unemployment hits 24-year low of 2.7% in November while jobs-to-applicants rises to 1.56
- Japan industrial production seen as "picking up" for first time in 22 years amid 0.6% rise in November

- Data released by the Ministry of Internal Affairs and Communications (MIC) on 26 December showed that Japan's Consumer Price Index (core CPI excluding perishables) climbed 0.9% on-year in November to 100.7 (2015 = 100), rising for the 11<sup>th</sup> straight month. The figure exceeded the median market forecast of a 0.8% increase and followed a 0.8% rise posted in October. The "core-core" CPI, which excludes food and energy, rose 0.3% to 101.0, while the CPI including all items was up 0.6% to 100.9.
- On 26 December, the MIC released its Family Income and Expenditure Survey for November. For households with two or more persons, the average monthly consumption expenditure was JPY 277,361 (approx. USD 2,460), an on-year increase of 1.7% in real terms. The figure exceeded expectations for a 0.5% rise due to strong spending on home durables and food. The seasonally adjusted figure rose 2.1% on-month.
- According to data also released by the MIC on 26 December, the seasonally adjusted unemployment rate hit a 24-year low of 2.7% in November as Japan's employment environment continues to improve. The number of unemployed in Japan declined 190,000 on-year to 1.78 million, dropping to its lowest since December 1994. At the same time, the seasonally adjusted jobs-to-applicants ratio, compiled by the Ministry of Health, Labour and Welfare, climbed to 1.56, its highest level in about 44 years.
- On 28 December, the Ministry of Economy, Trade and Industry released preliminary data on industrial production for November, with the seasonally adjusted index climbing 0.6% on-month to 103.6 (2010 = 100). The index rose for the second straight month on strong production of machinery and electronic components. The government upgraded its assessment for the first time in a year, stating that "industrial production is picking up". It was the first time for the government to describe industrial production as "picking up" in over 20 years.

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