

JAPAN WEEKLY REVIEW

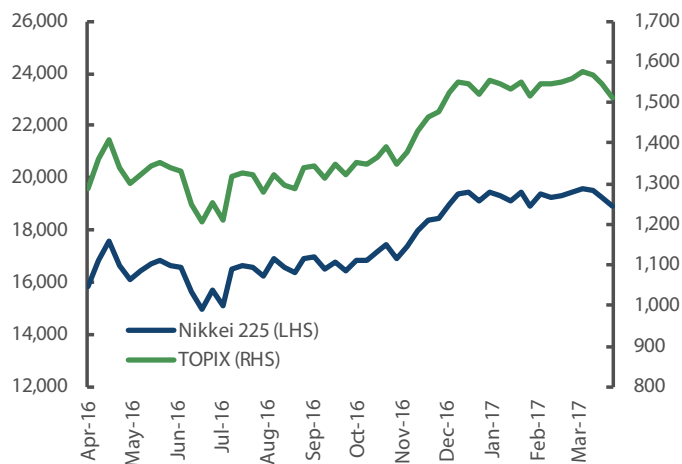
For Week Commencing 27 March 2017

Market Review

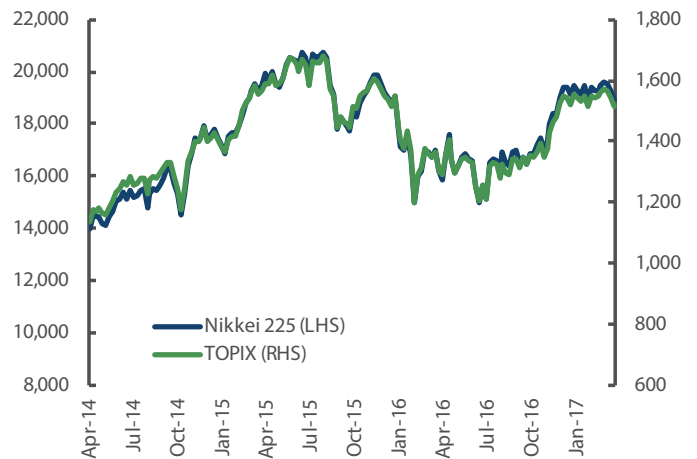
Below are performance data for the Nikkei 225, TOPIX, JPX-Nikkei 400 and MSCI Japan stock indices representative of Japan's stock market:

Stock Index	As of 2017/3/31	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	18,909.26	-1.8	-1.1	15.0	12.8	-1.1	-1.1
TOPIX	1,512.60	-2.0	-0.4	14.4	12.3	-1.5	-0.4
JPX-Nikkei 400	13,522.45	-2.1	-0.7	14.1	11.2	-1.6	-0.7
MSCI Japan	905.29	-1.9	-1.0	13.8	11.4	-1.5	-1.0

Nikkei 225 & TOPIX 1 Year Performance



3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc., as of 31 March 2017.
Past performance or any prediction, projection or forecast is not indicative of future performance.

Macro & Other Data

- Japan corporate services prices up in February on rising advertising, logistics prices
- Japan core CPI climbs 0.2% in February in line with expectations
- Japan industrial production rises for the first time in two months in February
- Japan February unemployment rate drops slightly to 2.8% while jobs-to-applicant ratio is flat at 1.43

- On 27 March, the Bank of Japan released the Services Producer Price Index preliminary figure for February, with the index rising 0.8% on-year to 103.3 (2010 = 100). The index grew at a faster pace compared to the 0.5% rise in January. Excluding the impact of consumption tax, the increase was the largest since August 2015. Advertising prices increased as strong corporate results pushed up demand while higher oil prices drove an increase in transportation and postage prices.
- Data released by the Ministry of Internal Affairs and Communications on 31 March showed that Japan's Consumer Price Index (core CPI excluding perishables) climbed 0.2% on-year in February to 99.6 (2015 = 100), rising for the second straight month amid higher energy prices. The increase was in line with estimates. At the same time, the "core-core" CPI, which excludes food and energy, rose 0.1% to 100.3 and the CPI including all items rose 0.3% to 99.8.
- On 31 March, the Ministry of Economy, Trade and Industry released preliminary data on industrial production for February, with the seasonally adjusted index rising for the first time in two months, by 2.0% on-month to 102.2 (2010 = 100). The rise was partially attributed to an increase in automobile and auto parts production. The government upheld its assessment that production is picking up.
- According to data released by the Ministry of Internal Affairs and Communications on 31 March, the seasonally adjusted unemployment rate fell 0.2 points on-month to 2.8% in February, improving for the second straight month. Unemployment fell to the lowest level in over 22 years. The labour market continued to be tight amid a shortage of available workers. Data released by the Ministry of Health, Labour and Welfare on the same day showed the seasonally adjusted ratio of job openings to job seekers for February was unchanged from the previous month at 1.43, in line with estimates.

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