

# JAPAN WEEKLY REVIEW

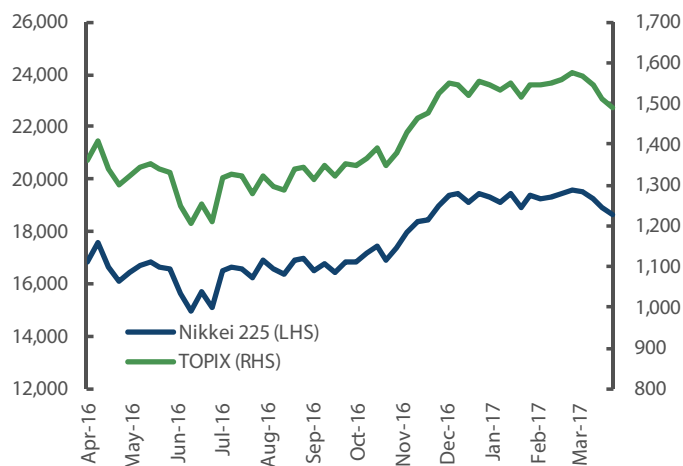
For Week Commencing 3 April 2017

## Market Review

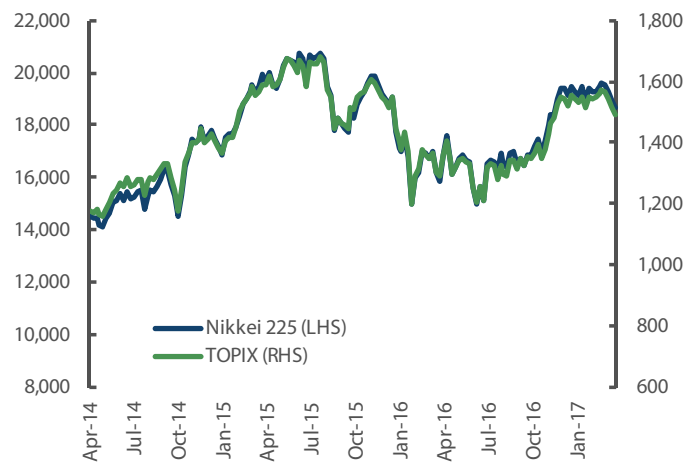
Below are performance data for the Nikkei 225, TOPIX, JPX-Nikkei 400 and MSCI Japan stock indices representative of Japan's stock market:

Stock Index	As of 2017/4/7	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	18,664.63	-1.3	-4.1	10.7	18.5	-1.3	-2.4
TOPIX	1,489.77	-1.5	-4.1	10.3	17.1	-1.5	-1.9
JPX-Nikkei 400	13,348.44	-1.3	-4.2	10.4	16.2	-1.3	-2.0
MSCI Japan	892.63	-1.4	-4.5	9.8	16.4	-1.4	-2.3

### Nikkei 225 & TOPIX 1 Year Performance



### 3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc., as of 7 April 2017  
Past performance or any prediction, projection or forecast is not indicative of future performance.

## Macro & Other Data

- BOJ March Tankan: large manufacturers' sentiment improves for second straight quarter
- Japan consumer confidence rises in March; government upgrades assessment
- Japan real wages remain flat on-year in February
- Japan coincident composite index rises in February as auto-related sales and exports improve

- The Bank of Japan (BOJ)'s March Tankan business sentiment survey, released on 3 April, showed that the diffusion index of business sentiment among large manufacturers was +12 points, up 2 points from the last survey in December 2016. It was the second straight quarter of improvement. Business sentiment among exporters such as automotive and general-purpose machinery firms improved in line with the global economic recovery. For large non-manufacturing firms, the index also increased by 2 points to +20 points as strong inbound demand by foreign tourists boosted the personal services, accommodations, and restaurant sectors.
- On 6 April, the Cabinet Office released the Consumer Confidence Survey for March, showing the seasonally adjusted Consumer Confidence Index for normal households up 0.7 point on-month to 43.9. The increase was attributed to heightened expectations for wage increases in view of annual spring labour negotiations and improved living conditions amid stabilizing consumer prices. The government upgraded its assessment of consumer confidence to “improving”.
- According to the Monthly Labour Survey preliminary data for February (covering companies with five or more employees) released on 7 April by the Ministry of Health, Labour and Welfare, total average cash earnings per employee, adjusted for inflation, remained flat on-year. At the same time, nominal wages increased 0.4% on-year to JPY 262,869 (approx. USD 2,350). The government maintained its assessment that wages are gradually increasing while noting that it will closely monitor the future outlook.
- On 7 April, the Cabinet Office released the Indexes of Business Conditions preliminary data for February, which showed the coincident composite index, a measure of the current state of the economy, rising 0.4 point on-month to 115.5 (2010 = 100). This marked the first improvement in three months on steady domestic auto sales and auto parts exports to the US. At the same time, the leading index, which shows the state of the economy several months in advance, declined 0.5 point to 104.4.

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