

JAPAN WEEKLY REVIEW

For Week Commencing 24 April 2017

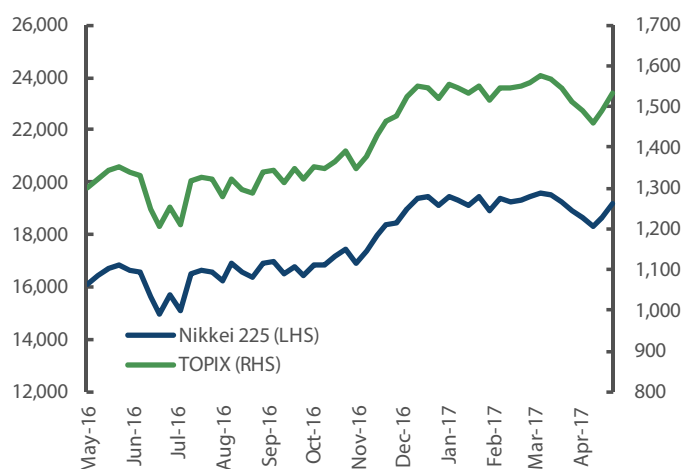
Market Review

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

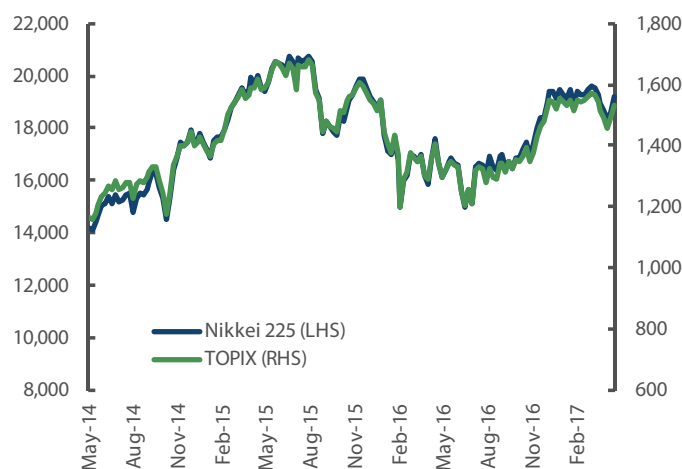
Stock Index	As of 2017/4/28	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	19,196.74	3.1	-1.4	10.0	15.2	1.5	0.4
TOPIX	1,531.80	2.9	-1.1	10.0	14.3	1.3	0.9
JPX-Nikkei 400	13,691.54	2.8	-1.6	9.7	12.9	1.3	0.6
MSCI Japan	915.09	2.8	-2.0	9.5	13.0	1.1	0.1

Nikkei 225 & TOPIX

1 Year Performance



3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc., as of 28 April 2017

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

Macro & Other Data

- BOJ releases most upbeat view on the economy in nine years
- Japan CPI climbs 0.2% in March, rising on higher energy prices
- Japan March household spending declines for 13th straight month, weighed down by lower food spending
- Japan industrial production drops 2.1% in March; recovery expected from April
- Japan March jobs to applicants ratio hits 1.45 for first time in 26 years; unemployment remains low at 2.8%

- The Bank of Japan (BOJ) left its current monetary easing policy unchanged at its Monetary Policy Meeting held on 26-27 April. At the same time, the BOJ upgraded its assessment of the Japanese economy in its quarterly outlook report, which outlines the BOJ's economic forecast through to the 2019 fiscal year. The BOJ now indicates that the economy is turning to a moderate expansion. It was the first time for the BOJ to use the term "expansion" in its assessment in nine years.
- Data released on 28 April by the Ministry of Internal Affairs and Communications (MIC) showed that Japan's Consumer Price Index (core CPI excluding perishables) climbed 0.2% on-year in March to 99.8 (2015 = 100), rising for the third straight month. The increase was largely attributed to rising energy prices such as gasoline and electricity. The "core-core" CPI, which excludes food and energy, however, fell 0.1% to 100.4. Overall, the CPI including all items rose 0.2% to 99.9.
- On 28 April, the MIC also released its Family Income and Expenditure Survey for March. For households with two or more persons, the average monthly consumption expenditure per household decreased 1.3% in real terms on-year, falling for the 13th straight month. A decline in food spending weighed on overall household spending as seafood prices surged.
- Also on 28 April, the Ministry of Economy, Trade and Industry released preliminary data on industrial production for March showing the seasonally adjusted index dropping 2.1% on-month to 99.6 (2010 = 100). The decline reflected a decline in semiconductor-related production for export to East Asia following an increase at the start of the year, as well as weak minicar sales. At the same time, production is forecast to once again increase from April, and the government maintained its assessment that production is picking up.
- The seasonally adjusted ratio of job openings to job seekers for March, released on 28 April by the Ministry of Health, Labour and Welfare, rose 0.02 points on-month to 1.45, reaching a level not seen in since Japan's bubble era in 1990. The unemployment rate, which was released by the Ministry of Internal Affairs and Communications on the same day, was unchanged from the previous month at 2.8%, remaining at 22-year lows.

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