

# JAPAN WEEKLY REVIEW

For Week Commencing 4 September 2017

## Market Review

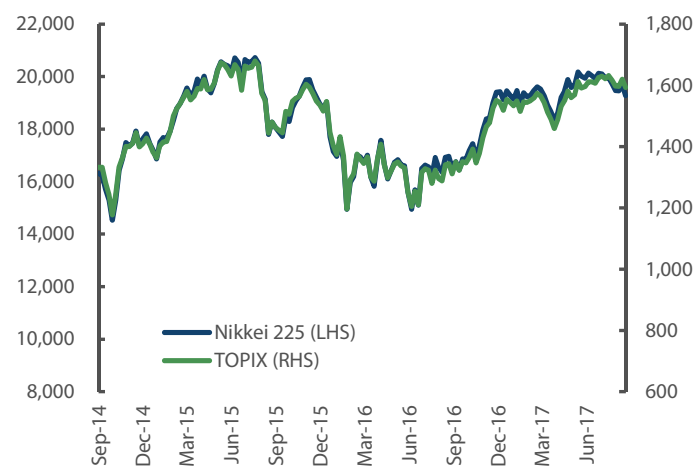
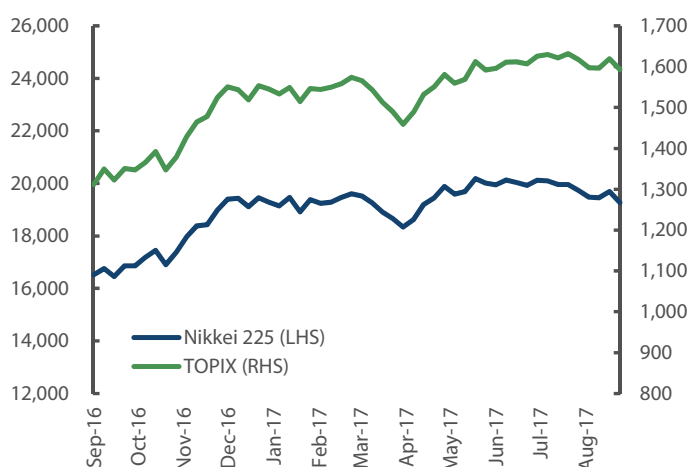
Below are performance data for the Nikkei 225, TOPIX, JPX-Nikkei 400 and MSCI Japan stock indices representative of Japan's stock market:

Stock Index	As of 2017/9/8	Performance Returns (%)					
		1 Week	Rolling 3 Months	Rolling 6 Months	Rolling 1 Year	MTD	YTD
Nikkei 225	19,274.82	-2.1	-3.2	0.1	13.7	-1.9	0.8
TOPIX	1,593.54	-1.6	0.2	2.8	18.4	-1.5	4.9
JPX-Nikkei 400	14,117.86	-1.5	-0.4	1.8	17.0	-1.4	3.7
MSCI Japan	944.26	-1.4	-0.3	1.8	16.0	-1.4	3.3

### Nikkei 225 & TOPIX

#### 1 Year Performance

#### 3 Year Performance



Source: Nikko AM, Tokyo Stock Exchange Inc., MSCI Inc., as of 8 September 2017.  
Past performance or any prediction, projection or forecast is not indicative of future performance.

## Macro & Other Data

- Japan posts JPY 2.32 trillion current account surplus in July; 37th straight month of surplus
- Japan nominal wages down 0.3% in July; first decline in 14 months as summer bonuses drop
- Japan coincident composite index drops 1.2 points in July on weaker production

- According to preliminary balance of payments data released by the Ministry of Finance on 8 September, Japan's current account balance, a measure of the country's trade in goods and services with the rest of the world, reached a surplus of JPY 2.32 trillion (approx. USD 21.1 billion) in July, a record-high for the month of July. The figure was 19.6% higher on-year and marked the 37<sup>th</sup> straight month of surplus. The rise was attributed in part to an increase in dividends received by Japanese firms from overseas subsidiaries, which boosted the primary income account surplus.
- According to the Monthly Labour Survey's preliminary data for July released on 6 September by the Ministry of Health, Labour and Welfare (covering companies with five or more employees), nominal cash earnings per employee decreased 0.3% on-year to JPY 371,808 (approx. USD 3,380). It was the first decline in 14 months after June 2017 figures were revised upward from a 0.4% decline to a 0.4% increase. The fall reflected a drop in summer bonus payments.
- On 7 September, Japan's Cabinet Office released the Indexes of Business Conditions preliminary data for July, which showed the coincident composite index, a measure of the current state of the economy, declining 1.2 points on-month to 115.6 (2010 = 100). It was the first drop in two months after a decline in semiconductor production equipment and steam turbine production. The leading index, which indicates the state of the economy several months in advance, declined 0.7 points to 105.0. The government upheld its assessment of the economy, based on a rote look at movements in the index, as "showing improvement".

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