

Japan Market Outlook - 26 May 2023

The Japanese stock market is notably higher on Thursday, recouping the losses in the previous two sessions, with the Nikkei 225 just below the 30,800 level, despite the broadly negative cues from global markets overnight.

The benchmark Nikkei 225 Index closed the morning session at 30,848.07, up 165.39 points or 0.54 percent, after touching a high of 30,886.50 earlier. Japanese stocks closed significantly lower on Wednesday.

Market heavyweight SoftBank Group is edging up 0.5 percent, while Uniqlo operator Fast Retailing is losing almost 1 percent. Among automakers, Toyota is losing almost 1 percent, while Honda is adding more than 1 percent.

In the tech space, Screen Holdings is gaining more than 3 percent, Tokyo Electron is adding almost 3 percent and Advantest is soaring more than 16 percent.

In the banking sector, Mitsubishi UFJ Financial is losing more than 1 percent, Mizuho Financial is edging down 0.2 percent and Sumitomo Mitsui Financial is declining almost 1 percent.

Among the major exporters, Mitsubishi Electric is edging down 0.2 percent, while Canon is gaining almost 2 percent. Sony and Panasonic are edging up 0.2 to 0.4 percent each

The value of core machine orders in Japan was down a seasonally adjusted 3.9 percent on month in March, the Cabinet Office said on Monday - coming in at 852.9 billion yen. That was well shy of forecasts for an increase of 0.7 percent following the 4.5 percent decline in February.

On a yearly basis, core machine orders were down 3.5 percent - also missing expectations for an increase of 1.4 percent following the 9.8 percent jump in the previous month.

The total value of machinery orders received by 280 manufacturers operating in Japan decreased by 2.8 percent on month in March. In the first quarter, it fell 8.7 percent compared with the previous quarter.

There were series record expansions in total new business, exports and outstanding business, with survey respondents attributing growth to the resumption of both domestic and international tourism, as well as the further dissipation of COVID-19 related disruption.

Service providers continued to note strong increases in input prices in the latest survey period however, with input price inflation at its strongest for three months.

The U.S. dollar is trading in the higher 139 yen-range.

Top Gainers		
Company	Last Price (¥)	Change%
Kawasaki Heavy Industries Ltd.	¥3,065.00	4.11%
Tokyo Electron Ltd.	¥19,495.00	3.70%
SCREEN Holdings Co. Ltd.	¥14,140.00	3.67%
Toppan Inc.	¥3,005.00	3.48%
Marubeni Corp.	¥2,017.00	3.04%

Top Losers		
Company	Last Price (¥)	Change%
Dowa Holdings Co. Ltd.	¥4,235.00	-1.74%
J. Front Retailing Co. Ltd.	¥1,356.00	-1.53%
Seven & I Holdings Co. Ltd.	¥6,210.00	-1.43%
Kansai Electric Power Co. Inc.	¥1,596.00	-1.42%
CyberAgent Inc.	¥991.00	-1.29%

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