

June 2023 Edition

# Nikkei Indexes Monthly Newsletter Vol.42

## Monthly Summary of the Tokyo Market

- The Nikkei Stock Average closed this month at [30,887.88](#), gained 7.03% (2031.44points), after hitting 33-year high on May 29th. The index closed higher for 8 consecutive sessions until 22nd, surpassing the psychological threshold of 31,000 for the first time since July 1990. Although the index slipped toward the end of the month, as optimism regarding Japanese stocks were offset by concerns over the U.S. debt fears and profit-taking sells, the benchmark rose for the 5 straight months. There are a few reasons for the upturn of the Nikkei 225 including the following:

1. Expectations for structural reforms: The Tokyo stock exchange earlier this year urged companies that trade below their book values to come up with plans to improve capital returns.
2. Solid fundamentals of the Japanese Economy: The demand for reopening after the pandemic is robust, and the Bank of Japan is keeping ultra-low interest rates. Additionally, investors scooped up individual stocks that reported positive earnings.
3. A fresh look at Japanese stocks by foreign investors: Warren Buffett indicated that he would continue seeking more opportunities in Japan at Berkshire Hathaway's annual meeting. The Oracle of Omaha's recent comments and trip to Japan to meet with top trading firms were considered a stamp of approval for investing in the country.
4. Yen depreciation: The yen dropped to the cusp of 141 per dollar for the first time in six months, lifting shares of export-related companies. A weaker Yen boosts profits earned overseas and leads to better price competitiveness of Japanese products abroad.

- Jitters surrounding U.S. debt ceiling negotiations dampened widely followed indices. Among 8 major indices in the U.S., Europe, and Asia, only the Nikkei 225, the Nasdaq Composite (+5.8%)—which was lifted by a rally in artificial intelligence-related stocks—and the S&P 500 (+0.25%) rose MoM.

- The [Nikkei 225 Climate Change 1.5°C Target Index](#), a new member of the Nikkei indices which was jointly developed with the U.S. Wilshire reached 30,806.17, gaining 7.67% since the end of April. The Nikkei Climate 1.5°C Target Index, along with the Nikkei 225 Global Exposure 50 Index and the JPX-Nikkei Index 400, marked record highs this month.

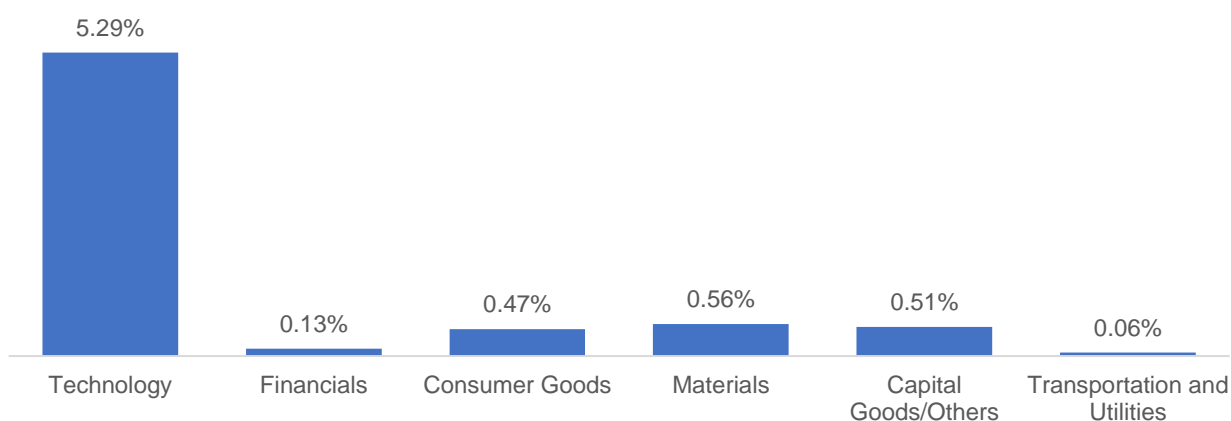
## Nikkei 225 in May 2023 - Closing Price in Each Currency

Currency	Closing Value	1M	3M
US Dollar	221.08	4.32% up	9.72% up
Euro	207.37	8.02% up	9.14% up
Japanese Yen	30,887.88	7.03% up	12.54% up

## Index Performance

INDEX	1M	3M	YTD	Yield
<a href="#">Nikkei 225</a>	7.03%	12.54%	18.36%	1.90%
<a href="#">Nikkei Climate 1.5°C Target Index</a>	7.67%	13.19%	18.70%	1.80%
<a href="#">Nikkei 225 High Dividend Yield Stock 50</a>	1.82%	0.01%	8.70%	4.51%
<a href="#">Nikkei 225 Domestic Exposure 50</a>	0.62%	3.88%	6.33%	2.69%
<a href="#">Nikkei 225 Global Exposure 50</a>	5.99%	7.74%	19.91%	2.55%
<a href="#">JPX-Nikkei 400</a>	4.38%	7.56%	13.45%	2.51%
<a href="#">JPX-Nikkei Mid Small</a>	-0.45%	0.12%	3.18%	2.70%

## Nikkei 225 Sector Monthly Contribution



## Nikkei Stock Average (Nikkei 225) Volatility Index



Note) All data on this letter are as of the end of previous month.

## JPX-Nikkei 400 ETFs listed on NYSE

ETF Name	Ticker	Provider	Listed date
<a href="#">iShares JPX-Nikkei 400 ETF*</a>	JPXN	BlackRock	Oct 23, 2001

Note) \*The ETF name was changed in July 2015 with the change to the current benchmark (JPX-Nikkei 400).

## Latest News Topics on Nikkei Indexes

May/18/2023

[Changes in the Nikkei High Yield REIT Index constituents](#)

May/15/2023

[Change to the Index Guidebook of Nikkei 225 VI](#)

May/15/2023

[Nikkei Stock Average Volatility Index Guidebook \(to be effective from May 29, 2023\)](#)

May/10/2023

[Index Consultation Regarding the Introduction of the "Stepwise Addition" and Changes to the](#)

["Technical Listing" Rules of the Nikkei Stock Average](#)

May/10/2023

[FAQ for Index Consultation Regarding the Introduction of the "Stepwise Addition" and Changes to the](#)

["Technical Listing" Rules of the Nikkei Stock Average](#)

Apr/14/2023

[Changes in Nikkei Climate 1.5°C Target Index](#)

Apr/03/2023

[Nikkei Dividend Index reaches its historical high at 600.04 in 2022](#)

*Nikkei Inc. has been recognized as the Japan's first third country administrator of benchmarks under Article 32 of EU Benchmark Regulation and its indexes, including the Nikkei Stock Average (Nikkei 225), are listed in the Register of European Securities and Markets Authority (ESMA).*

*For more information, visit [here](#):*

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For more information on Nikkei Indexes, please visit to our website (<https://indexes.nikkei.co.jp/en/>)

If you have any inquiries regarding Nikkei Indexes, please feel free to contact from [this form](#).