

Nikkei 225 in April

As of the end of April, the Nikkei Stock Average (Nikkei 225) stood at 13860.86 up 1462.95 points, or 11.8%, from the end of March. Yen declining which was in line with the monetary easing stance of the BOJ and expectations for the economy boosting measures being promoted by the government pushed the Nikkei 225 to 13926.08 on 25th, the highest level since June 2008. Bright earning forecasts for fiscal 2013 released by major companies also made Investor’s mind positive.

This month’s Topic : What Nikkei Total Return approaching 20000 pts indicates

The Nikkei Stock Average Total Return Index stood at 19833.34 at the end of April, which approached 20000 points at 19976.71 on April 25th. The index was calculated as 6569.47, same as the Nikkei 225 at the end in 1979. It measures the Nikkei 225’s performance including both movements in the prices and reinvestment of the dividend incomes from the component stocks.

To understand what the level indicates, (1) calculates averaged index levels using the current to that dating back to the inception (end of 1979) daily (2) compare how much (%) the current level is above or below the each averaged level, (the ratio is plus in case that the current exceeds the averaged levels). As a result, the ratios are greater than zero for almost all periods back to to the inception (dark blue line, figure 1). For instance, around 50 percent (vertical axis) at 1000 (horizontal axis) shows the current index level is 50 % above the average for the past 1000 days.

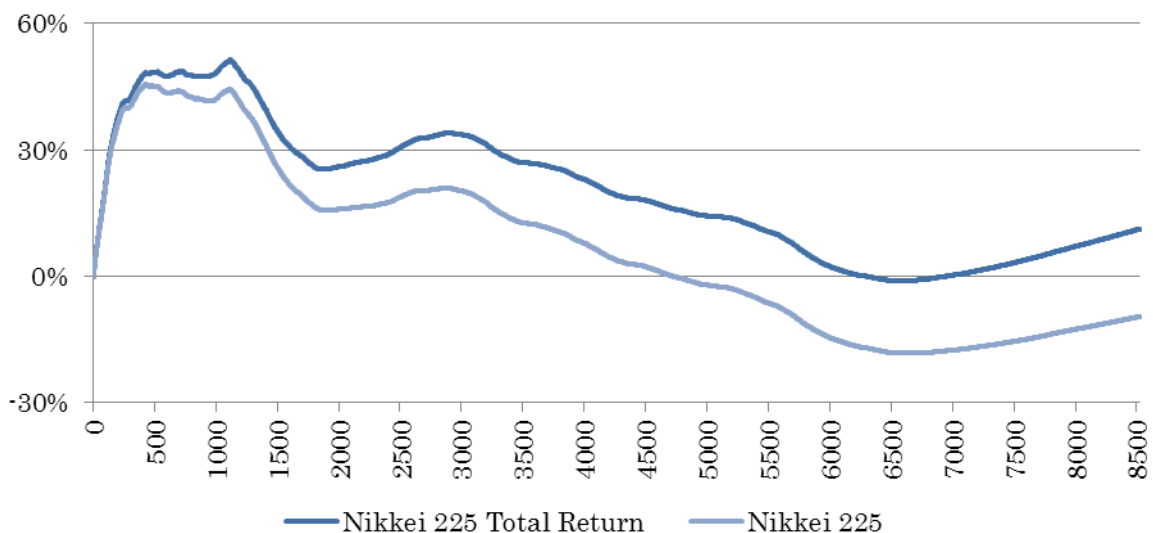


Figure1: How much does the level at end of April exist above the past averages?

What does the positive ratios by the Total Return for all of the periods indicate? It represents that the investment behaviors to buy the Nikkei 225 components by a certain amount every day and to reinvest the dividend incomes in the index continuously up to today could lead to the plus performances even if the investments start anytime after the end of 1979.

It indicates that the level close to 20000 points at the end of April would provide the positive performance of the investments in the Nikkei 225 including the dividend incomes for almost all of the periods regardless of when the investments start. It was some limited period of the averaged days for 6300 days to 6900 days (since the period between August 1984 and October 1987 up to today) when the ratios were negative with minus 1 % at minimum.

If the Nikkei Total Return Index exceeds 20080 points, equivalent to 14000 yen of the Nikkei 225, the ratios would become perfectly positive for all of the periods. The Nikkei Stock Average Total Return Index delivers a message, significance of dividend effects for long-term investments.

To learn more about Nikkei Stock Average Total Return Index, please [visit here](#).

#### Performance Summary of April 2013

○Nikkei 225 and its derived indices

(Data as of end of April)

Name of Index	Index Value	Monthly Return	Avg Return	Volatility	Yealy High	The Date	Yearly Low	The Date
Nikkei 225	13860.86	11.80%	0.16%	1.24%	13926.08	25-Apr	10486.99	23-Jan
Nikkei 225 TR	19883.34	11.80%	0.17%	1.24%	19976.71	25-Apr	14924.17	23-Jan
Nikkei 225 VI (Volatility)	25.25	-1.64%	0.22%	5.25%	29.79	8-Apr	19.06	8-Jan
Nikkei 225 VI Futures	73551.41	5.11%	-0.01%	3.21%	77987.13	9-Apr	47519.52	23-Jan
Nikkei 225 Covered Call	12484.73	6.16%	0.12%	1.04%	12489.46	25-Apr	9865.49	23-Jan
Nikkei 225 Risk Control	14724.40	5.92%	0.10%	0.77%	14759.68	25-Apr	12624.71	8-Jan
Nikkei 225 Leveraged	8813.15	24.39%	0.32%	2.49%	8896.39	25-Apr	5125.79	23-Jan
Nikkei 225 Inverse	3914.39	-11.00%	-0.16%	1.24%	5261.18	8-Jan	3896.10	25-Apr

Name of Index	Index Value	Change	Hist. High	The year	Hist. Low	The year
Nikkei 225 DP (2013)	6.45	14.97%	6.45	2013	0.52	2004

○Benchmark and other indices

Name of Index	Index Value	Monthly Return	Avg Return	Volatility	Yealy High	The Date	Yearly Low	The Date
Nikkei 300	235.87	12.43%	0.16%	1.19%	237.83	25-Apr	176.73	8-Jan
Nikkei China Related 50	1238.79	9.98%	0.12%	1.43%	1255.63	25-Apr	981.20	8-Jan
Nikkei 500 Average	1184.93	11.33%	0.16%	1.02%	1186.35	25-Apr	881.67	8-Jan
Nikkei Japan 1000	1368.87	12.63%	0.16%	1.18%	1377.67	25-Apr	1023.90	8-Jan
Nikkei JASDAQ Average	1999.95	12.49%	0.15%	0.68%	1999.95	30-Apr	1435.89	4-Jan

Note: Avg Return and Volatility are calculated on the daily return for the past 1 year.

"Change" in the Nikkei 225 Dividend Point Index (Nikkei 225 DP) indicates a comparison with the value at the end of April 2012.

Historical High and Low in the dividend index were based on the values in the same month since 1998.

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