



What Worked - Japan

Value really has not worked for the last month

1st April 2016
Patrick Hansen

Value
down
again

What Worked

With TOPIX down almost 5%, Value took another hit this week. Dividend Yield and PBR were hurt the most. High Dividend Yield names have not done this poorly in the last two years. Div Yield names that were hurt this week were Anritsu Corp down 13%, Okasan Securities down 11% and Dowa Holding down 11%. Low PBR names that took a hit this week were Rohm down 9%, Citizen down 9% and Yokohama Rubber down 9%. High ROE names continued to well. High ROE name have done well over the last month.

Only 33
names
beat the
index

However with only 33 names up in TOPIX 500 doing well is a relative term. Konami Holdings was up 9%, CyberAgent was up 5% and SCREEN Holdings was up 5%. Names that were down over the last month continued to go down this week. Alps Electric was down 11%, Nippon Express was down 12% and Panasonic was down 10%. We also saw a selloff in names with a high Beta names this week.

Who Moved

Not
moving on
volume

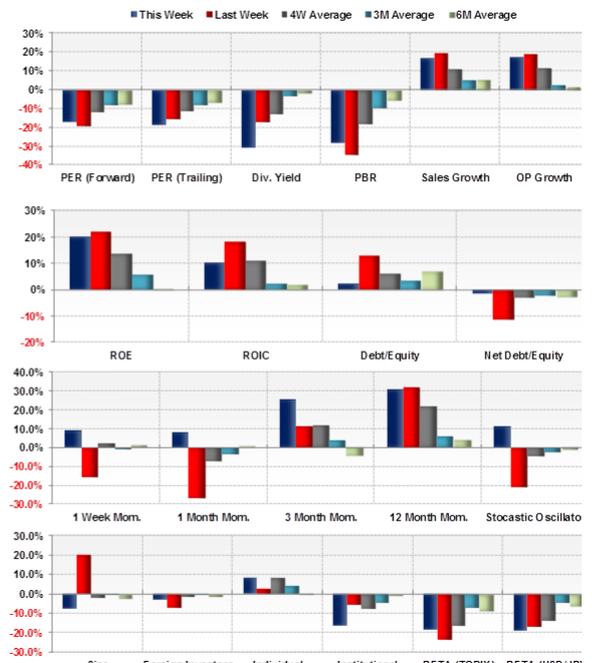
The good news is that while TOPIX was down 5%, it did not move down on volume. Only 12 names move on volume this week. Unfortunately, there wasn't a positive side. However on the negative side, Ajinomoto was down 11%, Zensho Holdings was down 9% and Sony Financial was down 10%.

Summary

TOPIX 500, Week Ending 01 Apr 2016

Signal	This Week		Last Week		4W Average		3M Average		6M Average	
	IC	Spread	IC	Spread	IC	Spread	IC	Spread	IC	Spread
Value & Growth										
PER (Forward)	-17.2%	-1.2%	-19.5%	-1.6%	-12.2%	-4.0%	-8.4%	-11.5%	-7.7%	-13.9%
PER (Trailing)	-19.1%	-1.5%	-15.6%	-1.4%	-11.6%	-4.1%	-8.2%	-11.5%	-6.4%	-13.7%
Div. Yield	-30.9%	-2.3%	-17.3%	-1.2%	-13.0%	-4.1%	-3.3%	-2.4%	-2.0%	-0.5%
PBR	-28.6%	-1.8%	-34.6%	-2.8%	-18.1%	-5.4%	-10.0%	-12.4%	-5.7%	-14.6%
Sales Growth	16.6%	1.5%	19.4%	1.3%	11.0%	4.1%	4.8%	8.4%	4.9%	14.0%
OP Growth	17.3%	1.3%	19.0%	1.2%	11.6%	3.4%	2.3%	0.8%	1.1%	1.6%
Quality										
ROE	20.1%	1.7%	22.2%	2.3%	13.9%	5.2%	5.6%	6.6%	0.5%	7.4%
* ROIC	10.3%	0.9%	18.4%	1.7%	11.0%	4.3%	2.5%	2.0%	1.9%	1.3%
* Debt/Equity	2.4%	0.5%	13.1%	1.2%	6.0%	3.7%	3.3%	5.5%	7.0%	10.5%
* Net Debt/Equity	-1.5%	-0.0%	-11.2%	-0.6%	-2.9%	-0.9%	-2.2%	-1.7%	-2.5%	-2.1%
Momentum & Technical										
1 Week Mom.	9.3%	0.5%	-15.9%	-1.5%	2.3%	-0.3%	-0.7%	-2.7%	1.1%	-11.3%
1 Month Mom.	8.2%	1.0%	-26.9%	-2.3%	-7.2%	-2.6%	-3.8%	-5.5%	0.2%	-12.8%
3 Month Mom.	25.7%	1.7%	11.5%	0.9%	11.9%	3.7%	3.7%	4.1%	-4.1%	-8.9%
12 Month Mom.	31.2%	2.4%	32.0%	2.6%	21.7%	7.1%	5.8%	2.9%	3.7%	-1.6%
Stochastic Oscillator	11.6%	1.0%	-21.2%	-2.0%	-4.6%	-1.3%	-2.7%	-3.1%	-1.1%	-13.5%
Other										
Size	-7.3%	-0.6%	20.2%	1.6%	-1.8%	-1.1%	-0.2%	-0.7%	-2.1%	-4.2%
Foreign Investors	-2.7%	-0.4%	-7.2%	-0.3%	-1.4%	-0.5%	-0.5%	-2.2%	-0.8%	-2.6%
Individual Investors	8.6%	0.9%	3.0%	0.4%	8.6%	2.5%	4.3%	5.6%	0.7%	4.0%
Institutional Investors	-16.2%	-1.3%	-5.5%	-0.4%	-7.4%	-2.6%	-4.6%	-7.2%	-0.1%	-7.5%
BETA (TOPIX)	-18.2%	-1.2%	-23.6%	-1.7%	-16.3%	-4.7%	-6.9%	-7.2%	-7.9%	-14.5%
BETA (USD/JPY)	-18.7%	-1.6%	-16.8%	-0.9%	-13.8%	-3.6%	-4.2%	-5.0%	-5.6%	-8.9%

* ex Financials
* Compound weekly spread return over the specified period
Spread is defined as the Long/Short return of the quintiles (i.e. top 20% - bottom 20%, equal weighted)





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