

1321

# Nikkei 225 Exchange Traded Fund

(Open-end Investment Trust, Domestic, Equity, ETF, Index Type)



Monthly Report  
as of Dec-28-2018

## Objective of the Fund

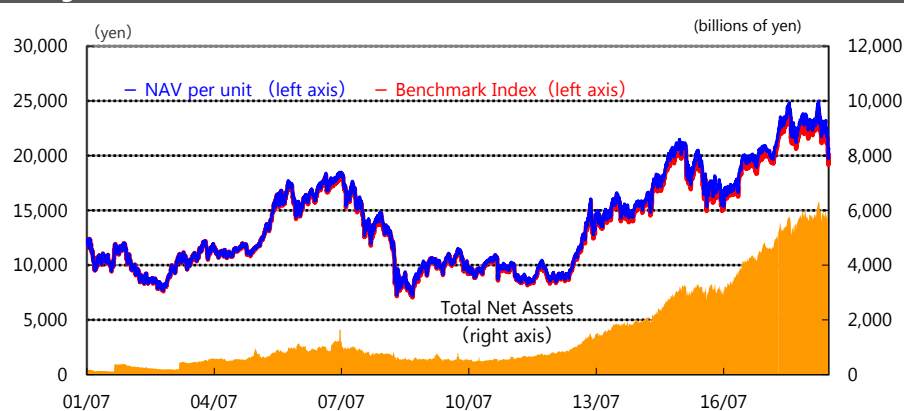
The Fund aims at investment performance linked to the Nikkei 225(Benchmark Index).

## Nikkei 225

The Nikkei Stock Average (Nikkei225) is used around the globe as the most popular benchmark of the Japanese Stock Market. It is comprised of 225 stocks listed on the Tokyo Stock Exchange First Section. This is an adjusted price index where its continuity is maintained by "Dow" method as well as the rules to integrate Japanese specific trading practices into the calculation. The 225 constituent stocks are reviewed periodically by the liquidity in the market and sector balance. By calculating with highly liquid stocks, the index is aimed at fulfilling two objectives, one is to maintain its long-term continuity and the other is to reflect the changes in the industry structure.

## Performance History

### Change in NAV (Daily)



Cumulative Return	1 month	3 months	6 months	1 year	3 years	Since Incep.
NAV per unit	-10.3%	-16.8%	-10.9%	-11.9%	5.6%	68.4%
Benchmark Index	-10.5%	-17.0%	-10.3%	-12.1%	5.2%	63.5%

(Since Inception 7/9/2001)

- Cumulative returns are based on past information.
- NAV returns are shown after deduction of management fees and excluded distributions.
- Benchmark Index return is calculated without dividends.
- Performance chart of the Fund illustrates NAV per 1 unit for comparison purposes.
- The actual performance of the Fund will vary depending upon the tax status of the investor.
- Sometimes discrepancies may exist between the market prices and the NAV.

## Fund Composition

Sector Allocation	(% of NAV)
ELECTRIC APPLIANCES	15.6%
RETAIL TRADE	14.9%
INFORMATION & COMMUNICATION	10.2%
CHEMICALS	8.6%
PHARMACEUTICAL	8.3%
Others	40.8%
<b>Total</b>	<b>98.5%</b>

Top 10 Holdings		Sector	(% of NAV)
9983	FAST RETAILING CO.,LTD.	RETAIL TRADE	10.3%
9984	SOFTBANK GROUP CORP.	INFORMATION & COMMUNICATION	4.0%
6954	FANUC CORPORATION	ELECTRIC APPLIANCES	3.0%
9433	KDDI CORPORATION	INFORMATION & COMMUNICATION	2.9%
8028	FAMILYMART UNY HOLDINGS CO.,LTD.	RETAIL TRADE	2.5%
8035	TOKYO ELECTRON LIMITED	ELECTRIC APPLIANCES	2.3%
4543	TERUMO CORPORATION	PRECISION INSTRUMENTS	2.3%
6367	DAIKIN INDUSTRIES,LTD.	MACHINERY	2.1%
6971	KYOCERA CORPORATION	ELECTRIC APPLIANCES	2.0%
9735	SECOM CO.,LTD.	SERVICES	1.7%
<b>Total</b>			<b>33.1%</b>

•Sector references are based on the TSE 33 Sector Classification.

## Fund Profile

<b>Inception Date :</b>	Jul-9-2001
<b>Listing Date :</b>	Jul-13-2001
<b>Stock Exchange :</b>	TOKYO
<b>Trust Term :</b>	Unspecified
<b>Board Lot :</b>	1 unit
<b>Fiscal year end :</b>	Jul-8
<b>Bloomberg :</b>	1321 JP <Equity>
<b>(iNAV)</b>	1321IV <Index>
<b>ISIN :</b>	JP3027650005
<b>SEDOL :</b>	6378079
<b>PCF:</b>	Available

### Total Net Assets

¥5,483.7 bil.

### NAV per 10 Units

¥206,185

### Dividend (before Tax, per 10 units)

Jul-2018	¥3,500
Jul-2017	¥2,860
Jul-2016	¥2,690
Jul-2015	¥2,300
Jul-2014	¥1,990
Since Inception	¥28,209

\* The dividend amount is to be determined by the investment manager, based on the dividend distribution policy of the Fund. The amount of dividend is not guaranteed. In some cases, the investment manager might decide to skip a dividend payment for the corresponding period.

### Asset Allocation

Common Stocks :	98.5%
Call Loan, Others :	1.5%
(Index Futures :	1.5%)

Number of Holdings :  
225

# 1321

# Nikkei 225 Exchange Traded Fund

(Open-end Investment Trust, Domestic, Equity, ETF, Index Type)



Monthly Report  
as of Dec-28-2018

## ■ Investment Risks

The NAV per unit of the Fund is subject to fluctuations in the prices of the securities in which the Fund invests. All profits and losses arising from the fund management are attributable to the investor. The investor's principal is therefore not guaranteed. Investors may suffer losses due to a decline in the NAV per unit and investors could therefore experience a potential loss of principal. Factors causing the NAV per unit of the Fund to fluctuate include "stock price fluctuation risk", and other risk factors that are not limited to the aforementioned. Because of the risk characteristics, investment trusts including ETFs are fundamentally different from deposits and savings.

\* For further details, please refer to the "Investment Risk" section in the prospectus.

## ■ Commissions and Fees related to the Fund

### Trading Fee :

Trading of the Fund incurs brokerage commission fees set by a first financial instruments business provider (securities firm) that handles the transaction. These commissions are separate from the actual transaction value.

(Because the commissions charged by each securities firm differ, it is not possible to specify a maximum amount.)

### Management Fee :

The management fee will be a percentage of the Fund's total net assets no larger than 0.2592% (0.24% exclusive of taxes) annually.

(the percentage stood at 0.2376% [0.22% exclusive of taxes] as of September 27, 2018).

### Other Fees and Commissions :

- Brokerage commission on transactions in portfolio securities, costs paid to auditors for Fund audits, and tax related to the Fund, etc.

\* These expenses and fees above are paid out of the trust assets when they are incurred.

(These expenses and fees vary according to management and other conditions, so details of rates and upper limits cannot be provided ahead of time.)

- Creation fee is set independently by the distributing company.

- Exchange fee is set independently by the distributing company.

(Creation fee and exchange fee vary depending on the setting of the distributing companies, so details of rates and upper limits cannot be provided ahead of time.)

### Redemption Fee :

None

\* Total fees and other expenses will vary according to how long an investor holds the Fund, so they cannot be estimated ahead of time. For further details, please refer to the "Fund Costs and Taxes" section of the prospectus .

### ■ Copyrights concerning "Nikkei Average (Nikkei 225)", etc. ■

1. Nikkei Average is copyrightable works calculated through such methodology as independently developed by Nikkei Inc., and Nikkei Inc. owns copyrights and any other intellectual property rights subsisting in Nikkei Average and the methodology to calculate Nikkei Average.

2. Nikkei Inc. owns any and all rights to trademarks and any other intellectual property rights to such marks referring to "Nikkei" or Nikkei Average.

3. The Nikkei 225 ETF shall be managed under the responsibilities of the relevant investment trust management companies and other participants. Nikkei Inc. shall not be liable for management of the Nikkei 225 ETF or any other transactions of beneficiary certificates.

4. Nikkei Inc. shall not be obligated to publish continuously Nikkei Average. Nikkei Inc. shall not be liable for any error, delay or discontinuance of publication of Nikkei Average.

5. Nikkei Inc. shall have the rights to make any changes in composition of stocks, calculation method and any other elements or contents of Nikkei Average. Nikkei Inc. shall also have the right to discontinue publishing Nikkei Average.

**Management Company : Nomura Asset Management Co., Ltd.**

( The party who instructs the management of the Fund )

**Trustee : Mitsubishi UFJ Trust and Banking Corporation**

( The party who acts as a custodian and administrator )

### Notifications

The Fund invests in securities for which prices may fluctuate (in the case of foreign assets, the Fund may also involve foreign exchange risk), therefore the NAV, quoted in blocks of 10 units, may fluctuate. The investor's principal is therefore not guaranteed. All profits and losses arising from the management of the fund are attributable to the investor. Furthermore, all statements, figures, graphs, and other information included in this report are as of the date of this report and the contents of this report are not intended in any way to indicate or guarantee future investment results. This report was prepared by Nomura Asset Management Co., Ltd. for information purposes only. Investors wishing to subscribe to the creation of the Fund units, should please make sure that they have read and understood the contents of the prospectus and make an appropriate decision based on their own circumstances.

Launched and managed by



Director of Kanto Local Finance Bureau (Financial Instruments Firms) No.373

Membership: The Investment Trusts Association, Japan/ Japan Investment Advisers Association/  
Type II Financial Instruments Firms Association

Product-related information on this report is directed only at persons within Japan and not directed at nor is it intended for distribution to, or use by, persons in any jurisdiction in which the investment products are not authorized for distribution or in which the dissemination of information regarding the investment products is not permitted.