Japan Weekly · Week 41, 2026 (Oct 5–Oct 9)

Nikkei 225 rose 1.06% to 69,030; TOPIX closed at 4,104.81

Early gains were partly reversed over the final three sessions, AI-related shares and banks weakened, and the 10-year JGB yield fell 7 basis points

The Nikkei 225 rose 721.46 points (1.06%) to 69,030.92. TOPIX closed Friday at 4,104.81; its weekly change, using the 1306 ETF as a proxy, was +0.53%. Weak US employment data and lower crude prices drove a combined gain of 2,374.52 points on Monday and Tuesday, and Tuesday's close was the first above 70,000 since July 1. Profit-taking, Middle East developments and declines in US AI-related shares then produced three consecutive losses. The 10-year JGB yield fell 7.0 basis points to 3.027%, and the yen was little changed against the dollar at 158.06.

Nikkei 225	TOPIX	TSE Growth Market 250	10-year JGB	USD/JPY
+1.1%	+0.5%	+1.4%	3.027%	158.06
closed at 69,030.92	via 1306 ETF	via 2516 ETF	-7bp	+0.1% on the week (weaker yen)

Nikkei Volatility Index
30.14
+7.56 on the week

01

Key themes this week

The Nikkei 225 regained 70,000 at Tuesday's close, then fell for three sessions; its weekly gain exceeded TOPIX's by about 0.7 points

The Nikkei rose 1,637.40 points (2.40%) on Monday to 69,946.86. US nonfarm payrolls rose 29,000 in September, below expectations of 90,000 (Daiwa Institute of Research), which reduced expectations of Federal Reserve hikes. G7 leaders agreed to release diesel

and crude reserves, crude futures declined, and AI and semiconductor shares such as Advantest led the advance (Kyodo). The index gained a further 737.12 points on Tuesday to 70,683.98, its first close above 70,000 since July 1 (OANDA).

The index fell 648.27 points on Wednesday, mainly on profit-taking (Kyodo). It fell 993.60 points on Thursday to 69,042.11, below the 70,000 level. Reports that the US Department of Defense had ordered Central Command to prepare to resume combat operations in Iran raised concern about higher crude prices and slower growth (Kyodo). Brent crude settled 4.07% higher on Thursday and rose 2.42% for the week to $104.72. On Friday the Nikkei fell more than 800 points intraday, recovered in the afternoon and closed 11.19 points lower, while TOPIX rose 13.35 points on Prime market turnover of about ¥7.84 trillion (OANDA).

TOPIX rose from 4,091.00 to 4,104.81, an index gain of 0.34%, below that of the Nikkei. The NT ratio rose from 16.70 to 16.82; it eased from 16.87 on Friday as SoftBank Group and Fast Retailing declined.

A report on OpenAI's revenue weighed on AI-related shares; SoftBank Group fell 8.0% and Fast Retailing fell 4.0% after earnings

The Financial Times reported that OpenAI's annualized revenue was about $50 billion at the end of September, roughly $20 billion below figures previously given to investors (Wealth Professional). On October 8 in US trading, the Nasdaq Composite fell 1.25% and the Philadelphia Semiconductor Index fell 3.39%. AI and semiconductor shares came under pressure in Tokyo on Friday morning, and SoftBank Group, a large investor in OpenAI, declined sharply (Kyodo). SoftBank fell 4.28% on Thursday and 3.92% on Friday, and 8.03% for the week to ¥5,803. Semiconductor equipment shares still rose for the week: Advantest gained 7.71% and Tokyo Electron 2.85%, including gains of 1.66% and 2.09% on Friday.

After the close on October 8, Fast Retailing reported results for the year ended August 2026: revenue of ¥3,963.3 billion (+16.6%), business profit of ¥718.4 billion (+30.4%) and net profit attributable to owners of the parent of ¥542.5 billion (+25.3%). For the year ending August 2027 it forecast revenue of ¥4,450 billion (+12.3%), business profit of ¥830 billion (+15.5%) and net profit of ¥560 billion (+3.2%) (Fast Retailing). The shares fell 4.04% on Friday to ¥71,780; slower net profit growth was probably the main reason (inference). Because the shares had risen 4.07% on Monday, they were little changed for the week (+0.01%).

Banks fell 3.1% and the 10-year JGB yield declined 7 basis points; Governor Ueda said the BOJ would continue raising its policy rate

Among TOPIX-17 sector ETFs, banks fell 3.06%, steel and nonferrous 2.96%, electric power and gas 1.53% and energy resources 1.46%, while foods rose 3.19%, raw materials and chemicals 2.83% and autos and transport equipment 1.64%. The bank ETF fell for three sessions after Tuesday's close, a cumulative decline of 6.18%. OANDA's market reports listed banks among the main decliners from Wednesday to Friday without citing a specific cause (OANDA); the decline in long-term JGB yields on Thursday and Friday may have been one factor (inference). MUFG fell 2.31% for the week.

In remarks to the National Securities Convention on October 6, Governor Ueda said financial conditions remained accommodative after last month's hike, that the BOJ would continue raising its policy rate and adjusting the degree of accommodation in light of economic and price conditions, and that underlying inflation was approaching 2% (Bank of Japan). The BOJ's Regional Economic Report of October 8 upgraded its assessments of Tohoku and Shikoku, left the other seven regions unchanged and downgraded none (Bank

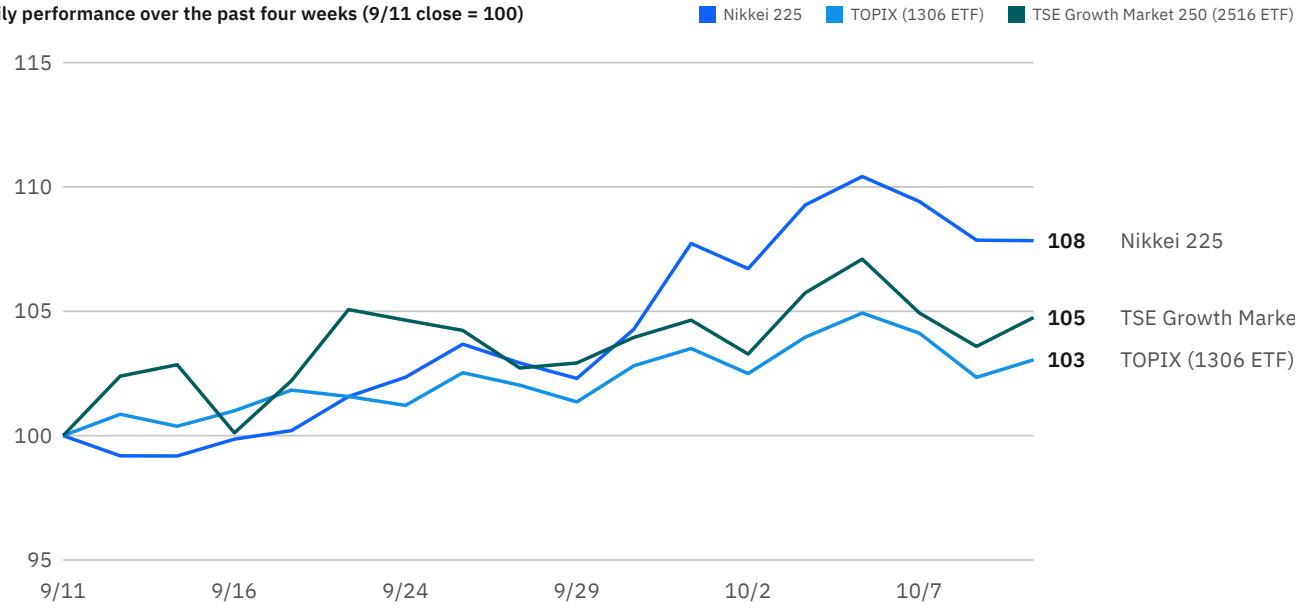
of Japan). Household spending for August, released on October 9, fell 3.1% year over year (OANDA).

> The Nikkei's weekly gain came from the first two sessions; Middle East developments and the report on AI-related revenue then raised volatility, and the Nikkei Volatility Index rose from 22.58 to 30.14.

02

Market performance

Daily performance over the past four weeks (9/11 close = 100)



Index	Week	1M	YTD	Close
Nikkei 225	+1.1%	+6.0%	+37.1%	69,030.92
TOPIX (1306 ETF)	+0.5%	+2.6%	+20.8%	432.50
JPX-Nikkei 400 (1591 ETF)	+0.0%	+1.2%	+20.3%	37,120.00
TSE Growth Market 250 (2516 ETF)	+1.4%	+3.3%	+20.8%	639.00

Rows marked ETF use an ETF as a proxy for the index (Yahoo Finance does not carry these indices); the close is the ETF price.

Weekly performance of TOPIX-17 sectors

Foods +3.2% YTD +18.1%	Raw materials & chemicals +2.8% YTD +22.3%	Autos & transport equipment +1.6% YTD -5.8%	Electric & precision +1.6% YTD +40.2%	IT & services +1.5% YTD +17.0%	Transport & logistics +1.3% YTD +3.1%
Retail +0.8% YTD -1.6%	Financials ex banks +0.6% YTD +24.0%	Pharmaceuticals +0.3% YTD -0.1%	Real estate -0.8% YTD -11.6%	Trading cos. & wholesale -0.8% YTD +17.2%	Construction & materials -1.0% YTD +2.6%
Machinery -1.1% YTD +15.0%	Energy resources -1.5% YTD +18.0%	Electric power & gas -1.5% YTD +4.7%	Steel & nonferrous -3.0% YTD +46.5%	Banks -3.1% YTD +42.4%	

NEXT FUNDS TOPIX-17 sector ETFs (1617–1633); thinly traded ETFs can deviate slightly from their indices.

Megacaps	Week	1M	YTD	Close
Advantest (6857)	+7.7%	+26.7%	+111.9%	¥41,610
Recruit (6098)	+6.4%	+16.0%	+100.7%	¥17,755

Megacaps	Week	1M	YTD	Close
Nintendo (7974)	+3.8%	-3.0%	-23.1%	¥8,146
Tokyo Electron (8035)	+2.9%	+15.9%	+81.3%	¥12,445
Hitachi (6501)	+2.7%	+9.6%	+15.6%	¥5,669
Toyota (7203)	+1.9%	-2.0%	-13.3%	¥2,910
Sony Group (6758)	+1.6%	+5.2%	-5.2%	¥3,814
Keyence (6861)	+0.3%	+5.6%	+42.1%	¥80,540
Fast Retailing (9983)	+0.0%	+7.4%	+26.1%	¥71,780
Mitsubishi Corp. (8058)	-2.1%	-8.8%	+28.2%	¥4,596
MUFG (8306)	-2.3%	-3.9%	+38.9%	¥3,462
Mitsui & Co. (8031)	-2.6%	-7.4%	+2.8%	¥4,775
SoftBank Group (9984)	-8.0%	-14.8%	+31.9%	¥5,803

Price change, excluding dividends.

Indices: The Nikkei 225 rose 1.06%. TOPIX's weekly change using the 1306 ETF as a proxy was +0.53% (the index itself rose from 4,091.00 to 4,104.81, or 0.34%). The JPX-Nikkei 400 (1591 ETF proxy) was unchanged, and the TSE Growth 250 (2516 ETF proxy) rose 1.43%. The Nikkei Volatility Index closed Friday at 30.14, up 7.56 points on the week, after reaching 32.73 on Wednesday.

Large caps: Advantest (+7.71%), Recruit (+6.41%), Nintendo (+3.78%), Tokyo Electron (+2.85%) and Hitachi (+2.66%) rose, while SoftBank Group (-8.03%), Mitsui & Co. (-2.59%), MUFG (-2.31%) and Mitsubishi Corp. (-2.09%) fell. Toyota rose 1.89%, Sony Group rose 1.63% and Fast Retailing was little changed (+0.01%).

03

Rates and FX

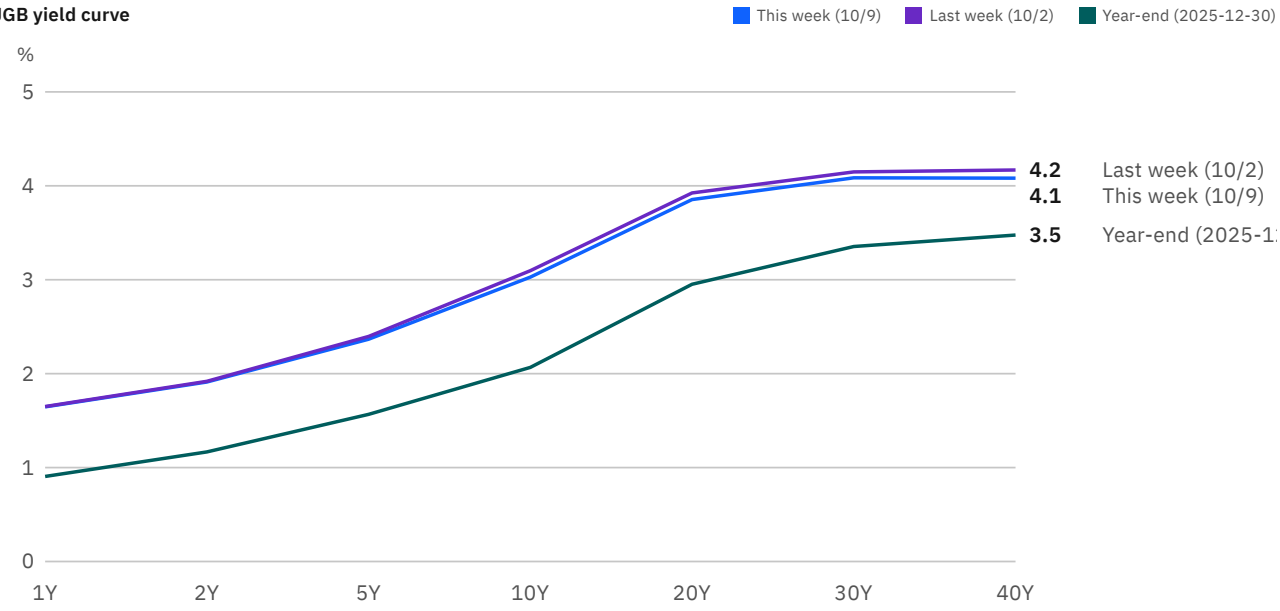
Central bank	Policy rate	Latest decision	Next meeting
Bank of Japan	Around 1.25%	Sep 18: raised 25 bp (7-2; effective Sep 24)	Oct 29-30
Federal Reserve	3.75% to 4.00%	Sep 16: raised 25 bp (12-0)	Oct 27-28

Compiled from the BOJ and Fed statements and verified at publication.

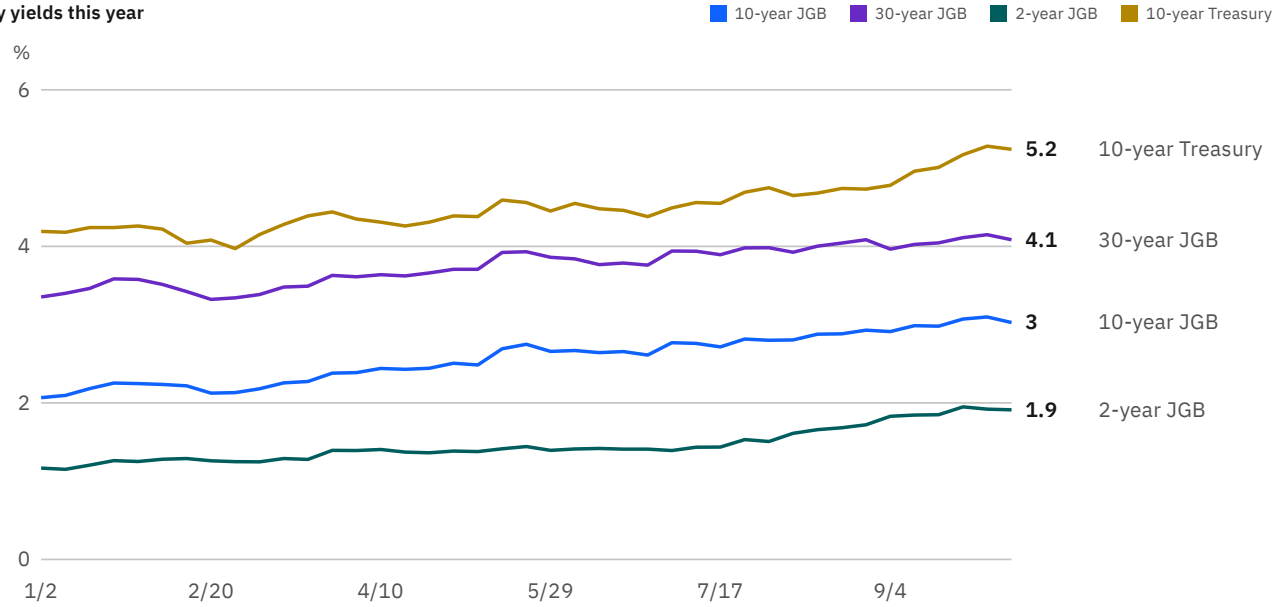
Yield	Week close	Week	YTD
2-year JGB	1.911%	-1bp	+74bp
5-year JGB	2.366%	-3bp	+80bp
10-year JGB	3.027%	-7bp	+96bp
30-year JGB	4.085%	-6bp	+73bp
10-year Treasury	5.24%	-4bp	–
US–Japan 10-year spread	221bp	+3bp	–

JGBs: Ministry of Finance daily constant-maturity yields, 2026-10-02 to 2026-10-09; the YTD base is 2025-12-30. Treasuries: FRED.

The JGB yield curve



Friday yields this year



FX	Week close	Quote, week	Yen, week	Yen, YTD
USD/JPY	158.06	+0.1%	-0.1%	-1.0%
EUR/JPY	177.23	-0.2%	+0.2%	+3.7%
CNY/JPY	23.58	+0.1%	-0.1%	-5.2%

A rising quote means a weaker yen; the yen columns show the yen against that currency, positive meaning a stronger yen. Yahoo Finance daily closes.

JGBs: As of October 9, the 2-year yield was 1.911% (-0.8 bp), the 5-year 2.366% (-3.1 bp), the 10-year 3.027% (-7.0 bp) and the 30-year 4.085% (-6.3 bp). The 10-year yield reached 3.111% on Wednesday and fell 8.4 basis points over the next two sessions. The 10-year minus 2-year term spread narrowed from 117.8 to 111.6 basis points, a flattening of the curve. Friday's decline reflected a pause in the rise of crude prices and the prior day's Treasury rally (OANDA). The 10-year yield is up 96 basis points year to date.

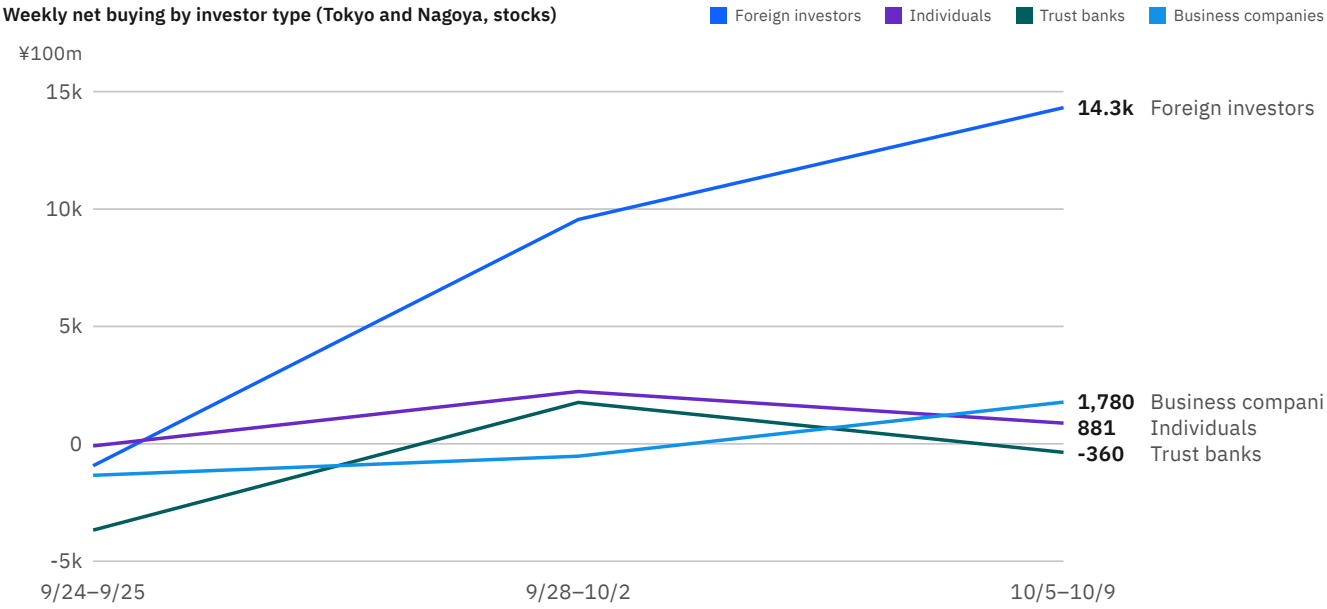
US-Japan spread: The 10-year Treasury yield was 5.24% (as of October 9), down 4 basis points on the week, and the spread widened from 218 to 221 basis points. The yen fell 0.09% against the dollar to 158.06, rose 0.22% against the euro and fell 0.13% against the renminbi. Minutes of the Fed's September meeting, released on October 7, showed

that most participants judged one more hike this year would likely be appropriate; Williams and Jefferson have recently signaled caution about consecutive hikes (Kyodo).

04

Investor flows

Weekly net buying by investor type (Tokyo and Nagoya, stocks)



The latest week is 10/5–10/9. In ¥100m; positive means net buying.

Week	Foreign investors	Individuals	Trust banks	Business companies
9/24–9/25	−¥93.0bn	−¥8.6bn	−¥367.3bn	−¥134.0bn
9/28–10/2	+¥955.9bn	+¥222.9bn	+¥176.4bn	−¥52.8bn
10/5–10/9	+¥1,431.8bn	+¥88.1bn	−¥36.0bn	+¥178.0bn

Source: JPX weekly trading by investor type, Tokyo and Nagoya combined, purchases minus sales. Foreign investors include institutions and individuals; individuals include cash and margin trading.

JPX investor data for this week (October 5 to 9) were published on October 16 and were not public at Friday's close. Foreign investors were net buyers of ¥1,431.8 billion, a second consecutive week of net buying after ¥955.9 billion in the prior week. Individuals were net buyers of ¥88.1 billion and business corporations of ¥178.0 billion, while trust banks were net sellers of ¥36.0 billion and investment trusts of ¥155.6 billion (Minkabu).

05

Covered stocks

Company	Our rating	Week	vs Nikkei	YTD
Mitsui & Co. (8031)	Neutral	-2.6%	-3.6%	+2.8%

Mitsui & Co., rated neutral, fell 2.59%, underperforming the Nikkei 225 by about 3.6 points. The trading companies and wholesale ETF fell 0.81%.

06

Week ahead

Date	Event	Significance
Oct 12	TSE closed (Sports Day); US bond and FX markets closed (Columbus Day)	The Tokyo market has four tradin
Oct 13	Japan September corporate goods prices; Aeon earnings; JPMorgan, Goldman Sachs and Citigroup earnings	The BOJ's September statement
Oct 14	US September CPI (21:30 JST); ASML earnings	Consensus is for a 3.6% year-ove
Oct 15	TSMC earnings; US September PPI and retail sales; Japan machinery orders	After this week's weakness in AI
Oct 23	Japan September nationwide CPI	This is the last nationwide CPI be

Times are Japan time.

07

Methodology and sources

Weekly change = last close of this week ÷ last close of the previous week − 1 (2026-10-05 to 2026-10-09), on closes not adjusted for dividends (price change only).

Prices and FX from Yahoo Finance (delayed). Indices Yahoo does not carry are replaced by ETFs: TOPIX → NEXT FUNDS TOPIX 連動型上場投信（1306）; JPX-Nikkei 400 → NEXT FUNDS JPX日経インデックス400連動型（1591）; TSE Growth Market 250 → 東証グロース市場250指数連動型 ETF（2516）. Sectors are the NEXT FUNDS TOPIX-17 sector ETFs.

JGB yields from the Ministry of Finance's daily constant-maturity table; the 10-year Treasury from FRED.

Trading by investor type from JPX's weekly release (Tokyo and Nagoya combined), usually published on the fourth business day of the following week.

BOJ and Fed policy rates and meeting dates from the two central banks' statements.

Kyodo: October 5 close; OANDA: October 6 summary; Kyodo: October 7 close; Kyodo: October 8 close; OANDA: October 8 summary; Kyodo: October 9 close; OANDA: October 9 summary; OANDA: Tokyo market digest (October 9); Daiwa Institute of Research: US employment (October 5); Wealth Professional: OpenAI revenue report (October 9); Fast Retailing: results summary (October 8); Bank of Japan: Governor Ueda's remarks (October 6); Bank of Japan: Regional Economic Report (October 8); Bank of Japan: September 18 decision; Bank of Japan: meeting schedule; Federal Reserve: September 16 statement; Federal Reserve: meeting calendar; Kyodo: FOMC minutes (October 8); Matsui Securities: next week's calendar (October 9); Statistics Bureau: CPI release schedule; Monex: US CPI consensus (October 13, consensus before the release); Minkabu: investor flows. The TOPIX close is from Kyodo and OANDA; the weekly change uses the 1306 ETF as a proxy, and the ETF's change differs from that of the index. The NT ratio is calculated from actual Nikkei and TOPIX closes. Brent crude, the Nasdaq Composite and the Philadelphia Semiconductor Index are from Yahoo Finance. The 10-year JGB yield is from the Ministry of Finance and differs slightly from market quotes. This issue was published retroactively on November 2, 2026; the text uses only information public before Friday's close in the report week, and investor flows use JPX data available at the time of publication.

This report is a research publication based on public market data and is intended for a general audience. It does not take into account any individual's financial circumstances and does not constitute investment advice. Data are delayed; original sources prevail.

Data as of 2026-10-09 · 雅虎财经（行情、汇率）；财务省（日本国债收益率）；JPX（投资者类别买卖）；FRED（美债收益率）；日银、美联储公告

Financial data are taken from original SEC EDGAR filings. Market data are delayed, and the sources are stated in each report.

Ratings represent our research opinions, are intended for all readers and do not constitute personal recommendations to buy or sell. Investing involves risk, and investment decisions remain the responsibility of the reader.