

# Japan Equity Ownership - Monthly Metro Series

August 2017

Los Angeles, California, USA

## Metro Area Statistics

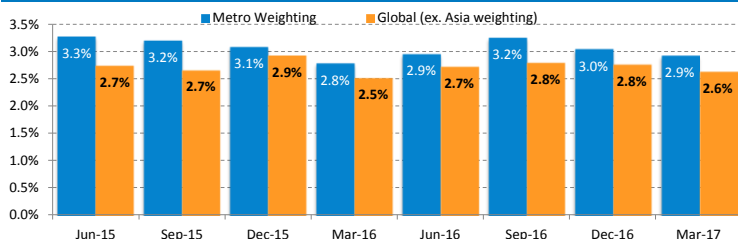
Total Reported Equity Assets (\$B):	1,478.01
Reported Japan Holdings (\$B):	40.37
Japan Portfolio Weight:	2.9%
Number of Institutions:	137*
Metro Global Rank - EAUM:	#6
Metro Global Rank - Japan Holdings:	#8
Total Japan Buying (\$B):	2.21
Total Japan Selling (\$B):	-3.70
Net Japan Activity (\$B):	-1.50
Global Net Activity (\$B):	-18.36

## Summary Notes

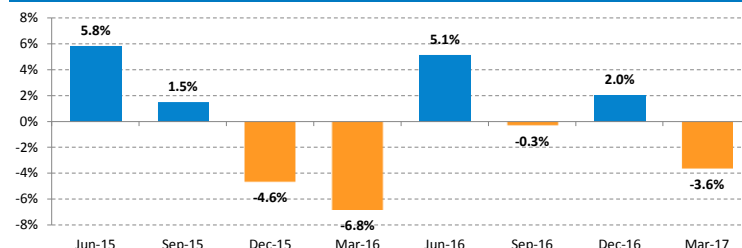
Los Angeles-based investors were bearish on Japanese equities last period as they represented the eighth-largest pool in the world (\$40.4B). Investors withdrew \$1.5B from the country last quarter, a 3.6% drop and a notable reversal from the 2.0% increase seen in the previous quarter. In recent quarters, Los Angeles-based investors allocated a larger portion of their portfolio (2.9%) toward Japanese-domiciled stocks, above the global average (2.6%). On a sector level, seven industries saw capital outflows, while three others saw inflows. Healthcare dominated with its surge of 35.6% (\$794.9M), while Utilities followed closely behind with an increase of 35.1% (\$3.7M). Separately, Financials experienced the biggest loss as it shed 35.0% (\$1.08B), followed by Technology dropping 17.2% (\$944.6M). Value investor **Capital World Investors** doubled as the region's top holder and seller, as it removed \$1.15B in equity holdings to its total of \$26.75B during the period. Finally, looking at the top ten buyers, **Research Affiliates, LLC** lead the pack adding just \$24.6M.

\* Excludes Private Equity, Venture Capital and Externally Managed investors

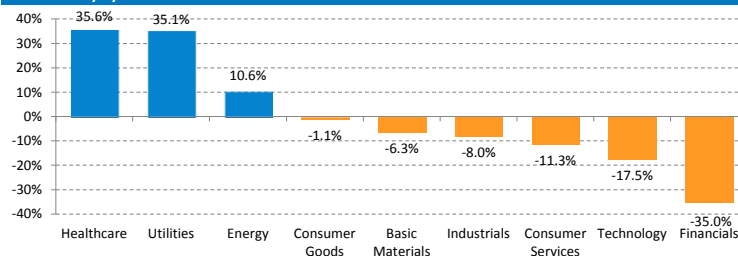
## Japan Equities Portfolio Weighting



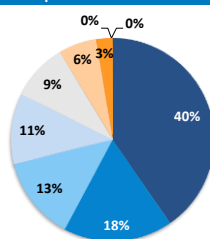
## Japan Net Activity %



## Net Activity by Sector



## Current Japan Sector Allocation



Sector	Value Held (\$M)	Net Activity (\$M)	Net Activity %	Net % of Japan Assets
Consumer Goods	13,499.4	-156.0	-1.1%	40.4%
Industrials	5,820.4	-504.1	-8.0%	17.4%
Technology	4,442.0	-944.6	-17.5%	13.3%
Consumer Services	3,771.7	-478.2	-11.3%	11.3%
Healthcare	3,024.6	793.9	35.6%	9.1%
Financials	2,002.8	-1,078.3	-35.0%	6.0%
Basic Materials	827.0	-55.8	-6.3%	2.5%
Energy	18.1	1.7	10.6%	0.1%
Utilities	14.3	3.7	35.1%	0.0%
<b>Total:</b>	<b>33,420.4</b>	<b>3.7</b>	<b>35.1%</b>	<b>0.0%</b>

## Top Japan Investors

Investor	EAUM (\$M)	Style	Turnover	Current Japan Ownership				Historical Japan Weighting					
				Value (\$M)	Value Δ (\$M)	# Held	Port. Wgt.	2016	2015	2014	2013	Historical Avg.	
1 Capital World Investors (U.S.)	627,908.9	Value	Low	26,750.2	-1,152.4	55	4.4%	4.6%	4.8%	3.7%	4.6%	4.4%	Above Hist. Avg.
2 Capital Research Global Investors (U.S.)	431,951.4	GARP	Low	7,345.4	-187.6	51	1.7%	1.7%	1.5%	1.3%	1.2%	1.4%	Below Hist. Avg.
3 Causeway Capital Management, LLC	26,199.2	Value	Medium	1,964.7	-113.9	36	7.6%	9.7%	9.5%	10.5%	9.3%	9.7%	
4 Primecap Management Company	114,318.4	Growth	Low	1,510.4	16.7	1	1.3%	1.2%	1.1%	0.9%	0.4%	0.9%	
5 Dalton Investments, LLC	1,644.6	Alternative	Low	988.6	-18.7	37	65.5%	67.9%	64.9%	49.0%	39.9%	55.4%	
6 Strategic Global Advisors, LLC	2,081.1	Value	Medium	434.3	20.1	98	21.6%	21.4%	20.9%	15.8%	31.3%	22.3%	
7 WCM Investment Management	12,106.4	Growth	Medium	304.0	15.9	12	2.6%	2.6%	3.2%	1.9%	3.1%	2.7%	
8 Oaktree Capital Management, L.P.	9,636.6	Value	Medium	200.6	-7.3	42	2.1%	2.5%	2.8%	4.8%	4.8%	3.7%	
9 Analytic Investors, LLC	11,215.6	GARP	High	181.0	-56.9	245	1.6%	2.2%	1.1%	0.8%	2.6%	1.7%	
10 Aristotle Capital Management, LLC	11,059.1	Value	Low	176.5	11.0	11	1.6%	1.6%	2.0%	2.1%	2.3%	2.0%	
† Denotes Hedge Fund													
<b>Sub-Total:</b>	<b>1,248,121.2</b>			<b>39,855.6</b>	<b>-1,472.8</b>								
<b>Metro Total:</b>	<b>1,478,010.8</b>			<b>40,365.3</b>	<b>-1,496.8</b>								

## Top Japan Buyers

Investor	EAUM (\$M)	Style	Turnover	Current Japan Ownership				Historical Japan Weighting					
				Value (\$M)	Value Δ (\$M)	# Held	Port. Wgt.	2016	2015	2014	2013	Historical Avg.	
1 Research Affiliates, LLC	3,517.5	Index	Medium	124.1	24.6	246	3.8%	2.9%	3.6%	3.1%	7.1%	4.2%	Above Hist. Avg.
2 Strategic Global Advisors, LLC	2,081.1	Value	Medium	434.3	20.1	98	21.6%	21.4%	20.9%	15.8%	31.3%	22.3%	Below Hist. Avg.
3 Primecap Management Company	114,318.4	Growth	Low	1,510.4	16.7	1	1.3%	1.2%	1.1%	0.9%	0.4%	0.9%	
4 WCM Investment Management	12,106.4	Growth	Medium	304.0	15.9	12	2.6%	2.6%	3.2%	1.9%	3.1%	2.7%	
5 Aristotle Capital Management, LLC	11,059.1	Value	Low	176.5	11.0	11	1.6%	1.6%	2.0%	2.1%	2.3%	2.0%	
6 Santa Barbara Asset Management, LLC	5,873.2	Growth	Low	19.7	3.2	6	0.3%	0.3%	0.5%	0.2%	0.2%	0.3%	
7 PIMCO - Pacific Investment Management Company	10,216.3	Deep Value	Very High	16.6	2.7	81	0.2%	0.1%	0.2%	0.6%	0.8%	0.4%	
8 United Capital Financial Advisers, LLC	10,737.9	Value	Medium	16.6	1.3	5	0.2%	0.1%	0.3%	0.1%	0.1%	0.1%	
9 Cambria Investment Management, Inc.	490.5	Index	Medium	7.0	1.3	17	1.5%	1.5%	1.5%	1.4%	2.0%	1.6%	
10 Capital Research & Management Company (U.S.)	4,322.8	Value	High	6.5	0.9	16	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	
† Denotes Hedge Fund													
<b>Sub-Total:</b>	<b>174,723.3</b>			<b>2,615.7</b>	<b>97.9</b>								

## Top Japan Sellers

Investor	EAUM (\$M)	Style	Turnover	Current Japan Ownership				Historical Japan Weighting					
				Value (\$M)	Value Δ (\$M)	# Held	Port. Wgt.	2016	2015	2014	2013	Historical Avg.	
1 Capital World Investors (U.S.)	627,908.9	Value	Low	26,750.2	-1,152.4	55	4.4%	4.6%	4.8%	3.7%	4.6%	4.4%	Above Hist. Avg.
2 Capital Research Global Investors (U.S.)	431,951.4	GARP	Low	7,345.4	-187.6	51	1.7%	1.7%	1.5%	1.3%	1.2%	1.4%	Below Hist. Avg.
3 Causeway Capital Management, LLC	26,199.2	Value	Medium	1,964.7	-113.9	36	7.6%	9.7%	9.5%	10.5%	9.3%	9.7%	
4 Analytic Investors, LLC	11,215.6	GARP	High	181.0	-56.9	245	1.6%	2.2%	1.1%	0.8%	2.6%	1.7%	
5 Hotchkis and Wiley Capital Management, LLC	26,499.1	Deep Value	Medium	90.4	-38.9	6	0.3%	0.5%	1.2%	0.8%	0.0%	0.6%	
6 Dalton Investments, LLC	1,644.6	Alternative	Low	988.6	-18.7	37	65.5%	67.9%	64.9%	49.0%	39.9%	55.4%	
7 NWQ Investment Management Company, LLC	7,948.0	Value	Medium	173.8	-15.6	58	2.2%	2.4%	2.1%	1.5%	1.8%	2.0%	
8 Oaktree Capital Management, L.P.	9,636.6	Value	Medium	200.6	-7.3	42	2.1%	2.5%	2.8%	4.8%	4.8%	3.7%	
9 Checchi Capital Advisers, LLC	369.8	Growth	Medium	5.4	-1.5	63	1.5%	2.0%	2.3%	0.6%	1.3%	1.5%	
10 Symphony Asset Management, LLC	1,085.6	GARP	High	4.2	-0.9	29	0.4%	0.5%	0.9%	0.5%	0.5%	0.6%	
† Denotes Hedge Fund													
<b>Sub-Total:</b>	<b>1,144,458.7</b>			<b>37,704.2</b>	<b>-1,593.6</b>								

**Net Activity:** Measures only the actual buying/selling activity of institutions (excluding changes in the price of the underlying security).

**Equation:**  $[(\sum \text{All Shares Bought Over Period} \times \text{End-of-Period Security Price}) - (\sum \text{All Shares Sold over Period} \times \text{End-of-Period Security Price})]$

\*Current data reflects most-recent quarterly filings

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