

1591

## NEXT FUNDS JPX-Nikkei Index 400

## Exchange Traded Fund

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

NOMURA  
NEXT FUNDSMonthly Report  
as of Dec-30-2020

## Objective of the Fund

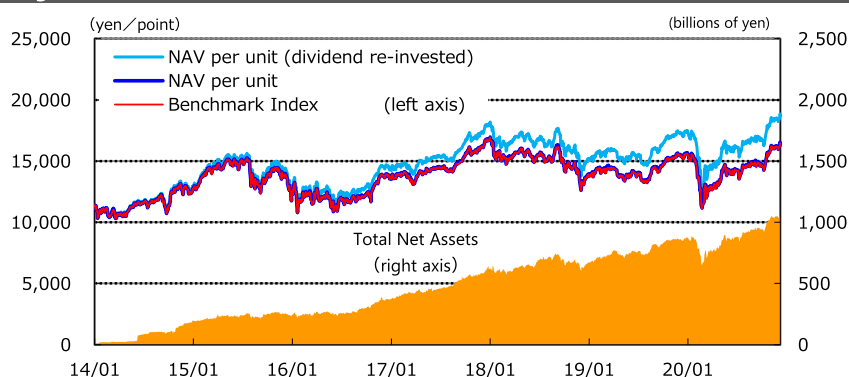
The Fund's objective is to track the investment performance of its benchmark index, the JPX-Nikkei Index 400.

## JPX-Nikkei Index 400

JPX-Nikkei Index 400 is a stock price index consisting of 400 stocks as a general rule. Constituents are selected from all common stocks listed on the Tokyo Stock Exchange (First Section, Second Section, Mothers, and JASDAQ) according to specific selection criteria including market capitalization, trading value, ROE, and other factors, by Japan Exchange Group, Inc., Tokyo Stock Exchange, and Nikkei Inc. The JPX-Nikkei Index 400 is calculated with a base date of August 30, 2013, with an assumed index value of 10,000 points at inception.

## Performance History

### Change in NAV (Daily)



Return	1 month	3 months	6 months	1 year	3 years	Since Incep.
NAV per unit (Dividend re-invested)	2.6%	11.9%	17.3%	8.6%	8.4%	63.9%

(Since Inception 1/24/2014)

The price movement and return rate of the NAV (dividend re-invested) is calculated based on the Fund value after deduction of the management fee, and based on the assumption that the dividends before taxes are re-invested. Therefore, the actual performance of the Fund will vary depending upon the tax status of the investor. Also, expenses and taxes when liquidating the Fund are not considered.

For each calculation period of the return rate, last business day of the month is used.

## Fund Composition

Sector Allocation	(% of NAV)
ELECTRIC APPLIANCES	17.6%
INFORMATION & COMMUNICATION	7.9%
CHEMICALS	7.8%
PHARMACEUTICAL	6.7%
MACHINERY	6.0%
Others	52.1%
Total	98.1%

Asset Allocation	(% of NAV)
Common Stocks	98.1%
Call Loan, Others	1.9%
(Index Futures)	1.9%

Portfolio Characteristics	
Dividend Yield (Annually)	2.0%

Dividend yield is calculated by calculating the weighted average of the dividend yield of the constituent stocks using the incorporation ratio (pre-taxed, on an actual dividend base).

Top 10 Holdings		Sector	(% of NAV)
6758	SONY CORPORATION	ELECTRIC APPLIANCES	1.7%
9984	SOFTBANK GROUP CORP.	INFORMATION & COMMUNICATION	1.7%
9432	NIPPON TELEGRAPH AND TELEPHONE CORPORATI	INFORMATION & COMMUNICATION	1.6%
6594	NIDEC CORPORATION	ELECTRIC APPLIANCES	1.6%
6861	KEYENCE CORPORATION	ELECTRIC APPLIANCES	1.6%
4063	SHIN-ETSU CHEMICAL CO.,LTD.	CHEMICALS	1.5%
7203	TOYOTA MOTOR CORPORATION	TRANSPORTATION EQUIPMENT	1.5%
6367	DAIKIN INDUSTRIES,LTD.	MACHINERY	1.5%
7974	NINTENDO CO.,LTD.	OTHER PRODUCTS	1.5%
8306	mitsubishi UFJ FINANCIAL GROUP,INC.	BANKS	1.5%
Total			15.6%

Number of Holdings :  
399

Sector references are based on the TSE 33 Sector Classification.

Please read the "Notifications" on the following page when utilizing this material.

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## Investment Risks

Because this Fund invests primarily in tradeable securities and financial instruments for which prices may fluctuate, the NAV of the Fund can fall as well as rise, influenced by factors such as fluctuations in the stock price index that the Fund tracks, changes in the prices of constituent stocks, default or a material deterioration in financial conditions of those constituent companies, and other market factors, etc. Investment principal is therefore not guaranteed, and investors may incur a loss because of a drop in the market price or the NAV. The investment trust is therefore different from a savings deposit.

※ For further information, please refer to the "Investment Risks" section of the delivery prospectus. The prospectus is available on our website.

## Commissions and Fees Related to the Fund

### Direct Expenses

(Expenses borne directly when dealing through the stock exchange)

#### Trading Fee :

Trading of the Fund incurs brokerage commission fees set by a first financial instruments business provider (securities firm) that handles the transaction.

(Expenses borne directly for creation or exchange of units)

**Creation Fee :** Set independently by the distributing company

**Redemption Fee (Amount to be Retained in Trust Assets) :** None

**Exchange Fee :** Set independently by the distributing company

\*Trading fee, creation fee, and exchange fee above vary depending on the setting of the distributing companies, so details of rates and upper limits cannot be provided ahead of time.

### Indirect Expenses Paid out of Trust Assets

#### Management Fee :

Total amount of the Management Fee is the sum of the following two items, provided, however, that the sum of the following two items (exclusive of taxes) shall not exceed the amount obtained by multiplying the total net assets of the Fund by the rate, 0.25% per annum: (i) The amount obtained by multiplying the daily total net assets of the Fund by the rate, within 0.22% per annum (0.20% per annum exclusive of taxes) (0.22% per annum (0.20% per annum exclusive of taxes) as of December 16, 2020), the Management Company determines. (ii) When the Fund lends stocks, an amount obtained from no more than 44% of the rental fee which accrues on a daily basis (40% exclusive of taxes).

#### Other Fees and Commissions :

##### Annual Fees for Use of Trademarks Pertaining to the Benchmark Index (as of December 16, 2020)

A percentage of not more than 0.044% (0.04% exclusive of taxes) of the Fund's total net assets.

##### Expenses Pertaining to Listing of the Fund (as of December 16, 2020)

• Additional listing fee: 0.00825% (0.0075% exclusive of taxes) of the amount of increase in value of the Fund's total net asset value at the end of the year as compared with the larger of i) the total net asset value at the time of the initial listing; or ii) the largest of the total net asset values at the end of each subsequent year up to the year immediately prior to the fee payment year.

• Annual listing fee: Maximum of 0.00825% (0.0075% exclusive of taxes) of the total net assets at year-end.

##### Brokerage Commission on Transactions in Portfolio Securities, Expenses for Maintaining Custody of Assets Denominated in Foreign Currency, Costs Paid to Auditors for Fund Audits, 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.)

\* 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 Expenses and Taxes" section of the delivery prospectus.

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

(The party who instructs the management of the Fund)

#### Trustee : The Nomura Trust and Banking Co., Ltd.

(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 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

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