

MW Japan Fund March 2026 Newsletter

% Returns	Month	Year to Date	Since Inception (A&B: 4 th August 1999) (C: 16 th April 2015)
MW Japan Fund A (\$)	-11.6%	+3.6%	+596.2%
MW Japan Fund B (\$)	-11.6%	+3.6%	+563.5%
TOPIX Net Total Return (\$)	-12.6%	+1.4%	+163.9%
MW Japan Fund C (\$ hedged)	-9.3%	+6.3%	+333.0%
TOPIX Net Total Return (¥)	-10.5%	+3.5%	+171.5%

Sources: Bloomberg and Waystone Management Company (IE) Limited

Topix tumbled 11.2% in local terms over the month in response to conflict in the Middle East and surging oil prices. Unsurprisingly, the best performing stock in the portfolio was Inpex, the oil and gas producer whose main asset is in Australia, which rose by over 23%. The yen weakened and briefly traded below ¥160/\$ prompting speculation about possible intervention.

Japan imports around 95% of its crude oil from the Middle East, with most of it coming from just two countries, Saudi Arabia and the UAE, so the disruption in the Strait of Hormuz is no small matter. Energy is high on Prime Minister Takaichi's agenda and she has been quick to deploy countermeasures. As at the end of 2025, Japan had a substantial 254 days' worth of strategic oil reserves. Towards the end of the month, METI released 53 million barrels or a month's domestic consumption. Furthermore, the government has decided to cap the retail petrol (gasoline) price at ¥170/l (81p) from 19th March, a measure which Nomura has calculated will cost the government ¥20bn per day at current prices.

At its monthly meeting the Bank of Japan held interest rates at 0.75% but the consensus is now indicating further increases this year as inflationary pressures remain apparent. A preliminary survey by the Japan Trade Union Confederation reported that Japanese firms have agreed to an average wage hike of 5.3% making it the third straight year of increases above 5%. Official figures showed that land prices last year rose by an average 2.8% nationwide, the fifth consecutive year of growth. Commercial land in urban areas showed the largest increase including a 9.3% rise in Tokyo. Interestingly, real estate acquisitions by foreign investors reached a record ¥2.4trn. Blackstone and Brookfield announced their intention to invest \$15bn and \$10bn respectively in Japanese property in the coming years.

Toyota Fudosan was ultimately successful in its pursuit of Toyota Industries after raising its offer price to ¥20,600. We tendered all of our shares and consequently have a higher cash position than usual at month end. In a further development at the Toyota Group, Denso has approached Rohm with a view to acquiring the business to strengthen its position in power semiconductors. Rohm is now considering an alternative merger with Toshiba's and Mitsubishi Electric's semiconductor businesses which could prompt Denso's approach to become hostile.

Honda has decided to stop the development of three new EV models for the US market as it reassesses its electrification strategy. The losses are estimated to be \$16bn which will be spread across this financial year and next. Most of the losses relate to cash compensation to suppliers. We spoke with the company during the month and, whilst the loss is clearly disappointing, the balance sheet remains strong and there continues to be significant value in the motorcycle and financial services businesses.

Berkshire Hathaway has added to its Japanese holdings by taking a 2.5% stake in property and casualty insurer Tokio Marine with which it intends to establish a long term partnership. Events in the Middle East remain highly uncertain but the weak yen, the continuing levels of corporate activity and the latent value mean our portfolio continues to look attractive.

**Stephen Morant, Ian Wright, Richard Phillips, Tom Mermagen, Andrew Millward,
 Denis Clough, Nick Sinclair and Karin Ri**

Fund	
Fund size	\$86m
Number of holdings	56

Valuations	
Average PBR	0.98
Median EV/OP* (3/26e)	6.9
Weighted Average P/E (3/26e)	15.4
Net cash as % of market cap*	47%

*Net cash (including investment securities) and EV/OP figures exclude financials

Top Ten Holdings	% Fund
The Hyakugo Bank Ltd	3.9
Inpex	3.6
Nippon Television Network	3.1
Sumitomo Mitsui Trust	3.1
Tokyo Broadcasting System	3.0
Nippon Densetsu Kogyo	2.8
Sumitomo Mitsui Financial Group	2.8
Japan Wool Textile	2.7
Dai-ichi Life Holdings Inc	2.6
Kurabo Industries	2.5

Market Cap Breakdown	% Fund
Large Cap (>\$10bn)	19.0
Mid Cap (\$2 - 10bn)	29.6
Small Cap (< \$2bn)	48.5
Cash	2.9

NAV at 31 st March 2026	
A Shares	\$68.82
B Shares	\$66.26
C Shares	\$433.02

Dealing
 If you would like to deal in the fund, please contact Waystone Management Company (IE) Limited. You can contact them by telephone on +353 1 400 5300 or by emailing wfs-investordealings@waystone.com

Please refer to the further fund details and important regulatory information on the reverse of this document

Fund Information		Dealing Information	
Fund type	Offshore OEIC, domiciled in Ireland	Minimum investment	\$100,000 (across all shares)
Fund currency	US Dollar	Dealing frequency	Daily
Launch date	August 1999	Deal cut-off point	11.00am (Irish time)
Geographic exposure	100% Japanese equities	Valuation point	12.00pm (Irish time)
AMC/OCF	A Shares: 1.0% A Shares: 1.25%* B Shares: 1.0% B Shares: 1.25%* C Shares: 1.0% C Shares: 1.25%* *Fund charges capped at 1.25% by Investment Manager	Settlement	T+4 (subscriptions/redemptions)

Share types A Shares, B Shares, C Shares (hedged) Fund administrator

Waystone Fund Administrators
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Share Identifiers	Bloomberg code	SEDOL	ISIN
A Shares	MWJPNAI ID	BWCH400	IE00BWCH4002
B Shares	MWJPNBI ID	BWCH411	IE00BWCH4119
C Shares	MWJPNCI ID	BWCH422	IE00BWCH4226

TOPIX Net Total Return is used for the purpose of performance comparison only as it is a widely used benchmark which includes reinvestment of dividends (net of withholding tax) and which most closely reflects the type of companies in which the fund invests. All performance information is calculated by Morant Wright Management Limited using share price data provided by Waystone Management Company (IE) Limited Index data are taken from Bloomberg.

Performance is based on the Fund Nav and is shown net of charges. Data are as at 31st March 2026 and accurate as at that date.

This document is issued and approved by Morant Wright Management Limited which is authorised and regulated by the Financial Conduct Authority.

Disclaimer

Please remember that past performance is not a guide to future performance. The value of the Fund and any income from it can fall as well as rise as a result of both market and currency fluctuations and investors may not get back the amount originally invested. Investors must be willing to accept some risk to their capital. Consequently, the fund may be suitable for investors who are looking to set aside their capital for the longer term (i.e. at least 5 years).

Before making an investment in the Fund you must read the KIID which can be obtained from Waystone Management Company (IE) Limited or ourselves <https://www.morantwright.co.uk/mw-fuji-yield-fund>, along with the Fund Prospectus and the latest report and accounts. The Fund Manager, Waystone Management Company (IE) Limited, a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland which is authorised by the Central Bank of Ireland has appointed Morant Wright Management Limited as Investment Manager to this fund. Waystone Management Company (IE) Limited, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive. A summary of investors rights may be found here: <https://www.waystone.com/waystone-policies/>.

A copy of the firm's ADV2A Brochure is available at <https://adviserinfo.sec.gov/firm/summary/138189>

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