

Supplemental Information:

DB Research expects Japanese equities could double by 2015

http://pull.db-gmresearch.com/cgi-bin/pull/DocPull/10496-D6FF/89936366/The_House_18oct2013.pdf

- Abenomics will lead to higher operational leverage and an improved domestic economy
- BoJ will ease further as needed; DB expects USD/JPY FX to reach 120 by 2015
- Strong macroeconomic data and increase in overseas asset purchases by the Japanese
- GPIF panel report (a third arrow initiative) strongly positive for Japanese risk assets

http://www.cas.go.jp/jp/seisaku/koutekisikin_unyourisk/pdf/e_final_report.pdf

Yen weakening will likely continue to be a theme, benefiting exporters.

Toyota: <https://ger.gm.cib.intranet.db.com/ger/document/pdf/0900b8c0877259ad.pdf>

7203 JP

Buy

Current price 6170

Target price (11m) 8000

Upside 29%

Panasonic <https://ger.gm.cib.intranet.db.com/ger/document/pdf/0900b8c08795101a.pdf>

(6752 JP

Buy

Current price 1158

Target price (12m) 1300

Upside 12%

Omron

6645 JP

Not rated at DB

Current price 4105

Target price (12m) 4426 (Bloomberg avg. Not covered by DB)

Upside 8%

Kawasaki

Kisen: <http://gm.db.com/ger/document/ShowPdf.eqsr?productIDMore=0900b8c087790d17>

9107 JP

Buy

Current price 236

Target price (12m) 280

Upside 18%

Reflation is the other major theme, which should be positive for retailers and banks, where DB Research is bullish *Rakuten* and *Resona* respectively.

Rakuten: <https://ger.gm.cib.intranet.db.com/ger/document/pdf/0900b8c087a30eda.pdf>

4755 JP

Buy

Current price 1531

Target price (12m) 1710