

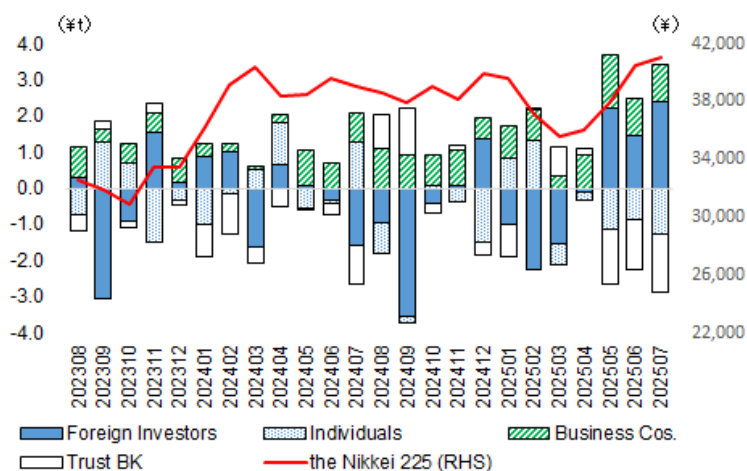
# Researcher's Eyes

## Investors Trading Trends in Japanese Stock Market: An Analysis for July 2025

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In July 2025, the Nikkei 225 rose for the fourth consecutive month. In early July, the market was weighed down by uncertainty over Japan-U.S. tariff negotiations and political risks ahead of the House of Councillors election, with the Nikkei trading in the upper 39,000-yen range, slightly below the end-June level. Investor sentiment was further subdued ahead of major companies' April–June earnings announcements. In mid-July, gains supported by U.S. high-tech stocks and yen depreciation were capped by factors such as stalled U.S.-EU trade negotiations. In late July, sentiment improved following an agreement between Japan and the U.S. to reduce tariffs, including on automobiles, to 15%. The Nikkei rose above 41,000 on a closing basis on the 23rd, and on the 24th briefly surpassed the 42,000 level during trading hours (closing at 41,826). The index remained firm thereafter, ending the month at 41,069. By investor type, foreign investors and business corporations were net buyers, while trust banks and individuals were net sellers (as shown in Figure 1).

Figure 1 Trading Trends by Major Types of Investors

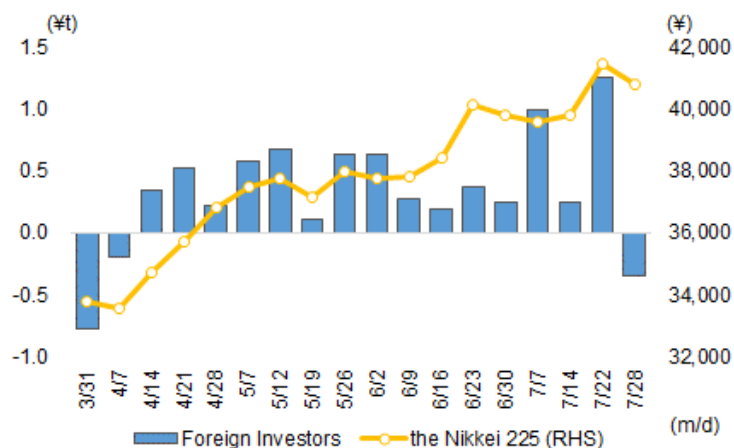


Note: Total of cash equities for two markets and futures including the total of Nikkei 225 futures, Nikkei 225 mini, TOPIX futures, mini TOPIX futures, and JPX Nikkei 400 futures.

Source: NLI Research Institute, based on TSE

The trading by type of investors in July 2025 (June 30 to August 1) shows that foreign investors were the largest net buyers, with a total net purchase of 2.388 trillion yen in cash equities and futures (as shown in Figure 2). However, on a weekly basis, while they had recorded 15 consecutive weeks of net buying since the third week of April, they turned to net selling in the fifth week of July (July 28 to August 1). In the previous week, the market was buoyed by news that Japan and the U.S. had agreed to reduce tariff rates from 25% to 15%, with the Nikkei rising by 1,637 yen over the week. Toward the end of the month, ahead of monetary policy meetings in Japan and the U.S. and the release of U.S. employment data, short-term profit-taking and risk-averse selling appeared to increase after the extended period of net buying.

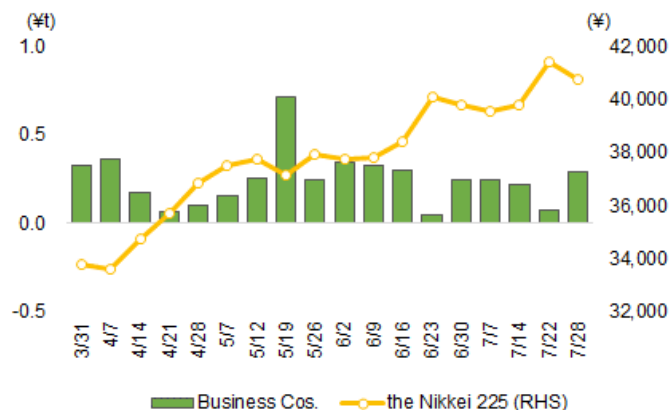
Figure 2 The 15-week streak of weekly net buying came to a pause



Note: Total of cash equities and futures for foreign investors, weekly  
Source: NLI Research Institute

In July, business corporations were also net buyers, with a total net purchase of 1.066 trillion yen in cash equities and futures, marking their 50th consecutive month of net buying driven by ongoing share buybacks (as shown in Figure 3).

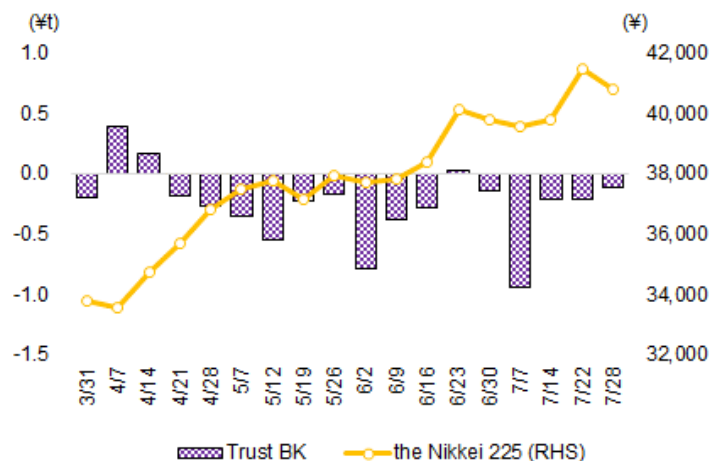
Figure 3 Business cos. as Net Buyers for 50 Consecutive Months



Note: Total of cash equities and futures for business corporations, weekly  
Source: NLI Research Institute

On the other hand, trust banks were the largest net sellers in July, with a total net sale of 1.612 trillion yen in cash equities and futures. On a weekly basis, they recorded net selling throughout all five weeks of July (as shown in Figure 4).

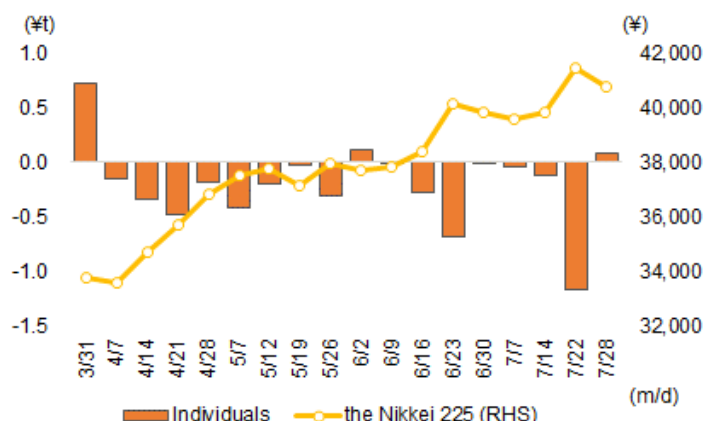
Figure 4 Trust Banks Record Remain Net Sellers



Note: Total of cash equities and futures for trust banks, weekly  
Source: NLI Research Institute

In July, individuals were also net sellers, with a total net sale of 1.257 trillion yen in cash equities and futures. In particular, during the fourth week of July (July 22–25), they posted a substantial net sale of 1.168 trillion yen (as shown in Figure 5). This was likely due to profit-taking, as the Nikkei regained the 40,000-yen level and at one point rose to the 42,000-yen range. Conversely, in the fifth week of July (July 28–August 1), as the Nikkei turned downward, individuals shifted to a modest net buying position, reflecting a contrarian stance of buying during market declines.

Figure 5 Individuals also Remain Net Sellers



Note: Total of cash equities and futures for individuals, weekly  
Source: NLI Research Institute

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