

ADVERTISEMENT

Business | Fri Jan 22, 2016 2:15am GMT

Related: ASIAN MARKETS, GLOBAL MARKET DATA, REGULATORY NEWS, JAPAN

# Nikkei jumps over 3 pct on oil price bounce, stimulus hopes



Jan 22 Japanese stocks rebounded on Friday as crude oil prices bounced and comments by European Central Bank President Mario Draghi stoked hopes of more stimulus for Europe.

The Nikkei share average jumped 3.4 percent to 16,552.63 points by midmorning, more than recouping its losses from the previous day.

But the benchmark index remained on track to shed more than 3 percent for the week.

"We're seeing a really nice bounce today as lots of people close their short positions but that doesn't necessarily mean we've seen the bottom," said Nicholas Smith, a strategist at CLSA.

"It's tough to know when a panic is going to subside but it does look like we're starting to get there."

Growth in Japanese manufacturing activity slowed slightly in January from December but remained solid as new export orders accelerated, a survey showed on Friday.

U.S. crude oil prices remained stable in early trading on Friday after bouncing away from 12-year lows the previous day.

"The market is reacting positively to the American Petroleum Institute figures reporting a 4 million barrel addition and not the 4.6 million barrel we'd expected," said Martin King, co-managing director at Tyton Capital Advisors.

Global sentiment also improved after the European Central Bank held its main rates while Draghi said it would "review and possibly reconsider" its monetary policy as soon as March, ahead of the potential rate-cut schedule expected by analysts.

Economists polled by Reuters also expect more stimulus from the Bank of Japan in coming months, and a few traders believe it could move as early as next week.

Sharp Corp shares climbed to 6.3 percent in midmorning trade after the Nikkei business daily reported the ailing electronic company's main creditors are looking to accept a rescue plan from a Japan government-backed fund.

Auto parts supplier Takata Corp soared 6.7 percent on a Kyodo news report that it may seek support from Japanese automakers as it prepares to tackle massive costs related to global recalls and compensation over its potentially faulty air bag inflators.

The broader Topix gained 3 percent to 1,340.37 with each of its 33 subindexes in positive territory but remained on course to end the week more than 4 percent lower.

The JPX-Nikkei Index 400 rose 3 percent to 12,077.85. (Reporting by Joshua Hunt; Editing by Kim Coghill)



## More From Reuters

- London's fintech stars consider leaving as 'Brexit' threat looms [9 Mar](#)
- Oil rout over, OPEC aims for \$50 anchor, says PIRA's Ross [8 Mar](#)
- Ex-Scottish nationalist deputy leader backs British EU exit [4 Mar](#)
- Analysis: 'Game changer' - How EU may shut Turkish door on migrants [8 Mar](#)
- Experts perplexed over why Sharapova was taking banned heart drug [10 Mar](#)
- Captured Ukrainian pilot defies Russian judge at end of trial [10 Mar](#)
- Norway's \$830 billion wealth fund to invest in UK regardless of Brexit [9 Mar](#)
- ECB couldn't 'tolerate' London grip on euro trading post-Brexit - France's Noyer [10 Mar](#)
- Russia scolds Britain for saying the Kremlin dreams of Brexit [12 Mar](#)
- Britons' concern over EU hits highest level for 13 years - survey [4 Mar](#)

## From The Web

Sponsored Links by Taboola



Start in the stone age and journey to future. Build your Empire now!  
*Forge Of Empires - Free Online Game*



Are you a strategic thinker? Test your skills with millions of addic...  
*Sparta Online Game*



This Is What Will Make The Oil Market Re-Stabilise  
*Investment Week*



## Editor's choice

Our top photos from the last 24 hours.

ADVERTISEMENT

## TRENDING ON REUTERS

- Argentina coast guard sinks Chinese trawler fishing illegally
- As China's consumers tighten belts, retailers cut jobs, offer discounts
- Trump wins Florida, Kasich takes Ohio as Rubio bows out | VIDEO
- Man in Manila gets \$30 million cash from cyber heist; Bangladesh central bank governor quits | VIDEO
- Japan PM begins G7 prep with warning from Stiglitz to not raise taxes

## Sponsored Financial Content

- RL360® Quantum's sponsorship of Olympic bound Manx shooter Tim Kneale [RL360® Quantum](#)
- Top 10 Trading Mistakes with CFDs - Free 5 page guide [Guardian Stockbrokers](#)
- Sign up for personalised news updates to help you trade successfully [NewsMarkets](#)
- Day Trading: 15 Secrets to Success - Capital at risk [Guardian Stockbrokers](#)
- Expert financial and political views on Latin America [MarketViews](#)

## RECOMMENDED VIDEO



Hundreds of migrants march on Greek border chanting 'Merkel'



Snowmobiler kills one dog, injures others in Iditarod race

ADVERTISEMENT

Thomson Reuters is the world's leading source of intelligent information for businesses and professionals.

<b>THOMSON REUTERS EIKON</b> Our Flagship financial information platform incorporating Reuters Insider	<b>THOMSON REUTERS ELEKTRON</b> An ultra-low latency infrastructure for electronic trading and data distribution	<b>THOMSON REUTERS ACCELUS</b> A connected approach to governance, risk and compliance	<b>WestlawNext™</b> Our next generation legal research platform	<b>ONESOURCE</b> Our global tax workstation	Thomsonreuters.com About Thomson Reuters Investor Relations Careers Contact Us
---	---	---	--	--	--