



## **PRESS RELEASE**

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March 6, 2014

### **Market participants gather to hear prospects for Japan's economic revival**

#### **- The 6<sup>th</sup> Japan Securities Summit held in New York on March 6 -**

(New York, US – Tokyo, Japan) Top representatives from the Japanese securities markets gathered at an event in New York today to promote the Japanese markets to overseas investors and market participants. Japan is moving toward economic recovery from its long deflationary doldrums and is establishing a foothold for stable growth. Challenges facing Japan and policies to address them were outlined to an audience of US securities market participants at the Japan Securities Summit co-organized by the Japan Securities Dealers Association (JSDA) and the Securities Industry and Financial Markets Association (SIFMA).

Japan needs to stimulate and sustain economic growth while maintaining fiscal consolidation efforts. Global investors and market participants are closely following progress towards these challenging goals. Japan's securities market, boasting the third-largest equity market and the second-largest bond market in the world, is expected to play a key role in the revitalization of the economy, through efficient allocation of capital and resources. Taking advantage of further reinforced market infrastructure, reliable legal and regulatory frameworks, and improved corporate governance, the Japanese market provides both domestic and global market participants with one of the best environments for fund-raising and investment.

Speaking at the summit Mr. Kazutoshi Inano, Chairman of the JSDA said: "Japan has a well-functioning capital market, embracing deep liquidity and diversity, with many innovative companies listed on exchanges. The huge pool of financial assets held by Japanese individuals is seeking tools and opportunities for investment, and provides the financial and securities industries with various business opportunities. The Japanese authorities and securities industry are fully committed to further improving our market's integrity and efficiency and have implemented a number of initiatives to this end. We believe that, making the best of our market's advantages, our current efforts will contribute to affirming the revival and future sustainable growth of Japan and the world."



Discussions at the summit covered a wide range of issues including: the macro-economic situation, the government's growth strategy and measures for fiscal consolidation, a market overview and corporate governance issues. The audience heard a keynote presentation from Mr. Mitsuhiro Furusawa, Vice Minister of Finance for International Affairs on the outlook for "Abenomics" and the JGB market. Mr. Atsushi Saito, the JPX Group CEO, also made a presentation on ongoing market infrastructure enhancement and its future prospect. It was recognized that, despite the difficult circumstances, measures taken by the authorities and the industry will give momentum to future growth in Japan's financial and capital markets.

Emphasizing the close ties between the United States and Japan, Mr. Ken Bentsen, President and CEO of SIFMA said: "Historically, the US has enjoyed a strong ongoing political and trade relationship with Japan. From a markets perspective, two way portfolio transactions in securities between the US and Japan totaled \$2.2 trillion in 2013. The Japanese have historically been large investors in the US Treasury market and in 2013 were net buyers of \$61.6 billion of US Treasury bonds and notes. On the other hand, US investors were significant buyers of Japanese stocks in 2013, buying a net total of \$32.9 billion. At the end of 2012, which is the most recent data available, US holdings of Japanese government bonds totaled \$59 billion, 86% of which was long term. Clearly we are important investors in one another's countries."

Event information can be viewed on the SIFMA website at  
[http://www.sifma.org/events/2014/japan\\_securities\\_summit\\_2014/media/](http://www.sifma.org/events/2014/japan_securities_summit_2014/media/)

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Notes for editors

### **Japan Securities Dealers Association (JSDA)**

JSDA is a hybrid association functioning both as a self-regulatory organization (SRO) under an independent board and as an interlocutor of dialog in the Japanese securities market with stakeholders, home and abroad. Today JSDA comprises around 500 members consisting of securities firms and other financial institutions operating securities businesses in Japan. As a full-fledged SRO, JSDA extensively regulates market intermediaries.

Its self-regulatory functions cover rule-making, enforcement, inspection, disciplinary actions, accreditation of sales representatives, and dispute mediation. As an industry organization serving as an interlocutor to enhance dialogue, JSDA relays the industry's voice to the government and other related parties, conducts and promotes investor education to expand the base of knowledgeable investors, generate policy recommendations for further activating the market and promote the Japanese market's



attractiveness and potential to global and domestic investors. For more information, visit [www.jsda.or.jp/en/index.html](http://www.jsda.or.jp/en/index.html)

### **Securities Industry and Financial Markets Association (SIFMA)**

SIFMA brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA's mission is to support a strong financial industry, investor opportunity, capital formation, job creation and economic growth, while building trust and confidence in the financial markets. SIFMA, with offices in New York and Washington, D.C., is the US regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

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