

# FACT BOOK 2018

2017



Japan Securities Dealers Association

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# Overview

## I Economy and Market Trends

### 1 Economic Overview

The Japanese economy on the whole maintained a moderate recovery trend from 2017 to the first half of 2018.

GDP grew in the first quarter of 2017, reaching a positive 0.7% due to factors such as increasing exports and personal consumption. The second quarter, driven by domestic demand, saw a positive 0.5% growth in response to increases in personal consumption and capital investment. The third quarter followed with 0.5% positive growth. Although the fourth quarter saw an increase in exports, a steep increase in imports held down growth. However, strong domestic demand made possible a still-positive 0.3% growth rate. The first quarter of 2018 saw a number of negative factors, such as increases in the prices of perishable foods and unfavorable weather conditions, which put downward pressure on the economy and led to a negative 0.2% growth rate, the first negative growth in nine quarters (since the fourth quarter of 2015).

Corporate earnings (ordinary profits) in FY 2017 remained at high levels throughout the year and reached a record-high ¥81,389 billion. Ordinary profits to sales also hit a record high at 5.9%.

The Consumer Price Index (CPI) in 2017, due to an increase in oil prices, was a positive 0.5% year on year. The Corporate Goods Price Index (CGPI) had an uptick of positive 2.3% year on year, the first time in three years.

The unemployment rate fell to 2.8%, a 24-year record low (since 2.5% in 1993). The job offers to applicant ratio reached 1.5 times, a record 44-year high (since 1.76 times back in 1973).

### 2 Stock Market

In 2017, the Nikkei 225 Stock Average started strong at ¥19,298. However, conditions that include the appreciation of the yen, fears of protectionism by the US administration, and uncertainty over the French presidential elections pulled down the average. Going into March, rising US interest rates and geopolitical risk from North Korea resulted in a further downturn. After that, stock prices turned to a rising trend in May following lower risk-averse sentiment after the French presidential election, recovering to the ¥20,000 level in late June in light of good corporate earnings. From July until early September, downward pressure continued due to developments such as the decline in the approval rating for the current (Abe) administration as well as appreciation of the yen. However, due to the dissolution of the House of Representatives and the announcement of a general election for the middle of September, stock prices went up, and by October, the Nikkei rose to

¥22,000, the highest level since 1996, or about 21 years. Furthermore, stock prices continued to rise from October 2 to October 24, for 16 consecutive days, the longest continuous increase in history. Additionally, as a result of the elections for the House of Representatives, the rise in stock prices gained momentum, and by November, the Nikkei rose again to a level exceeding the highest record set in June 1996 after the collapse of the bubble, reaching the highest level since January 1992. After that, the adjustment continued, conscious of the ceiling of ¥23,000, and by the end of 2017, trades closed at ¥22,764, a ¥3,650 increase from the end of 2016.

In 2018, the Nikkei 225 Stock Index began at ¥23,073, and remained steady in January. However, in February, stock prices plummeted due to a downturn in US stock markets and the appreciation of the yen. Later, stock prices fluctuated in the ¥21,000 and ¥22,000 ranges.

Equity financing (paid-in capital increases) by publicly listed companies totaled ¥1,368.4 billion, a ¥339.2 billion increase year on year. The number of initial public offerings (IPOs) increased to 103 companies, up by seven companies from the previous year. However, these IPOs totaled ¥90.4 billion, down by ¥100 billion compared with the previous year.

### 3 Bond Market

In 2017, the long-term interest rate (simple interest yield on newly issued 10-year JGBs) started at 0.065% and fluctuated between 0.04% and 0.11%, but due to factors such as geopolitical risks surrounding Syria and North Korea, government bonds, considered to be assets safe from external factors, were widely bought and global interest rates declined, leading to a fall to 0.008% for the long-term interest rate. Later, as a result of the French presidential elections in May, interest rates began to rise, and inklings of monetary tightening led to an increase in the interest rates in Europe and the United States, so that by the first half of July interest rates had recovered temporarily to 0.1%. However, with the implementation of the limit price operation (no bidding) for the long-term zone on July 7, the interest rates again began to decline, and with the rise of geopolitical risk from North Korea, going into September the interest rates dropped to negative levels for the first time since November 2016, hitting -0.009% on September 4. While the interest rates recovered to positive levels after that, the increase was limited, with an upper limit of 0.7%, and 2017 trades closed at 0.048%. Going into 2018, long-term interest rates remain low and steady in the 0.03% to 0.1% range due to the BOJ's continuing yield curve control (YCC).

Total OTC bond trading volume rose by 3.7% year on year to

¥9,716 trillion (with JGBs accounting for ¥9,623 trillion). Public and corporate bond issuance was ¥188 trillion.

## 4 Investment Trusts

Net assets of investment trusts reached a record high of ¥207,119.9 billion (up 14.9% year on year) at the end of 2017. The following are the breakdowns.

Publicly offered investment trusts: ¥111,191.9 billion (up 15.1%)

Private placement investment trusts: ¥85,560.6 billion (up 15.5%)

Real estate investment trusts: ¥10,367.3 billion (up 7.9%)

## 5 Derivative Market

The volume of derivative market transactions in 2017 was 322.40 million units (down 4.5% from the previous year). Meanwhile, the value of OTC securities derivative transactions in FY 2017 was ¥357,566.5 billion (up 68.5% from the previous year).

## 6 Investor Trends

The breakdown of stockholdings by investor type as of FY

2017 end indicates that stockholdings by individuals was at a record low of 17.0%, down 0.1 points from the previous fiscal year. However, investment trust holdings increased to 7.2%, up 0.9 points from the previous year, which was a record high in the last 15 years. The percentage held by foreign investors was 30.2%, up 0.1 points from the previous year.

## 7 Household Financial Assets

The composition of household financial assets as of FY 2017 end was as follows.

Stocks and other equities: 10.9% (a continued increase)

Investment trusts: 4%

Cash and deposits: 52.5%

Bonds: 1.3%

Insurance and pension reserves: 28.5%

Other: 2.8%

NISA (Nippon Individual Savings Account) that was introduced back in 2014 saw a significant growth from the previous fiscal year with the number of NISA accounts opened as of FY 2017 end at 11.17 million and amount of annual purchase reaching ¥13,928.7 billion.

# II Securities Industry Overview

## 1 Number of Member Firms and others

As of FY 2017 end, the number of regular members (securities firms that are members of the Japan Securities Dealers Association (JSDA)) increased by three from the previous year totaling in 264 firms, with seven joining during the said fiscal year and four leaving, etc. The number of special members (banks and other registered financial institutions that are members of the JSDA) was 209 with one less compared to the previous year.

The number of employees at FY 2017 end was 90,000, up 1,000 from the previous year, which has been increasing for four consecutive years. The number of domestic offices of regular members at FY 2017 end also grew for the third year in a row to 2,154, up by seven from the previous year.

The number of registered sales representatives of member firms at FY 2017 end also increased for four consecutive years to 529,000, up by 3,000 from the previous year. By membership category, the number of sales representatives registered by regular members grew to 76,000 (up 1,000 from the previous year), and the number of sales representatives registered by special members grew to 355,000 (up 2,000 from the previous year), both categories showing growth. On the other hand, the

number of sales representatives registered with financial instruments intermediary service providers that are in contract with special members continue to decline.

## 2 Performance Summary

FY 2017 (ending March 2018) total operating revenues for the 257\* securities firms in the securities industry amounted to ¥4,130.6 billion, a 4% year on year increase. The operating revenues include:

Commissions: ¥2,260.7billion

Trading gains: ¥1,490 billion

On the other hand, selling, general and administrative costs increased by 3% year on year to ¥2,906.4 billion. The SG&A costs include:

Transaction expenses: ¥761.1 billion

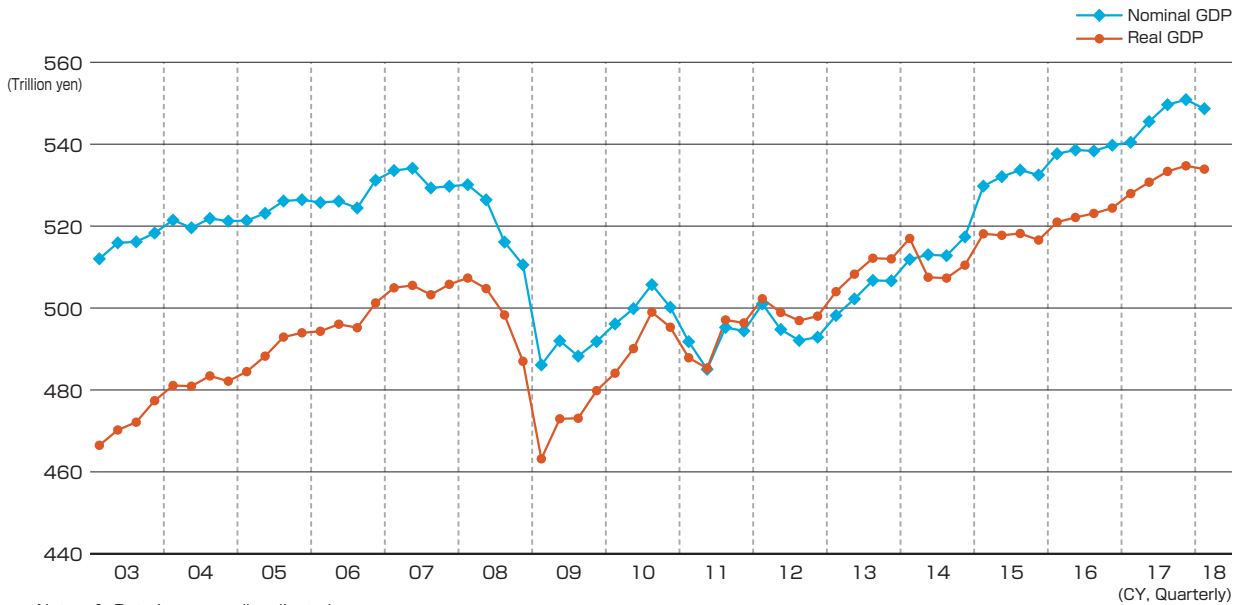
Personnel expenses: ¥1,081.7 billion

As a result, the industry posted ordinary profits of ¥761.1 billion, a 2% increase from the previous year and a net income of ¥544.9 billion, down 12% from the previous year.

\* Industry figures exclude seven securities firms whose businesses have been discontinued or are not operating from the total of 264 securities firms as of the end of March 2018.

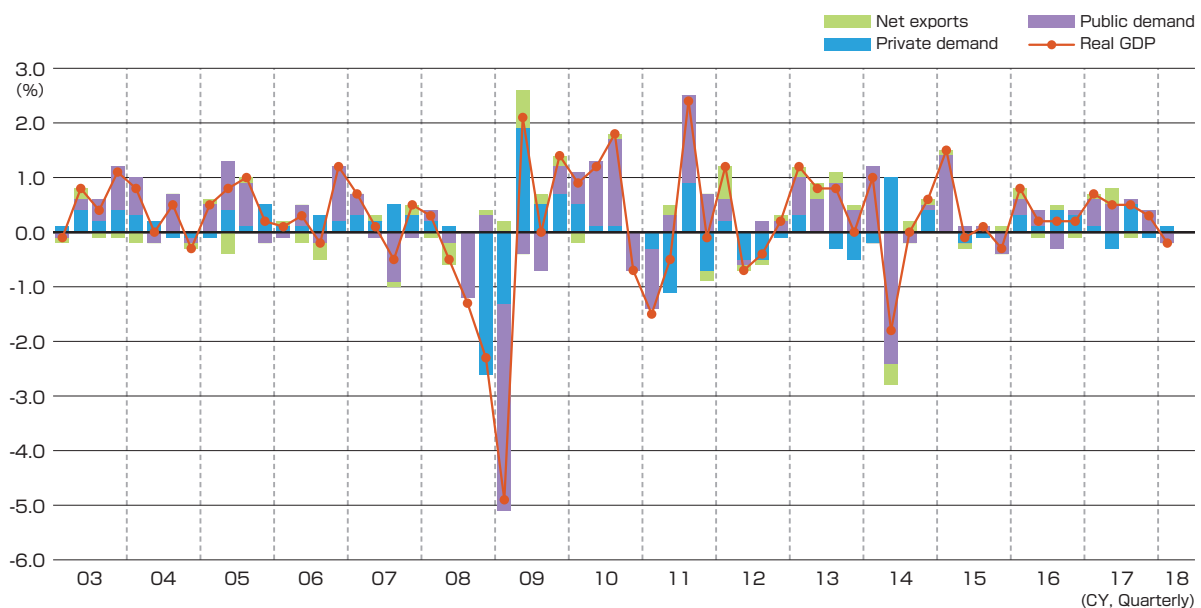
## 1 Economic Overview

### Nominal and Real GDP



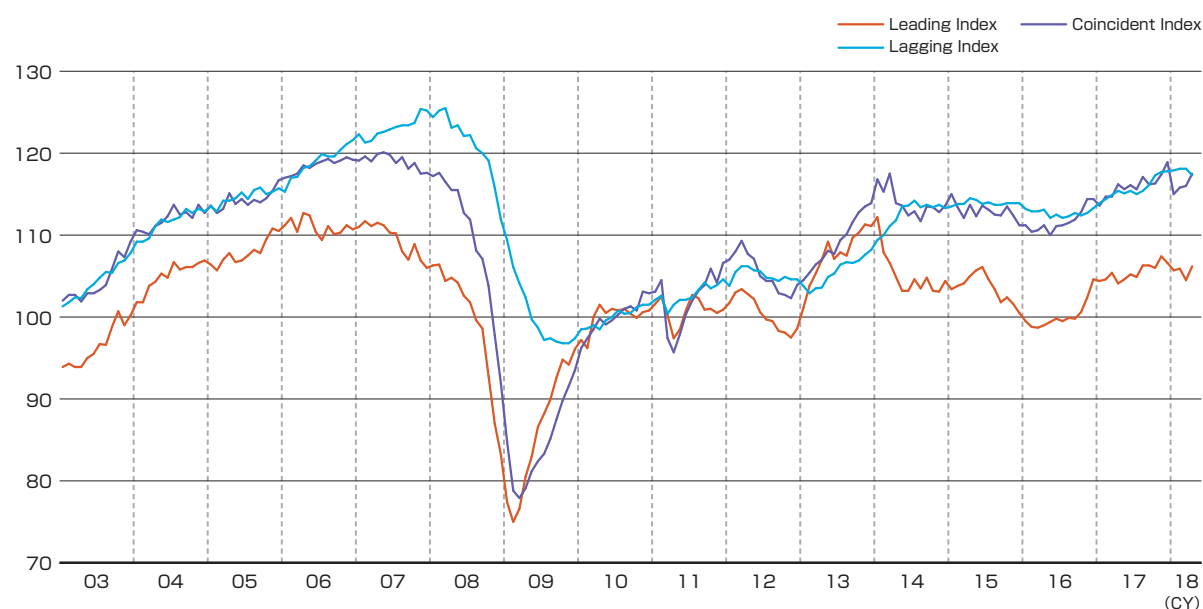
► For numerical data, please see page 30.

### Real GDP Growth Rate (quarter-on-quarter)



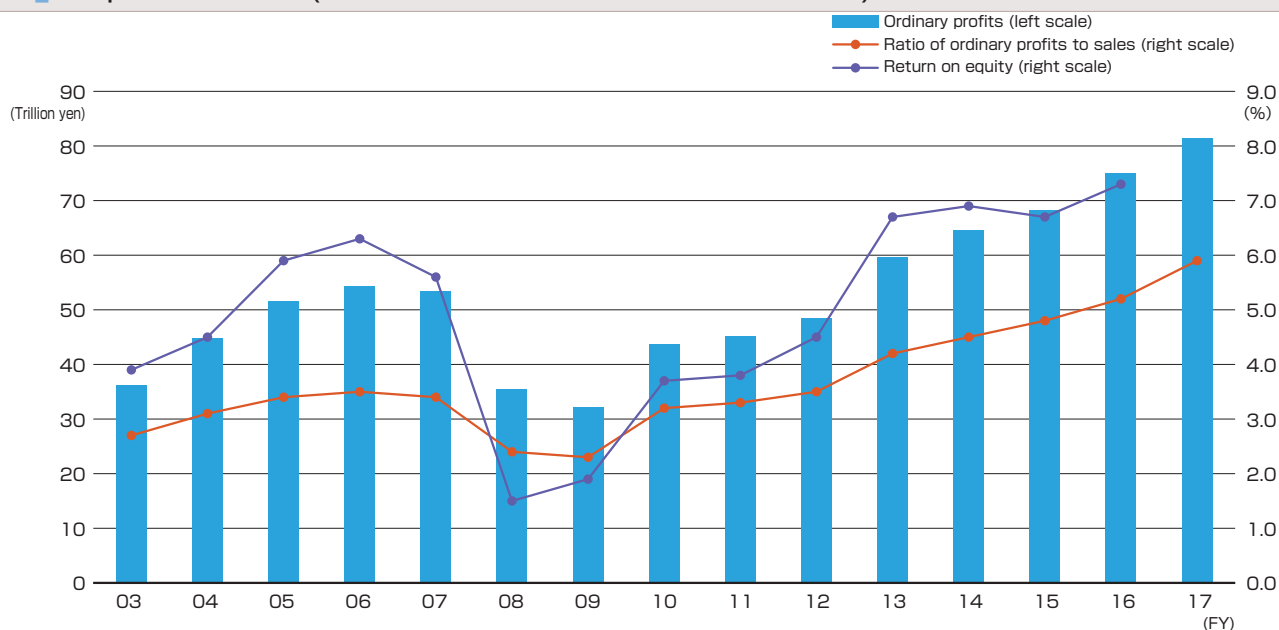
► For numerical data, please see page 30.

## Indexes of Business Conditions (Composite Indexes)



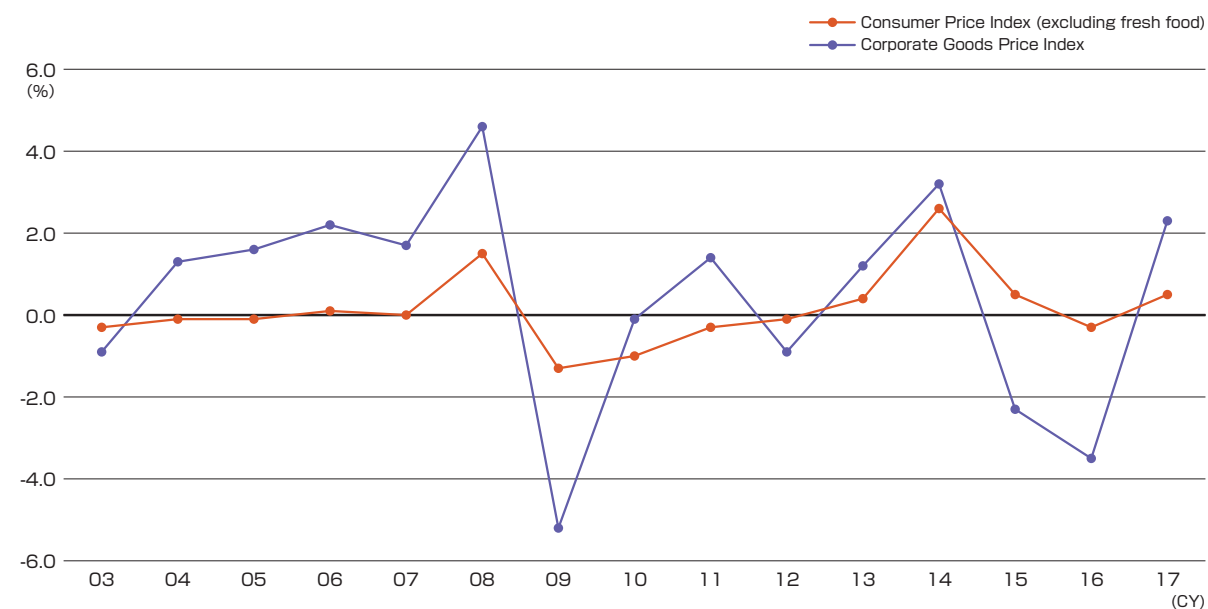
► For numerical data, please see page 31.

## Corporate Profits (all industries and all scales of business)



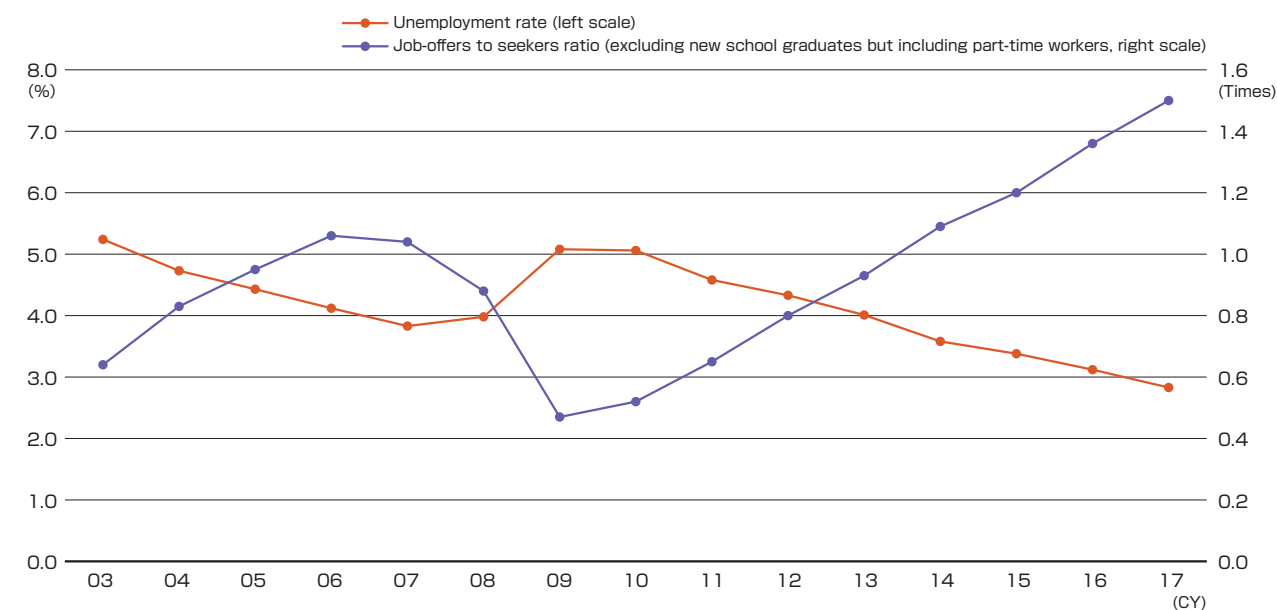
► For numerical data, please see page 31.

## Consumer Price and Corporate Goods Price Indexes (year-on-year)



► For numerical data, please see page 31.

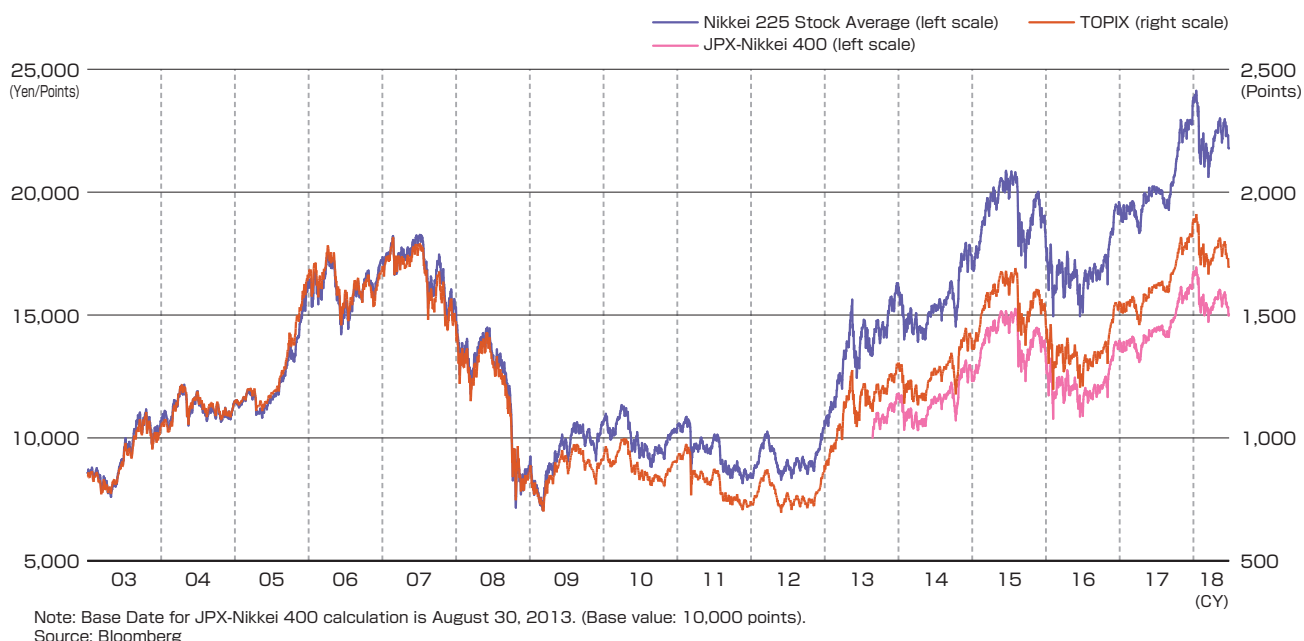
## Employment Conditions



► For numerical data, please see page 31.

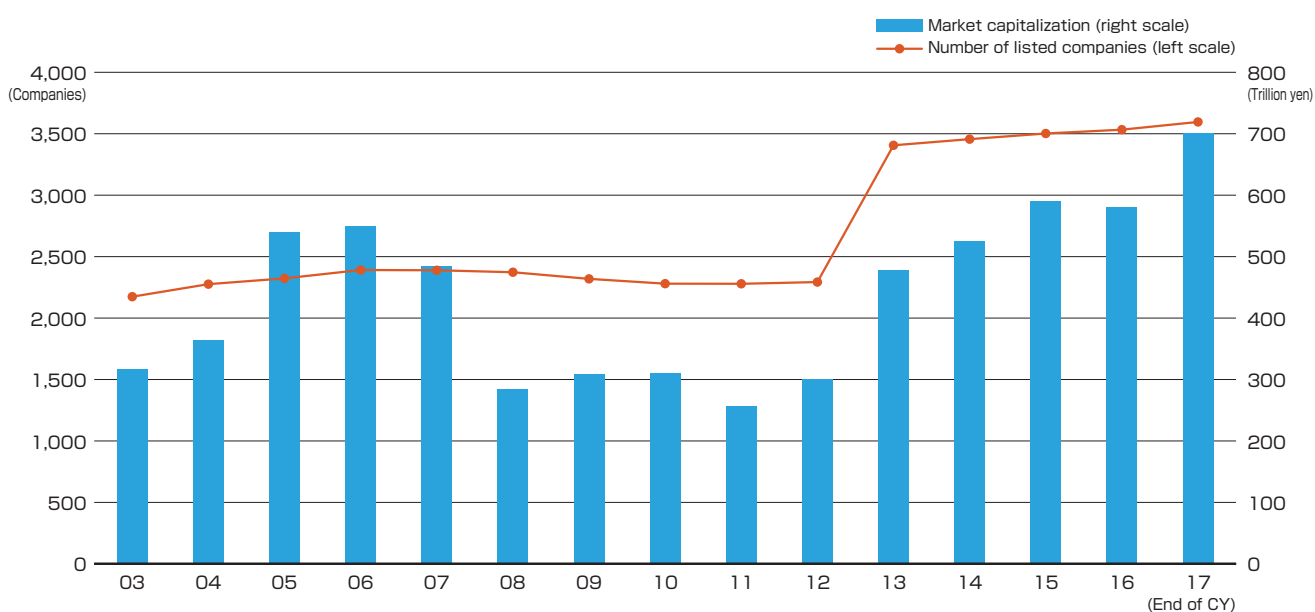
## 2 Stock Market

### Stock Price Indexes



► For numerical data, please see page 32.

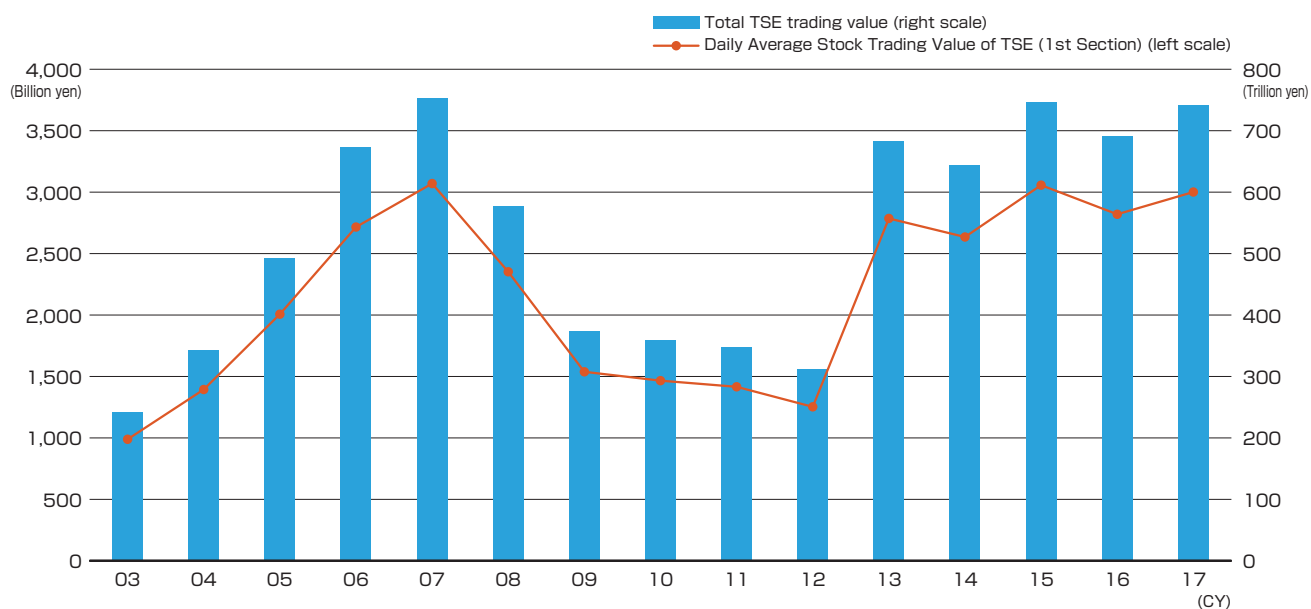
### Number of TSE Listed Companies and Market Capitalization



► For numerical data, please see page 32.

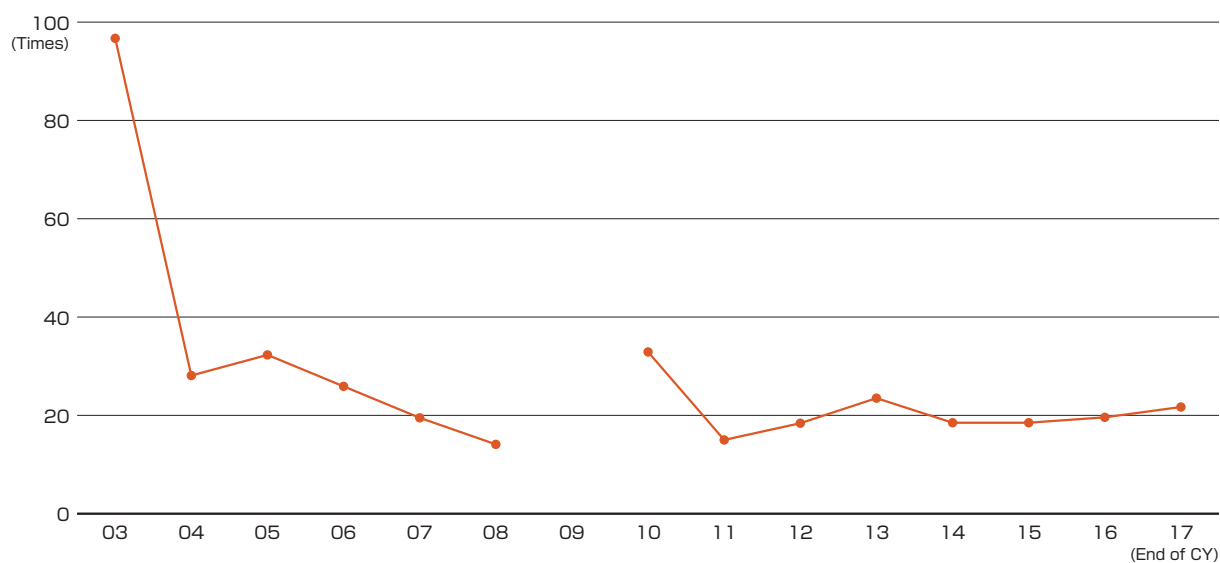


## TSE Trading Value



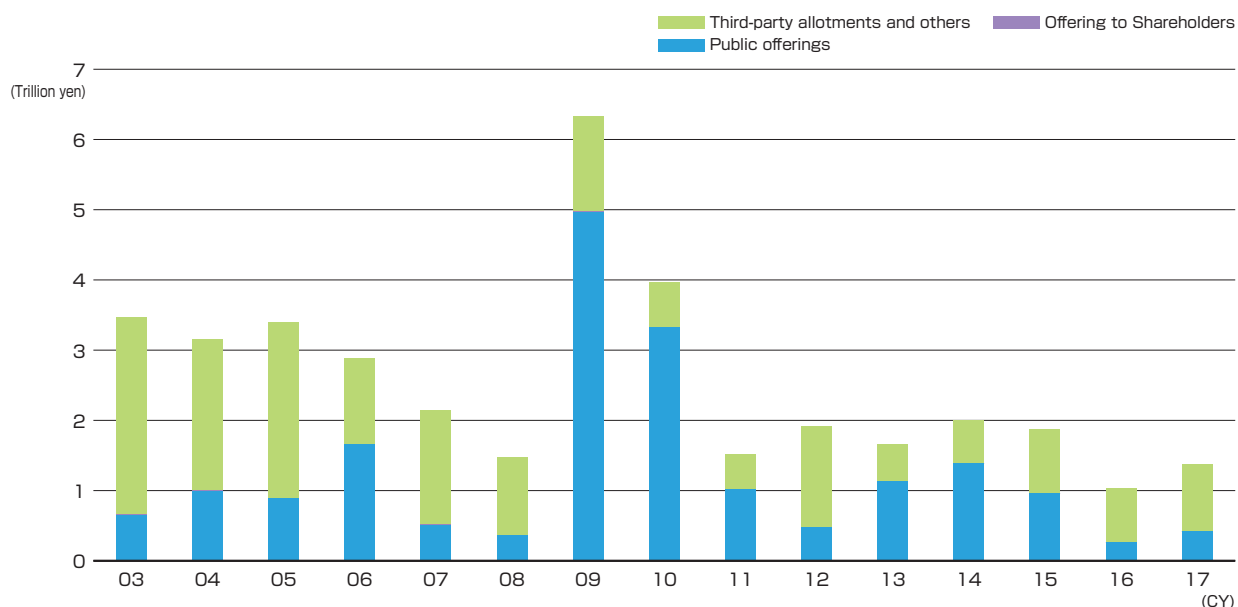
► For numerical data, please see page 32.

## Average PER (Simple Average) of TSE (1st Section)



► For numerical data, please see page 32.

### Equity Financing (paid-in capital increase) by Corporations



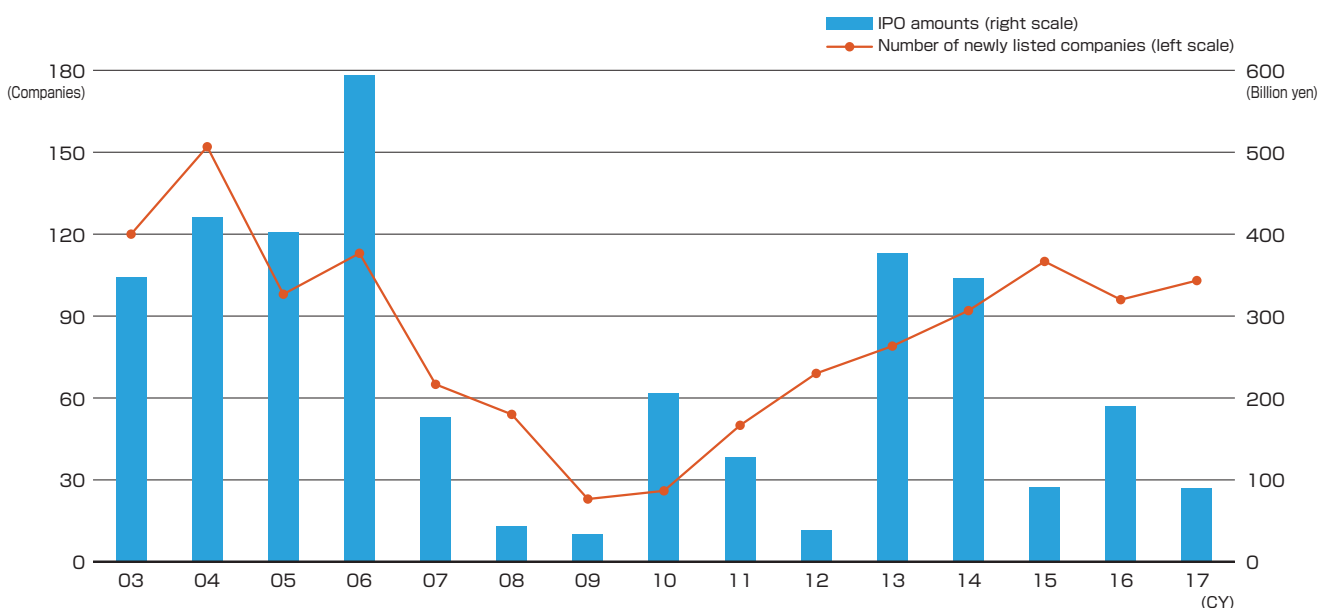
Notes: 1. Third-party allotments include private placements.

2. Initial public offerings made in conjunction with the listing of shares on exchanges before 2007 are not included in the calculations.

Source: Japan Exchange Group

► For numerical data, please see page 33.

### Number of Newly Listed Companies and IPO Amounts



Notes: 1. IPOs include public offerings made when foreign companies list on a Japanese exchange.

2. The figures for the number of new listed companies are for the First and Second Sections, the Mothers and JSDAQ markets of the TSE.

Figures for other domestic exchanges are not included.

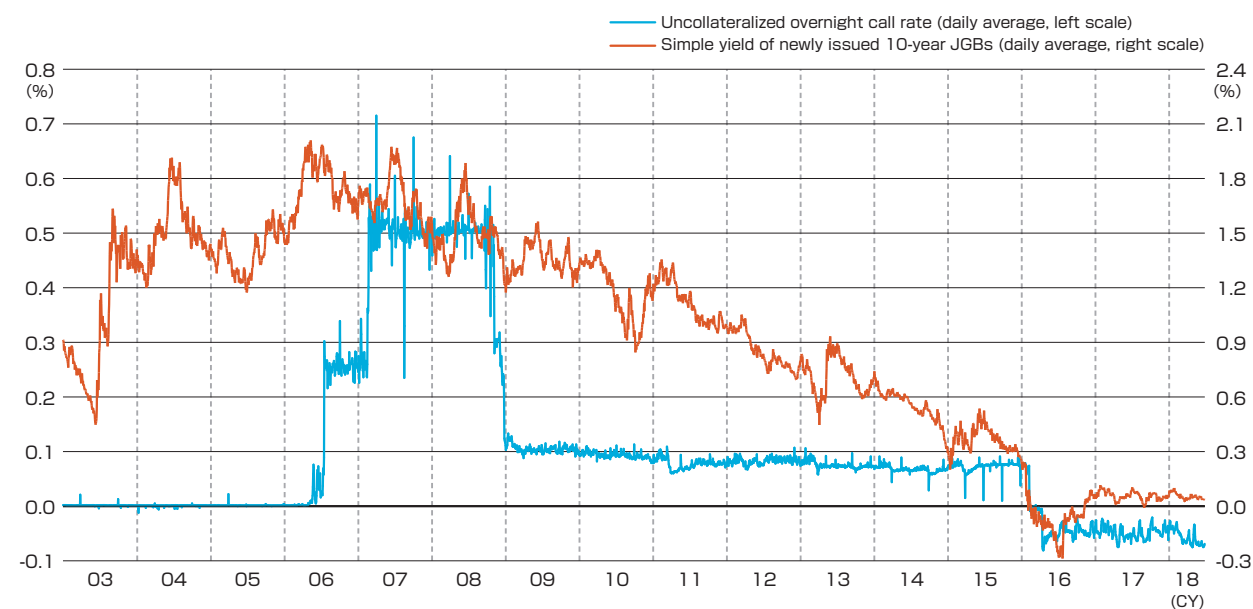
Source: Japan Exchange Group, Japan Securities Dealers Association

► For numerical data, please see page 33.

URL <http://www.jsda.or.jp/shiryo/toukei/finance/index.html>

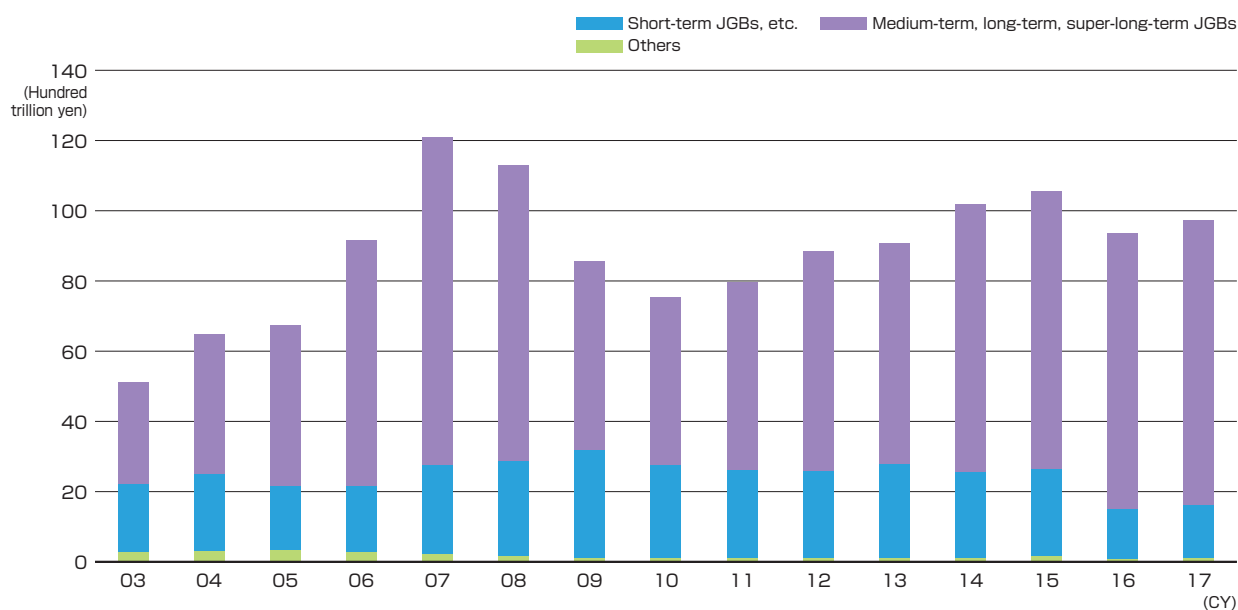
### 3 Bond Market

#### Long-term and Short-term Interest Rates



► For numerical data, please see page 33.

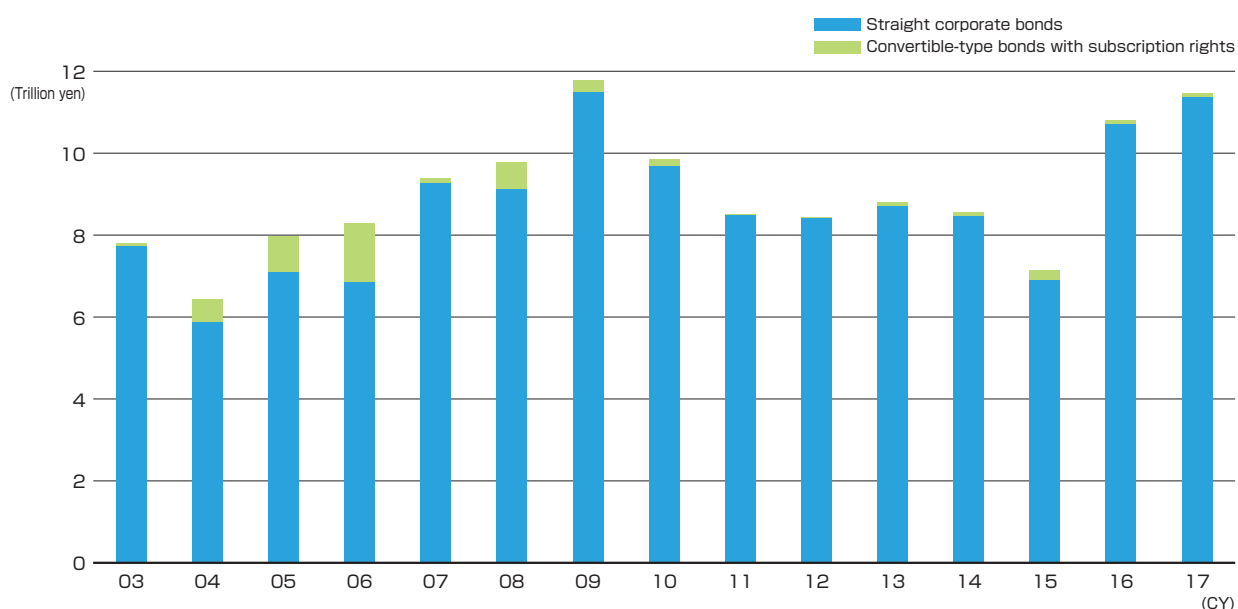
#### OTC Bond Trading



► For numerical data, please see page 33.

URL <http://www.jsda.or.jp/shiryo/toukei/shurui/index.html>

## Corporate Bond Financing



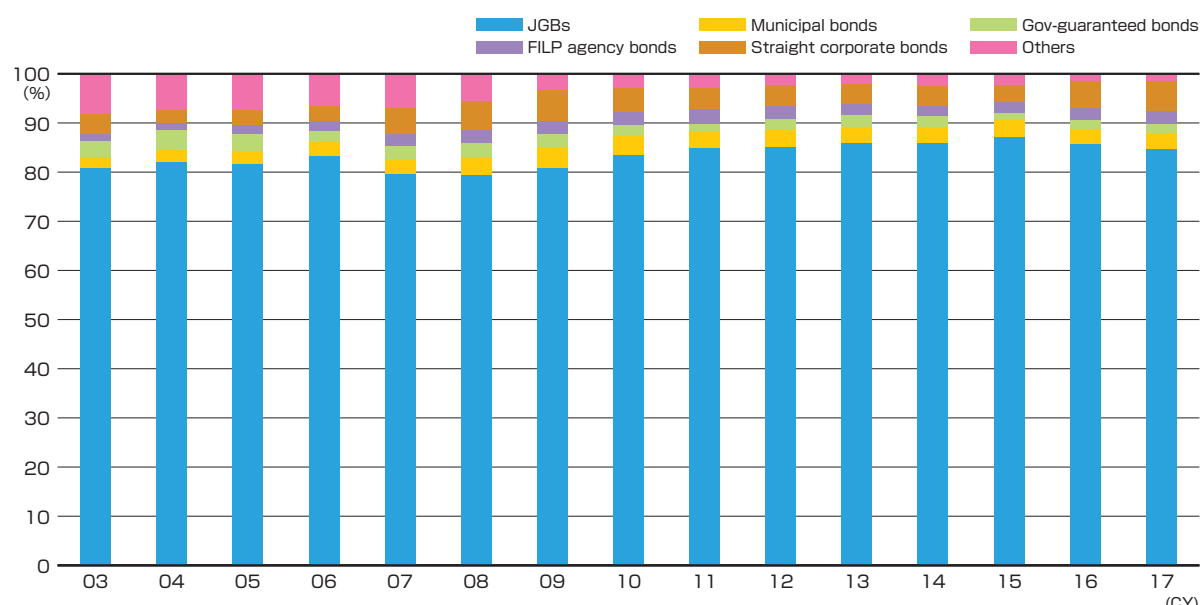
Note: Straight corporate bonds include asset backed corporate bonds.  
Source: Japan Securities Dealers Association

► For numerical data, please see page 34.

URL <http://www.jsda.or.jp/shiryō/toukei/hakkou/index.html>

URL <http://www.jsda.or.jp/shiryō/toukei/finance/index.html>

## Composition of Bond Issuance



Notes: 1. Excluding private placement municipal bonds. In addition, for 2008 and later, excluding private placement special bonds and private placement corporate bonds.

2. Straight corporate bonds include asset backed corporate bonds.

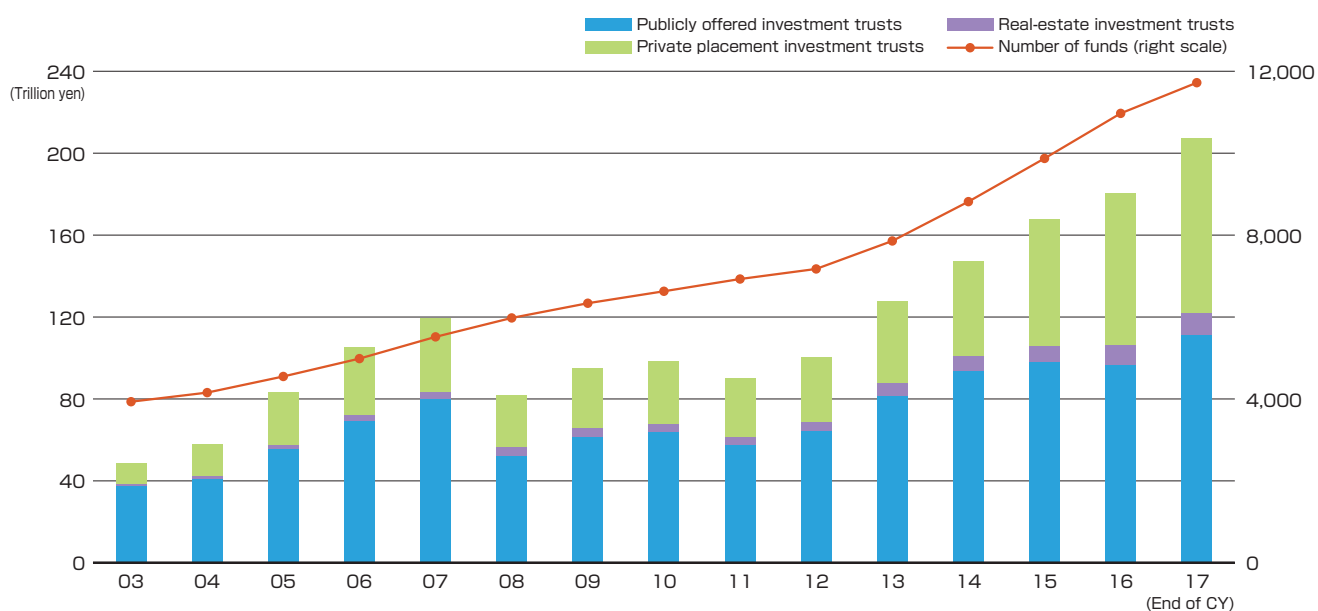
Source: Japan Securities Dealers Association

► For numerical data, please see page 34.

URL <http://www.jsda.or.jp/shiryō/toukei/hakkou/index.html>

## 4 Investment Trusts

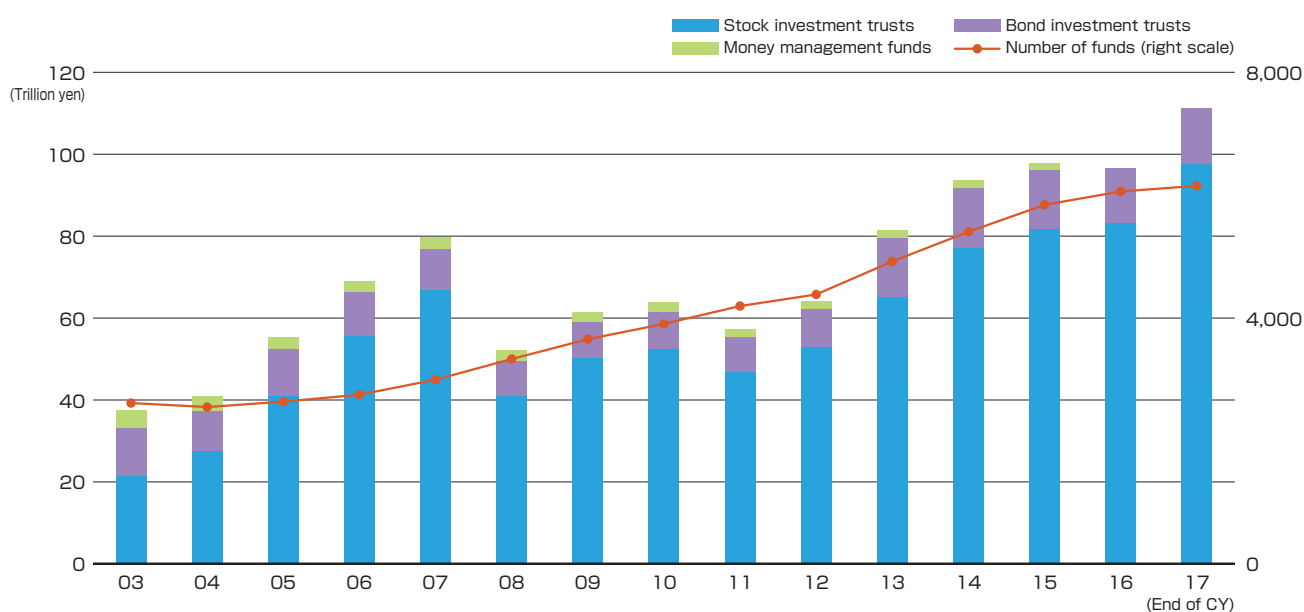
### Net Assets, etc. Held in Investment Trusts



Source: The Investment Trusts Association, Japan

► For numerical data, please see page 35.

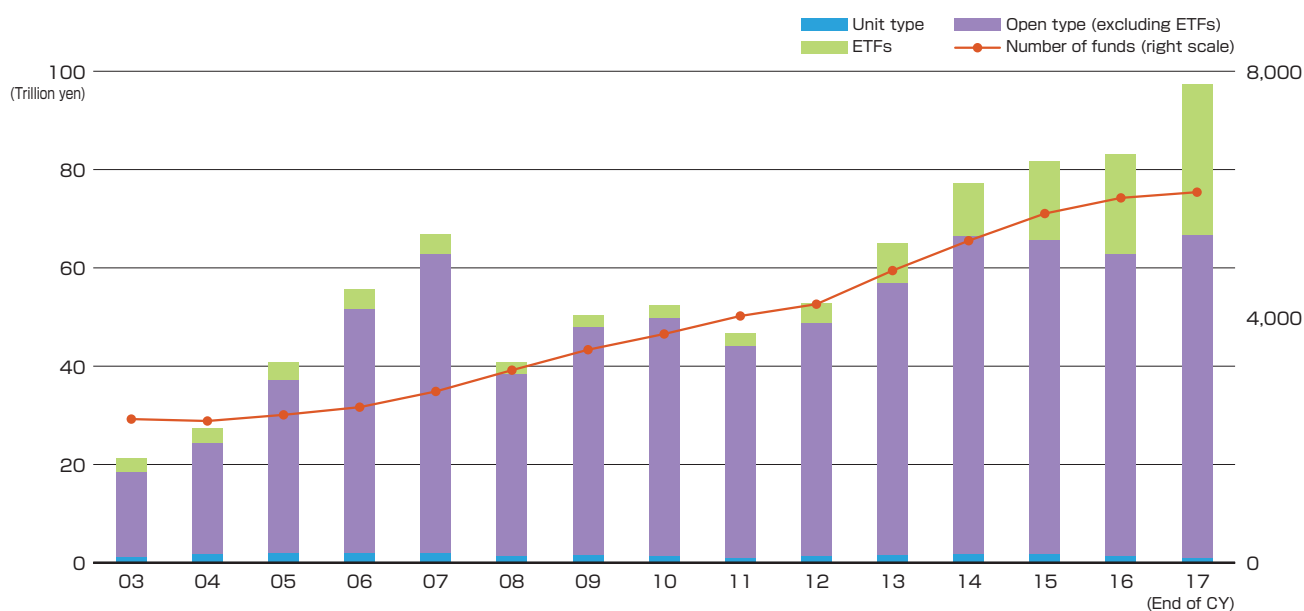
### Net Assets, etc. Held in Publicly Offered Contractual-Type Securities Investment Trusts



Source: The Investment Trusts Association, Japan

► For numerical data, please see page 35.

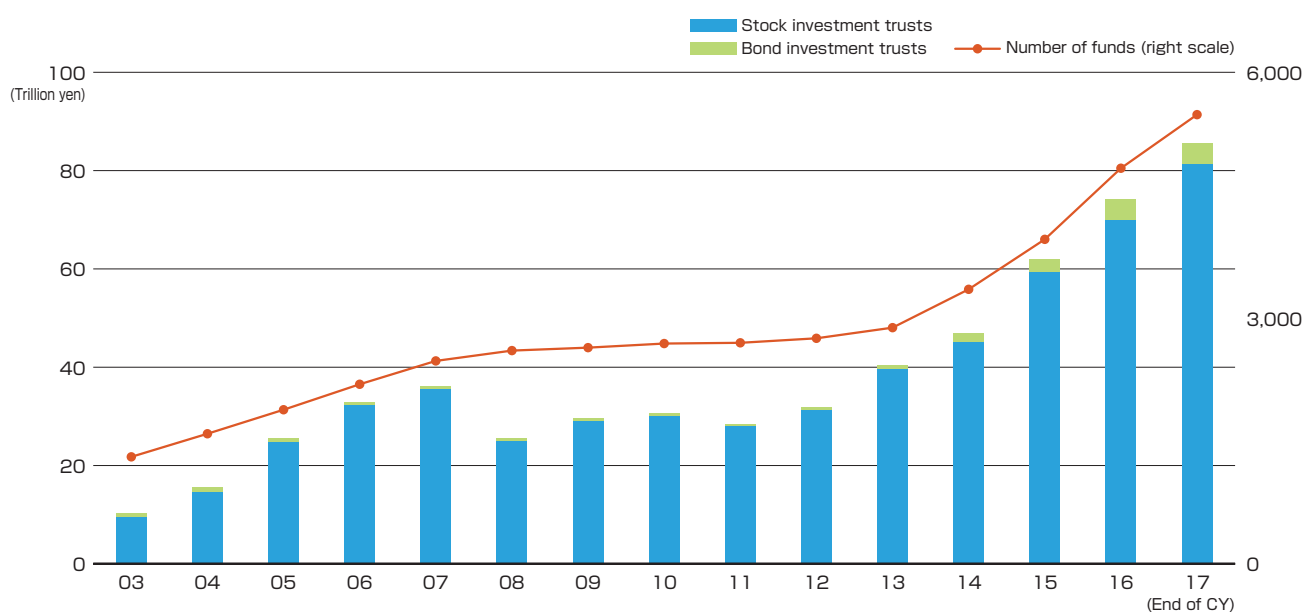
### Net Assets, etc. Held in Publicly Offered Contractual-Type Stock Investment Trusts



Source: The Investment Trusts Association, Japan

► For numerical data, please see page 36.

### Net Assets, etc. Held in Private Placement Contractual-Type Investment Trusts

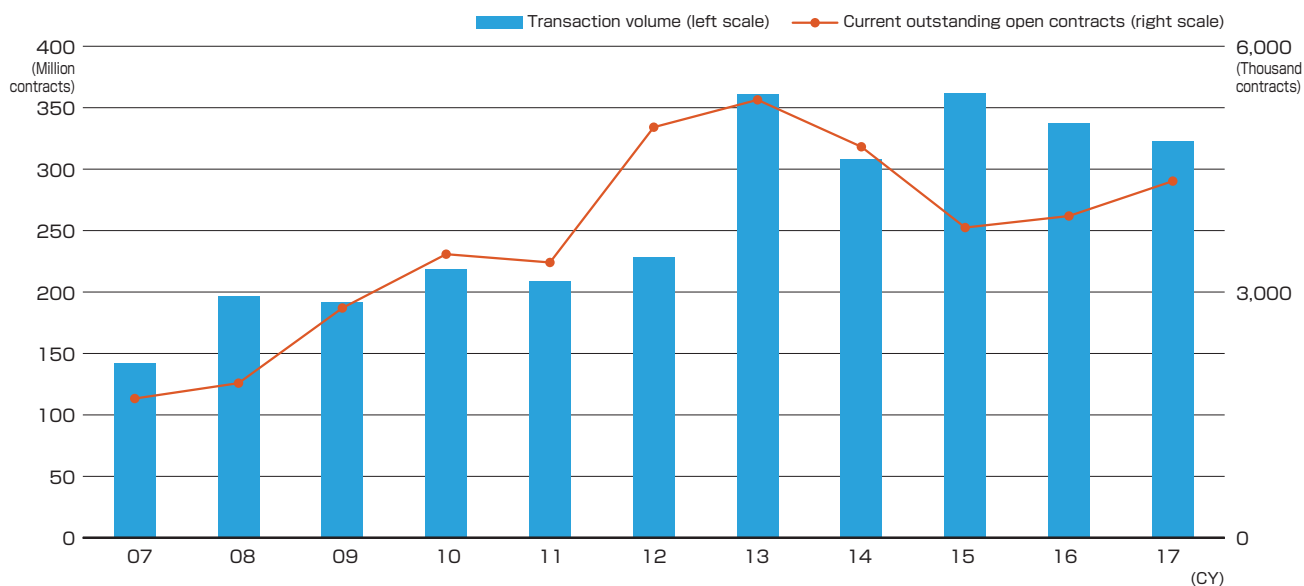


Source: The Investment Trusts Association, Japan

► For numerical data, please see page 36.

## 5 Derivative Market

### Derivative Market Transaction Volume, etc.



Notes: 1. The derivative market of Tokyo Stock Exchange was merged with that of Osaka Securities Exchange in March 2014.

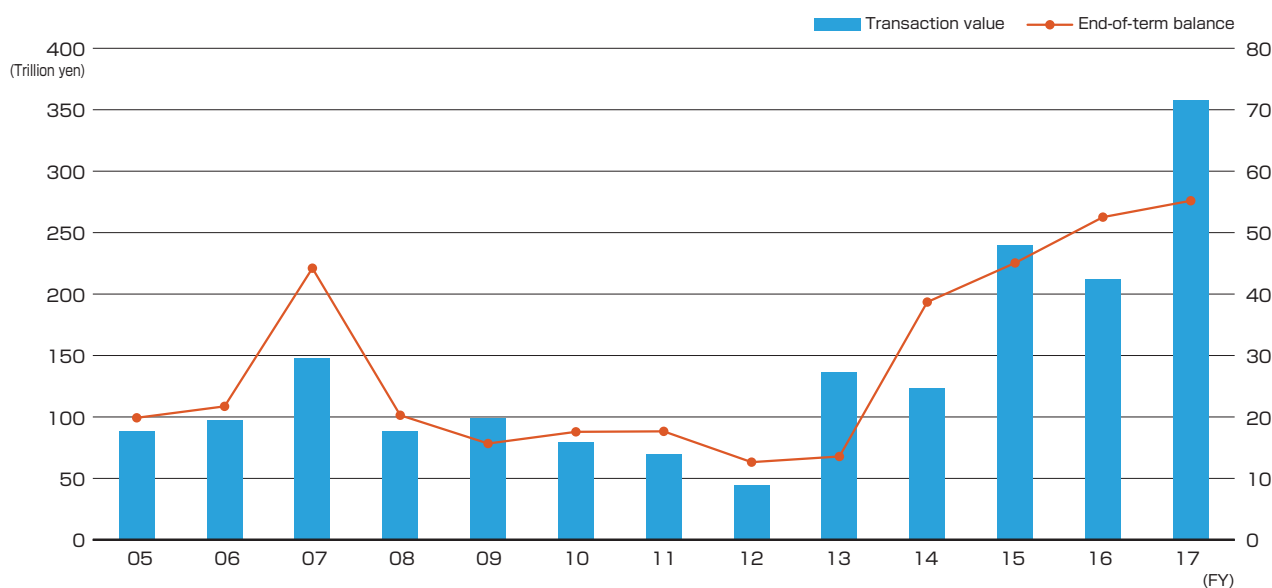
2. The figures above show the total volume of the derivative markets of Tokyo Stock Exchange before the merger and Osaka Securities Exchange.

3. Current outstanding open contracts are as of year-end.

Source: Japan Exchange Group

► For numerical data, please see page 37.

### Value of Securities OTC Derivative Transactions



Notes: 1. On a notional value basis.

2. End of term balance is as of fiscal year-end.

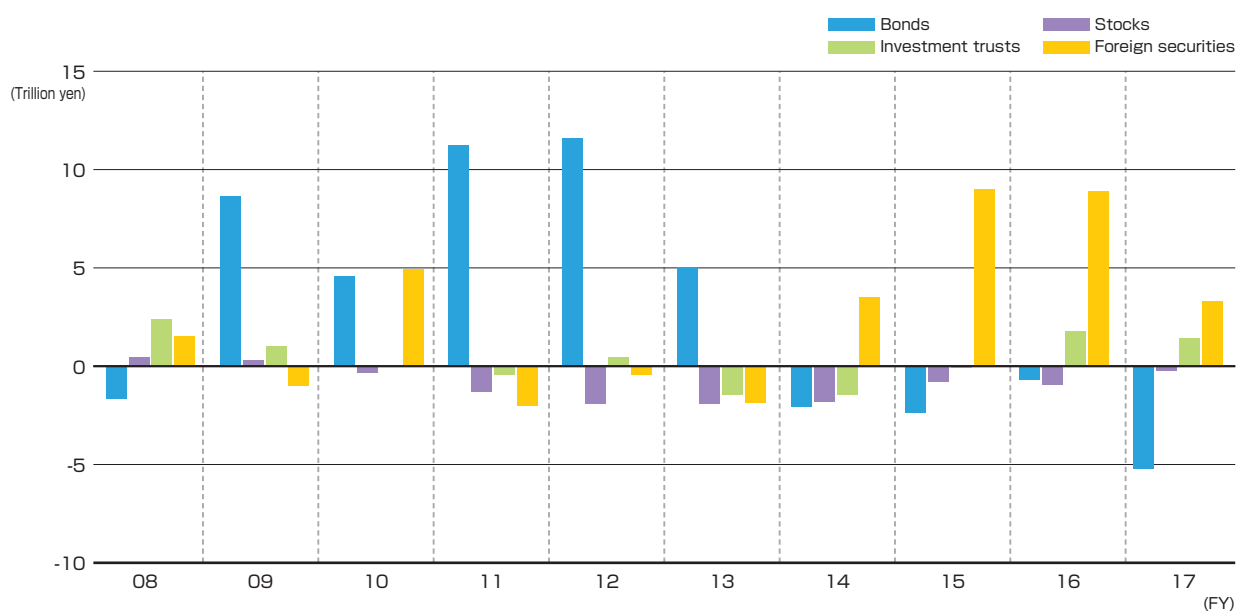
Source: Japan Securities Dealers Association

► For numerical data, please see page 37.

URL <http://www.jsda.or.jp/shiryo/toukei/deri/index.html>

## 6 Investor Trends

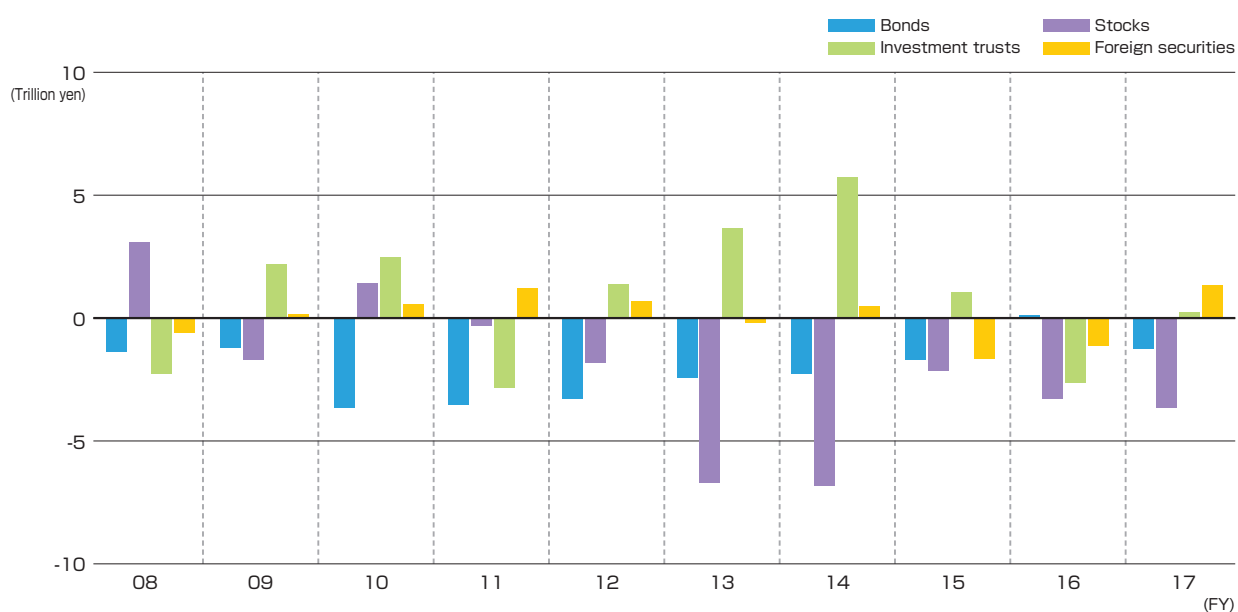
### Investment by Institutional Investors (Insurance Companies and Pension Funds)



Notes: 1. Changes during the fiscal year.  
 2. Stocks include other equities.  
 3. Data published on June 27, 2018.  
 Source: Bank of Japan

► For numerical data, please see page 37.

### Investments by Individual Investors (Household)

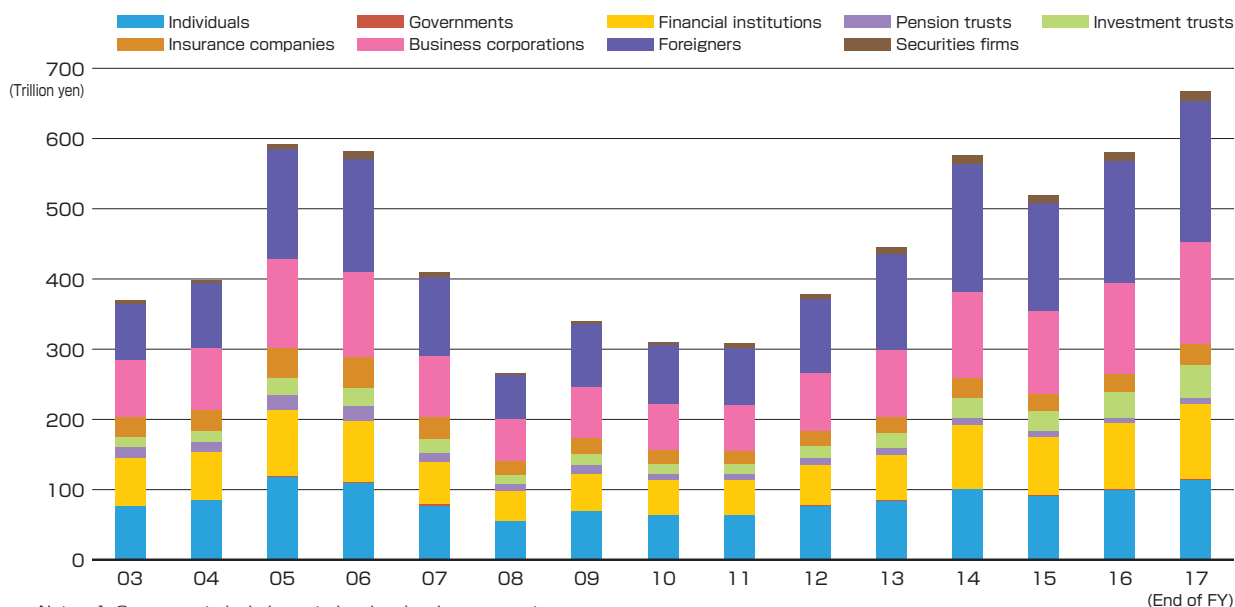


Notes: 1. Changes during the fiscal year.  
 2. Stocks include other equities.  
 3. Data published on June 27, 2018.  
 Source: Bank of Japan

► For numerical data, please see page 37.

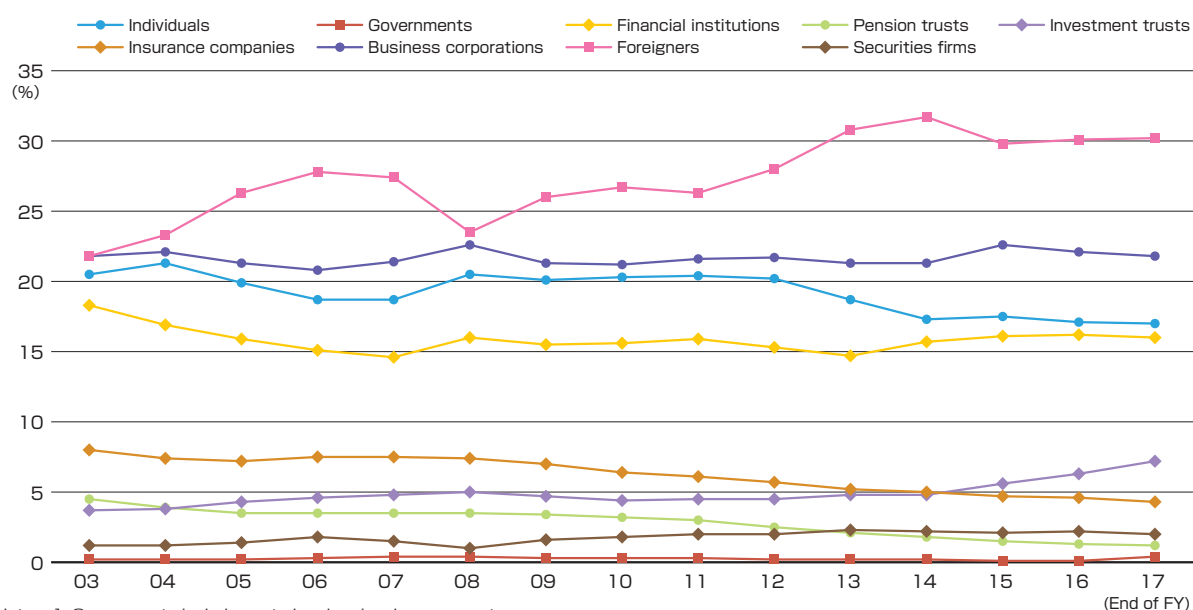


## Stockholdings by Type of Investors



► For numerical data, please see page 38.

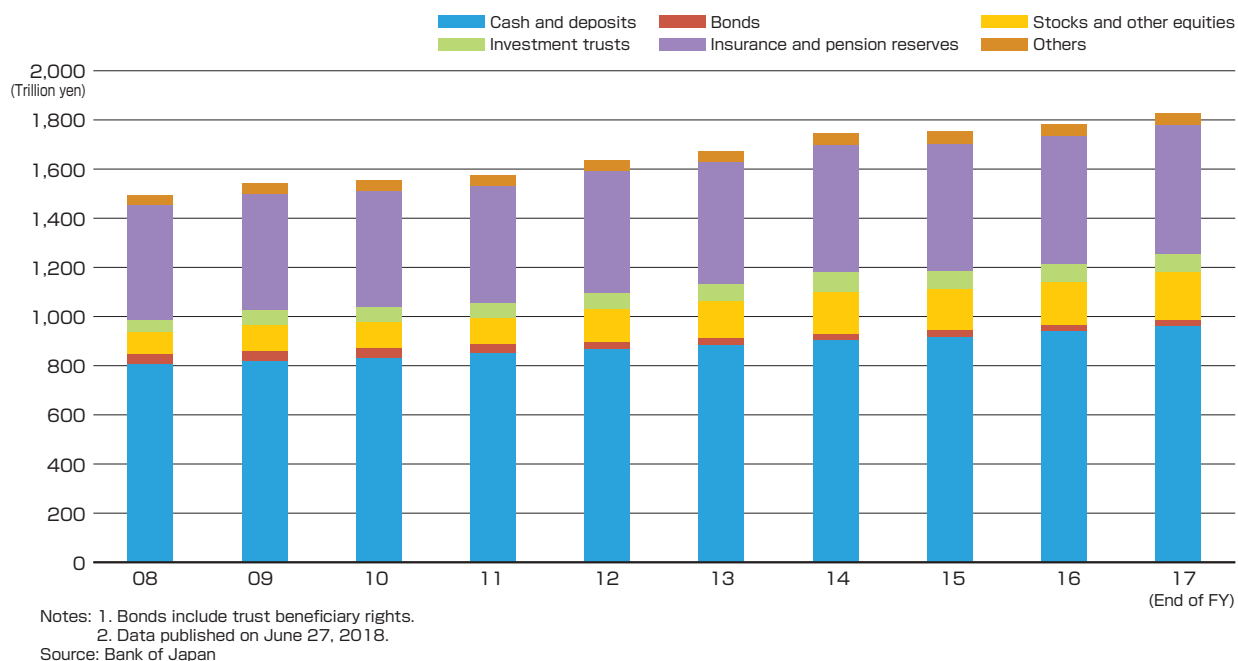
## Share of Stockholdings by Type of Investors (market value basis)



► For numerical data, please see page 38.

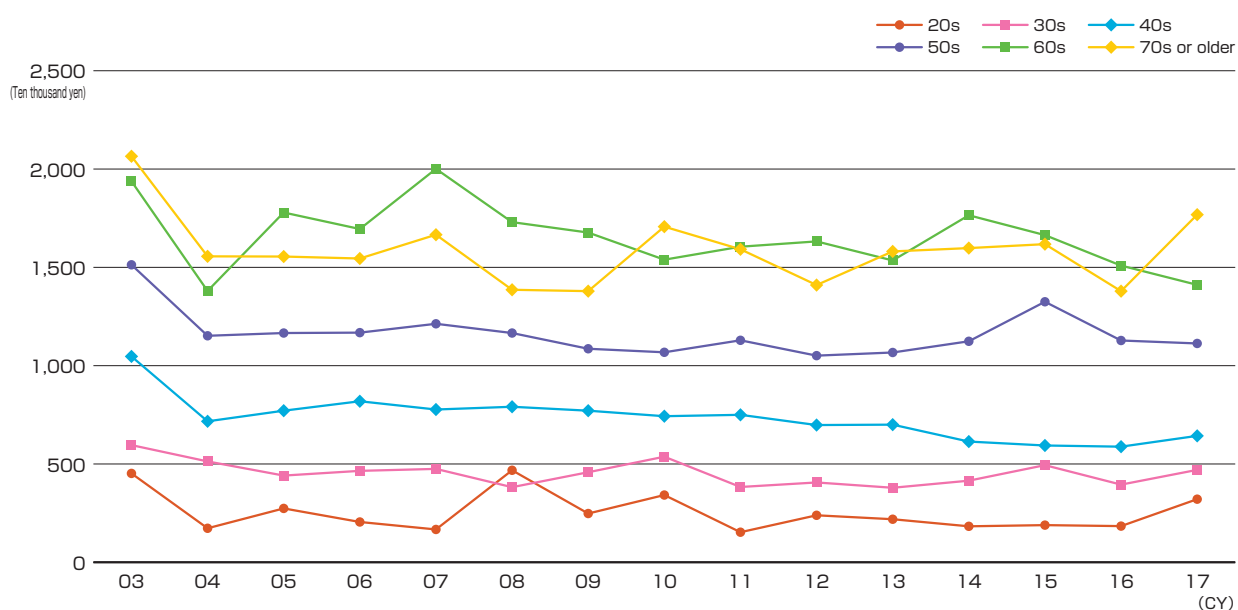
## 7 Household Financial Assets

### Household Financial Assets

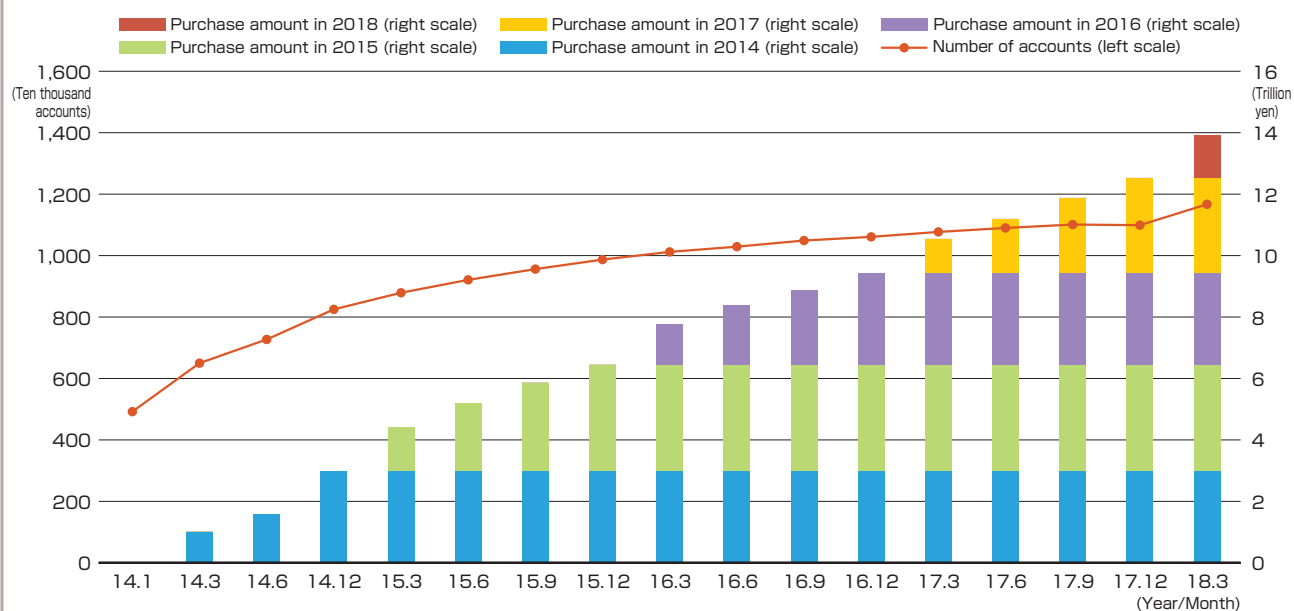


► For numerical data, please see page 39.

### Average Financial Assets Held by Age Group



## Nippon (Japan) Individual Savings Account (NISA)



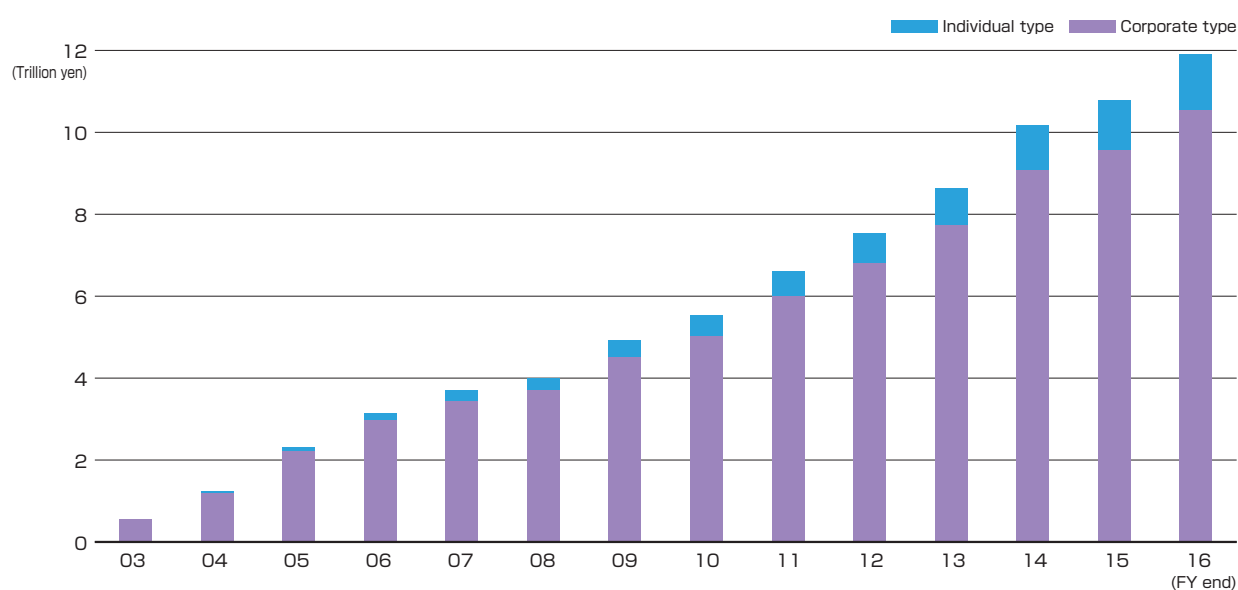
Notes: 1. At the time of introduction for January 2014; end of month for others.

2. Figures for September 2014 have not been disclosed.

Source: Financial Services Agency

► For numerical data, please see page 39.

## Status of DC (Defined Contribution)



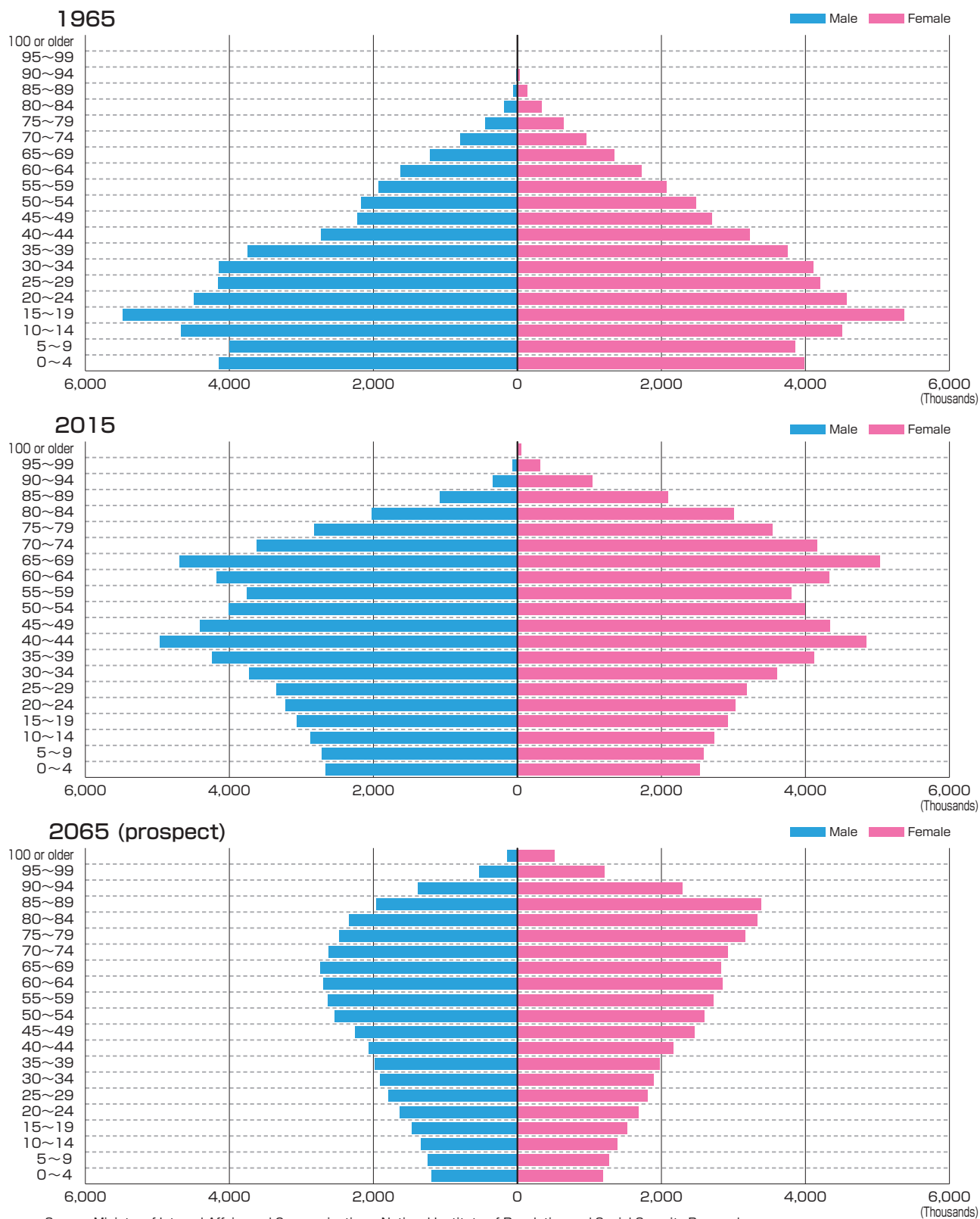
Notes: 1. Numbers aggregated based on data managed by record keeping companies. (SBI Benefit Systems Co., Ltd., Sompo Japan Nipponkoa DC Securities Inc., Japan Investor Solutions&Technologies Co., LTD., NIPPON RECORD KEEPING NETWORK Co., Ltd.)

2. Numbers for Corporate type DCs as of FY 2003 end do not include numbers from Sompo Japan Nipponkoa DC Securities, Inc.

Source: Liaison Council for Plan Administrators

► For numerical data, please see page 40.

# Demographic Pyramid

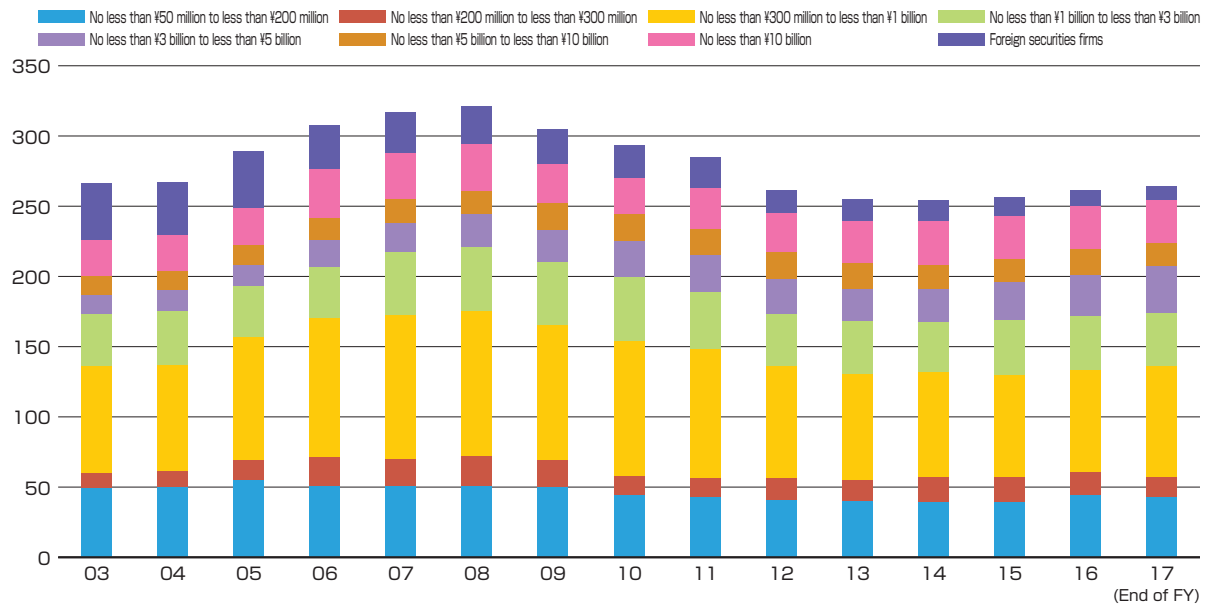


Source: Ministry of Internal Affairs and Communications, National Institute of Population and Social Security Research

# Securities Industry Overview

## 1 Number of Firms, Employees, etc.

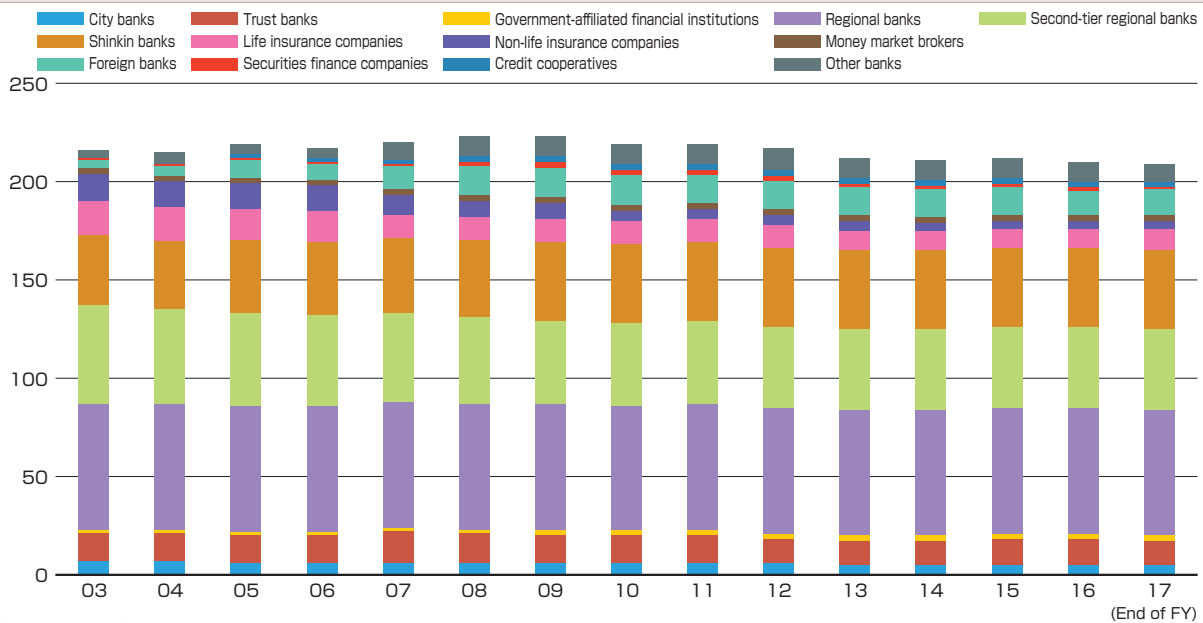
### Regular Members (Securities Firms)



► For numerical data, please see page 41.

URL <http://www.jsda.or.jp/shiryo/toukei/kaiinsu.html>

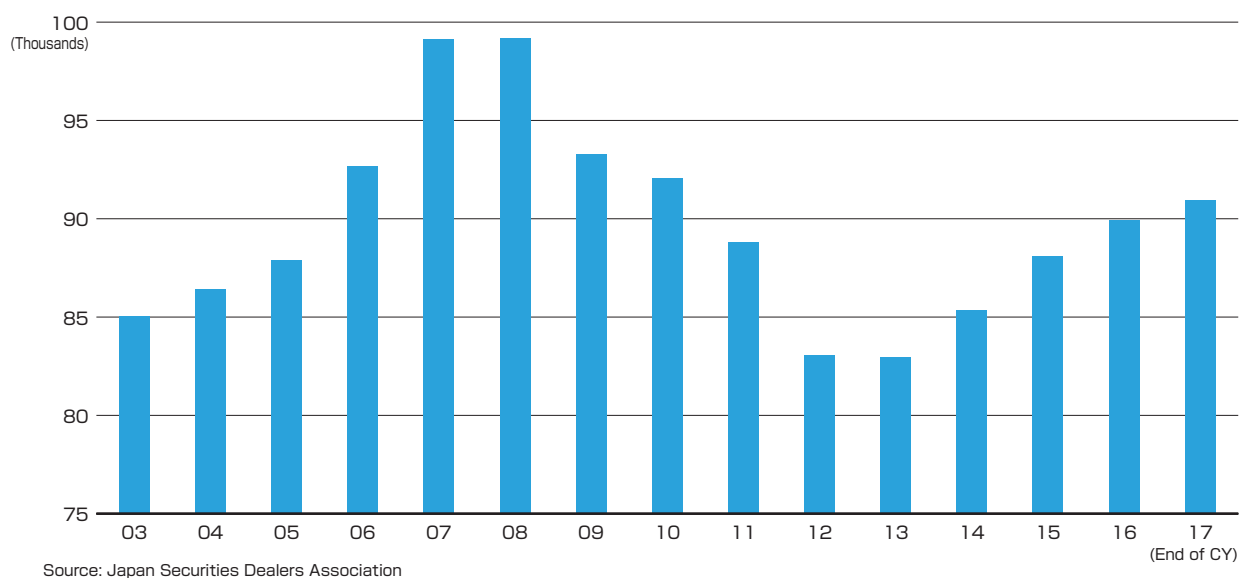
### Special Members (Registered Financial Institutions)



► For numerical data, please see page 42.

URL <http://www.jsda.or.jp/shiryo/toukei/gyotai.html>

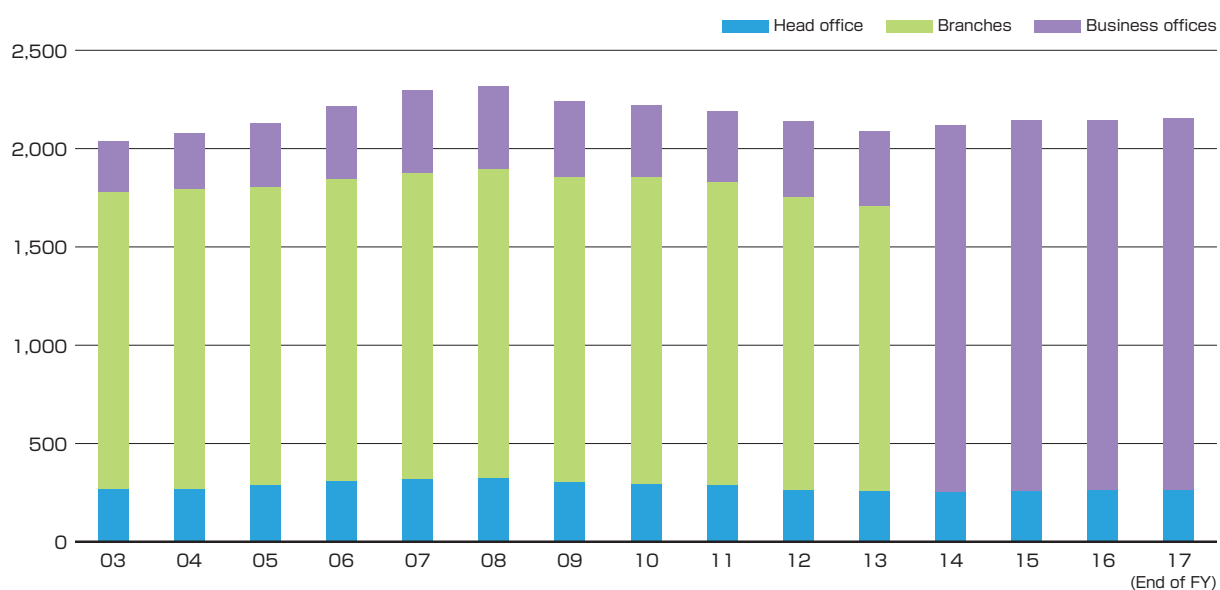
## Regular Members' Employees



▶ For numerical data, please see page 42.

URL <http://www.jsda.or.jp/shiryo/toukei/jyugyoinsu/index.html>

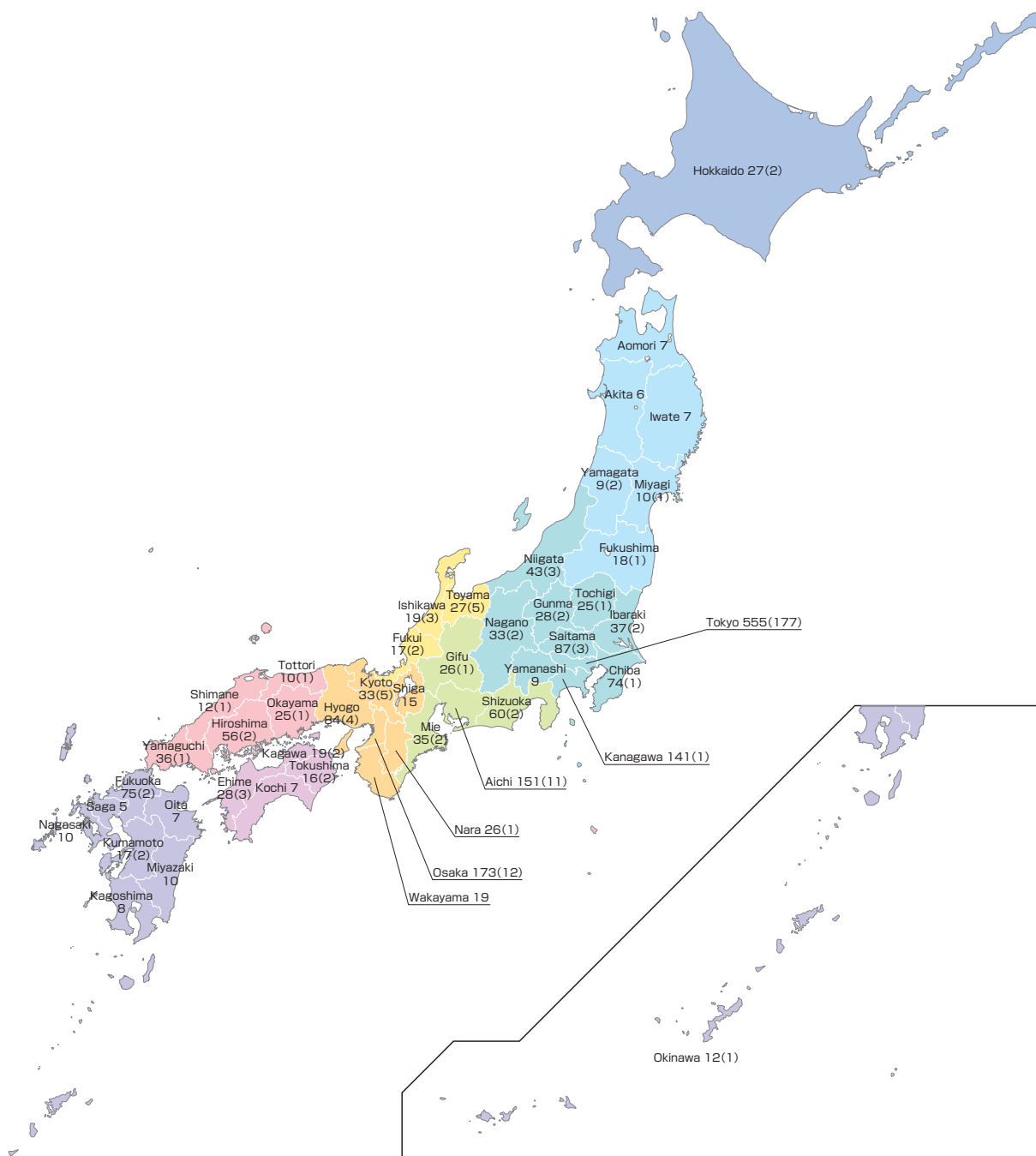
## Regular Members' Domestic Offices



▶ For numerical data, please see page 42.

URL <http://www.jsda.or.jp/shiryo/toukei/eigyoshosu/index.html>

## Regular Members' Domestic Offices by Prefecture

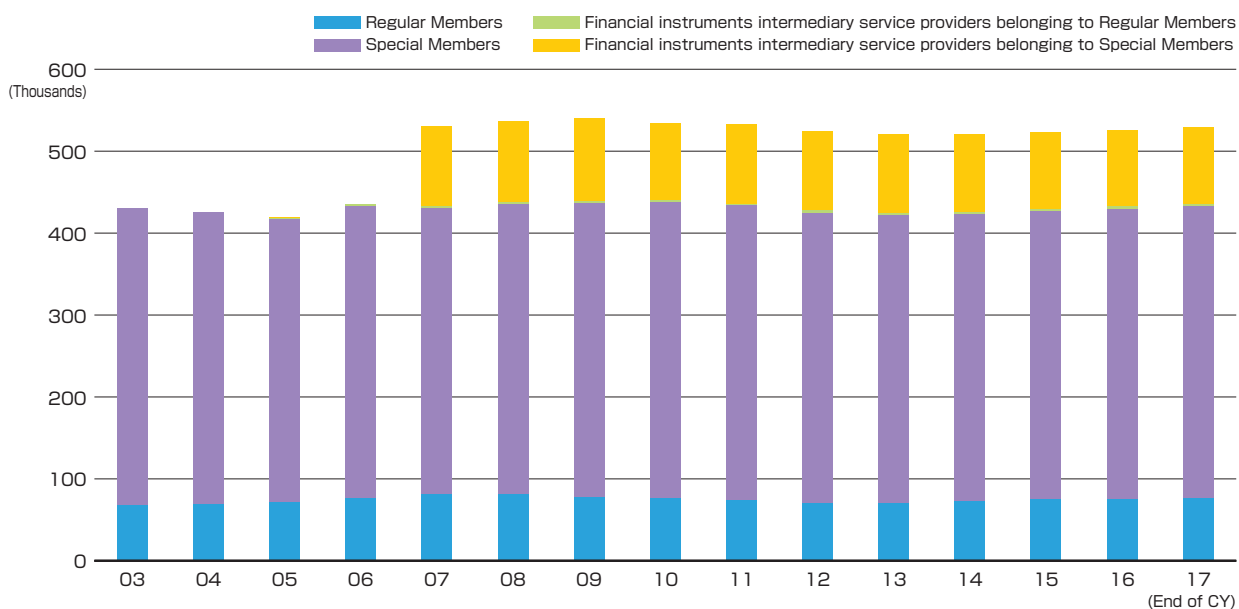


(As of end March 2018)

Note: The number of head offices are in parentheses.  
Source: Japan Securities Dealers Association

URL <http://www.jsda.or.jp/shiryo/toukei/eigyoshosu/index.html>

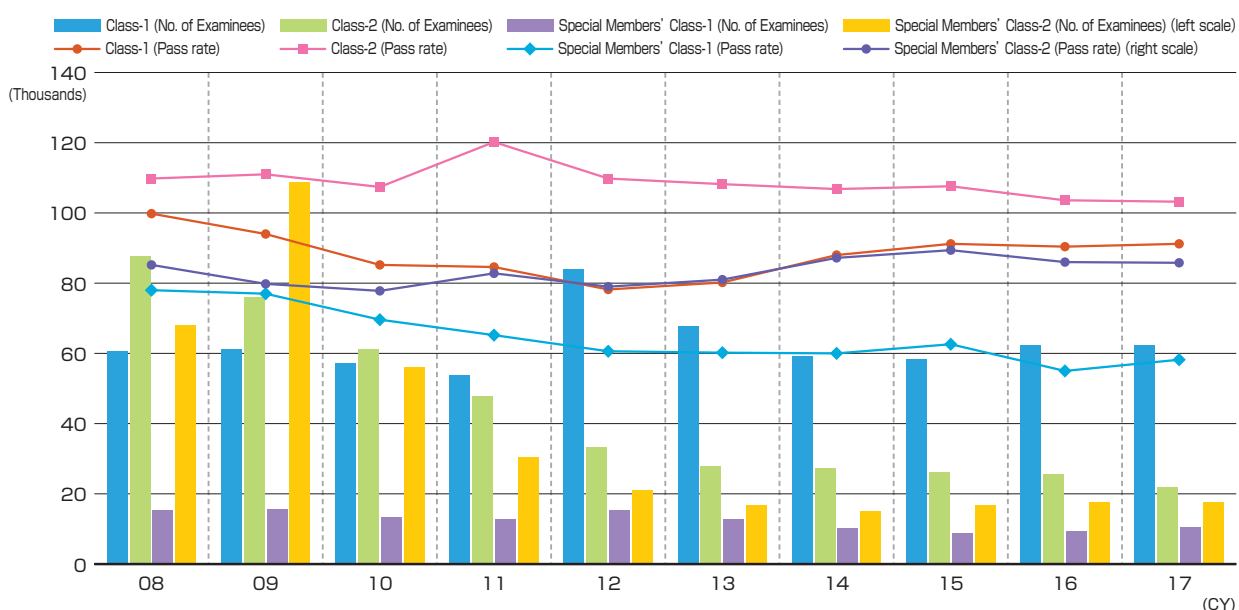
## Securities Sales Representatives



► For numerical data, please see page 43.

URL <http://www.jsda.or.jp/shiryo/toukei/jyugyoinsu/index.html>

## Securities Sales Representative Exam Candidates

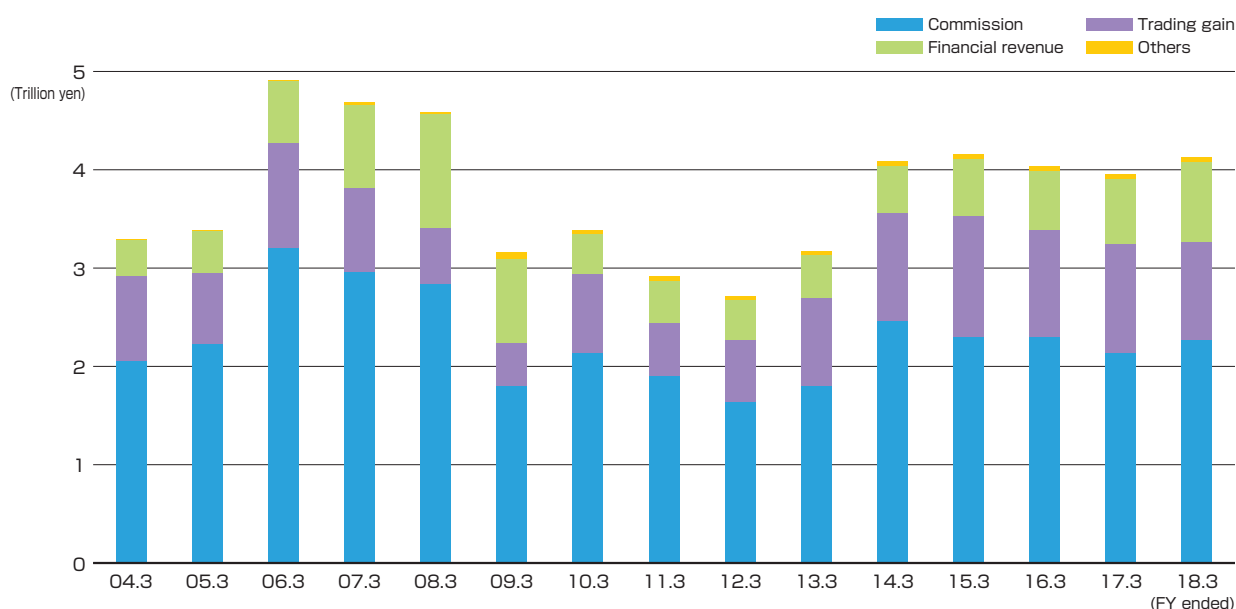


► For numerical data, please see page 43.

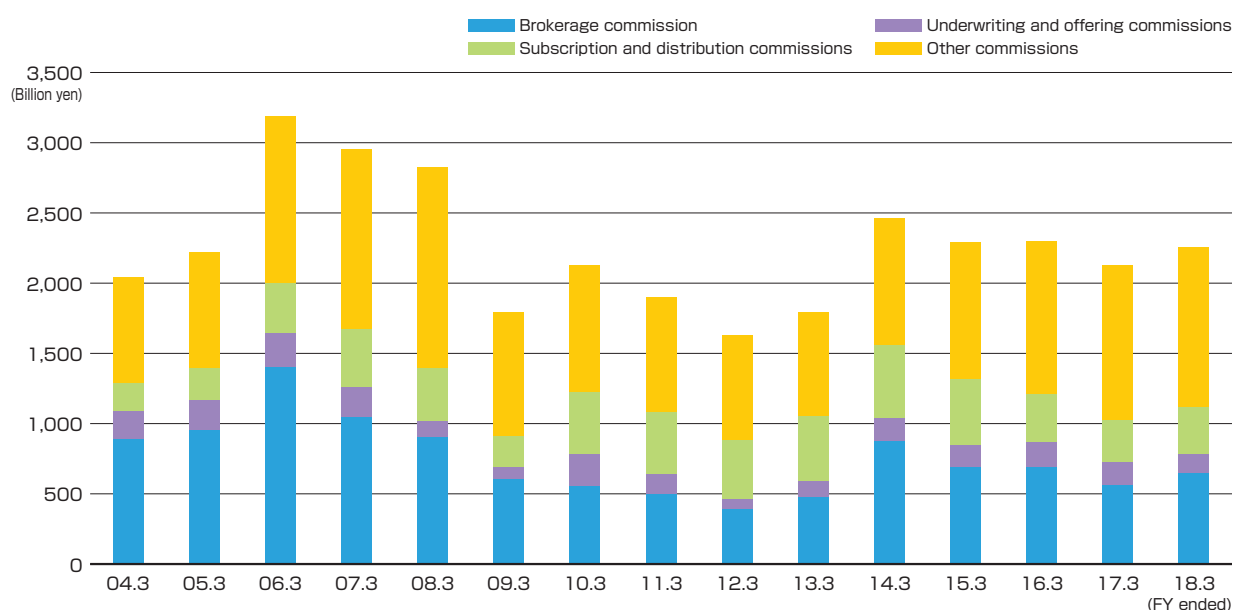


## 2 Performance Summary

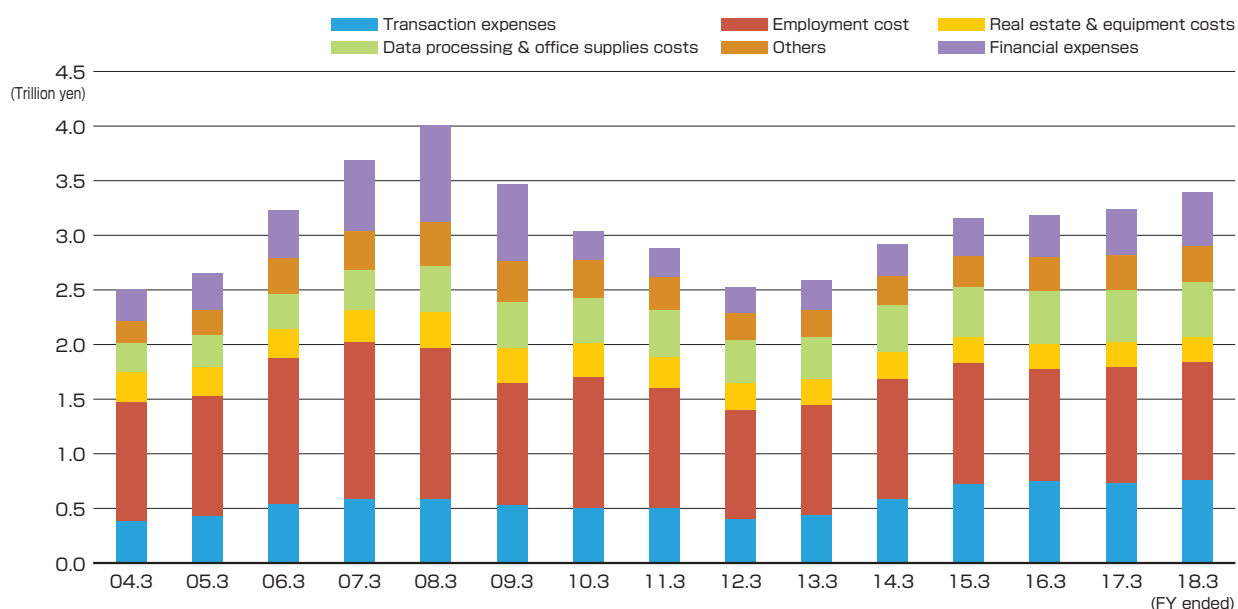
### Operating Revenues of Regular Members



### Commissions Received by Regular Members



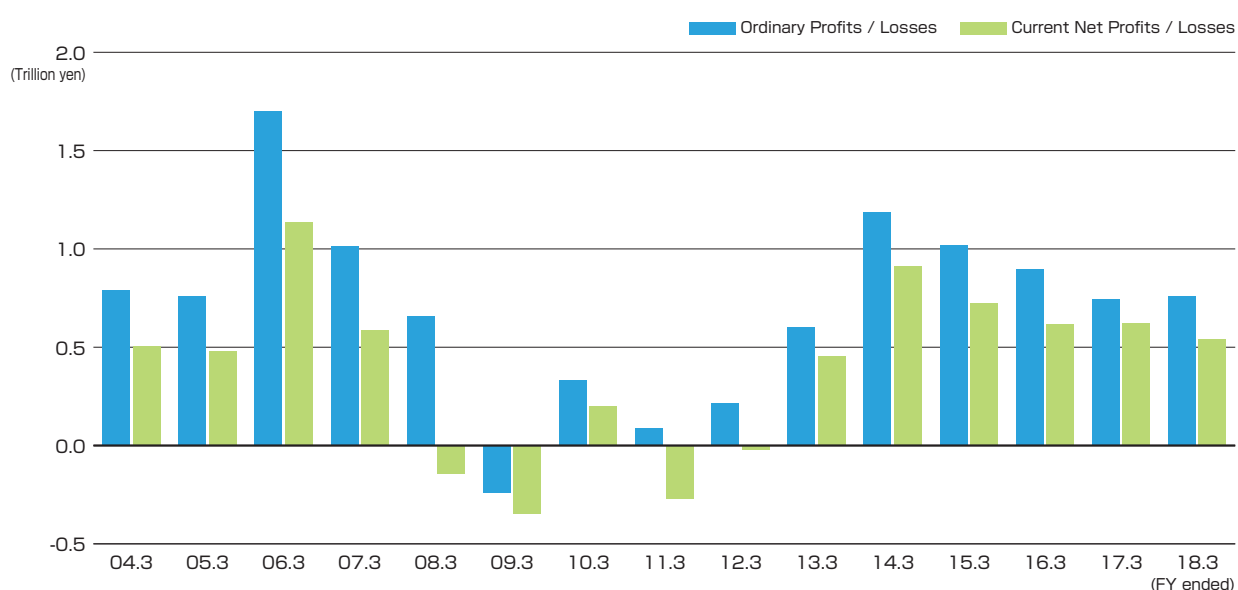
### Operating Expenses of Regular Members



► For numerical data, please see page 44.

URL <http://www.jsda.or.jp/shiryō/toukei/kessan/index.html>

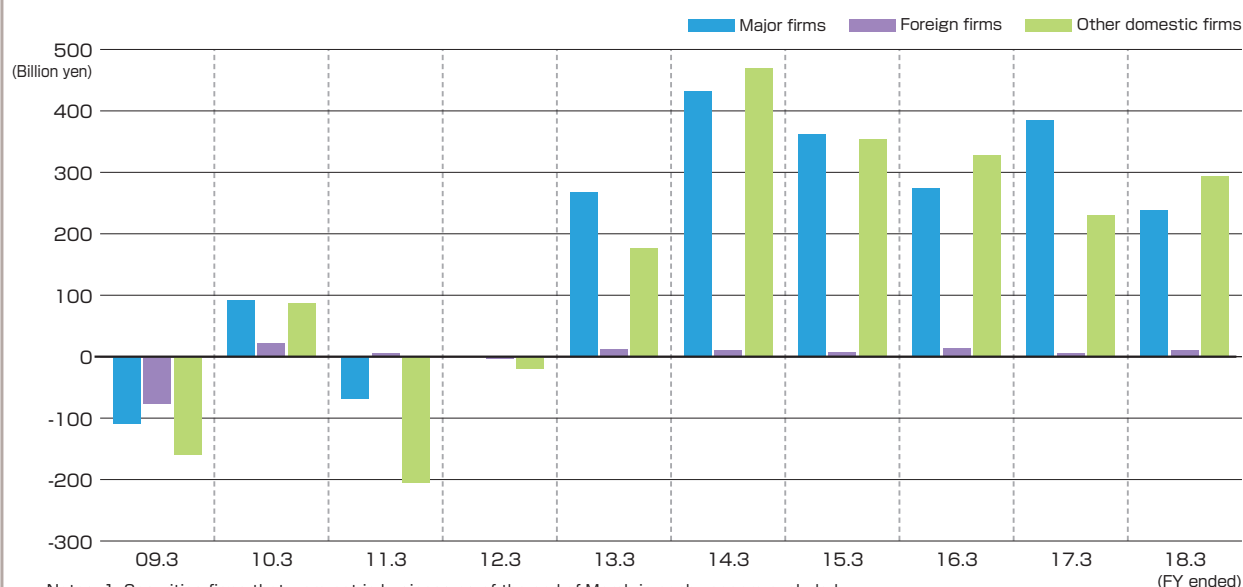
### Ordinary Profits/Losses and Current Net Profits/Losses of Regular Members



► For numerical data, please see page 45.

URL <http://www.jsda.or.jp/shiryō/toukei/kessan/index.html>

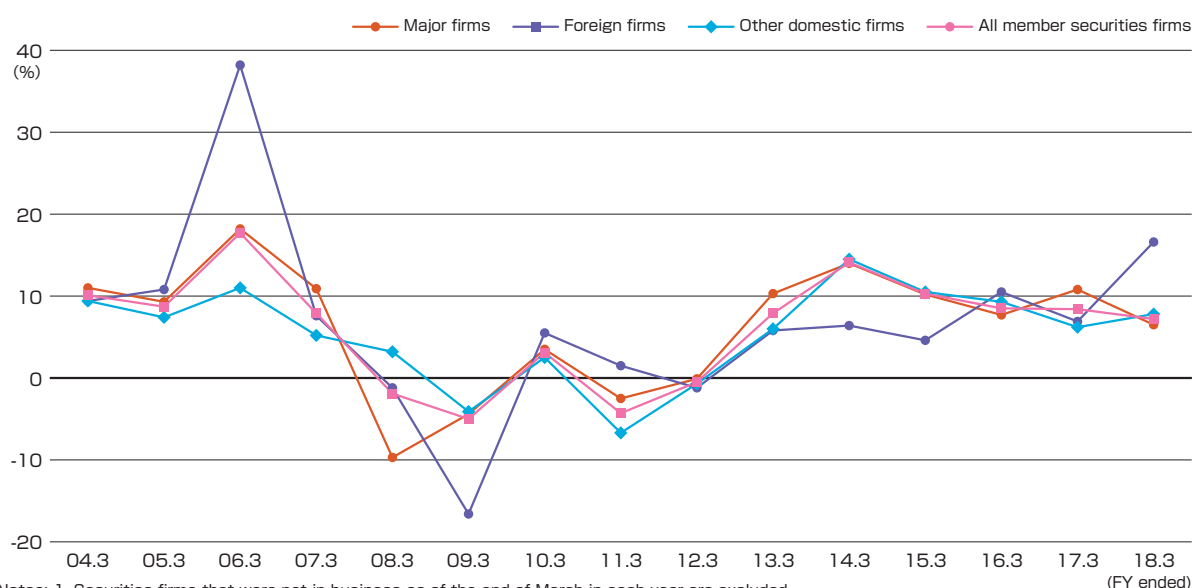
## Current Net Profits/Losses by Type of Regular Members



Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.  
 2. Major securities firms: SMBC Nikko Securities Inc., Daiwa Securities, Co., Ltd., Nomura Securities Co., Ltd., and other securities firms capitalized at a hundred billion yen or more.  
 3. Figures for fiscal year ended March 2018 are on a preliminary report basis.  
 Source: Japan Securities Dealers Association

► For numerical data, please see page 45.

## ROE by Type of Regular Members



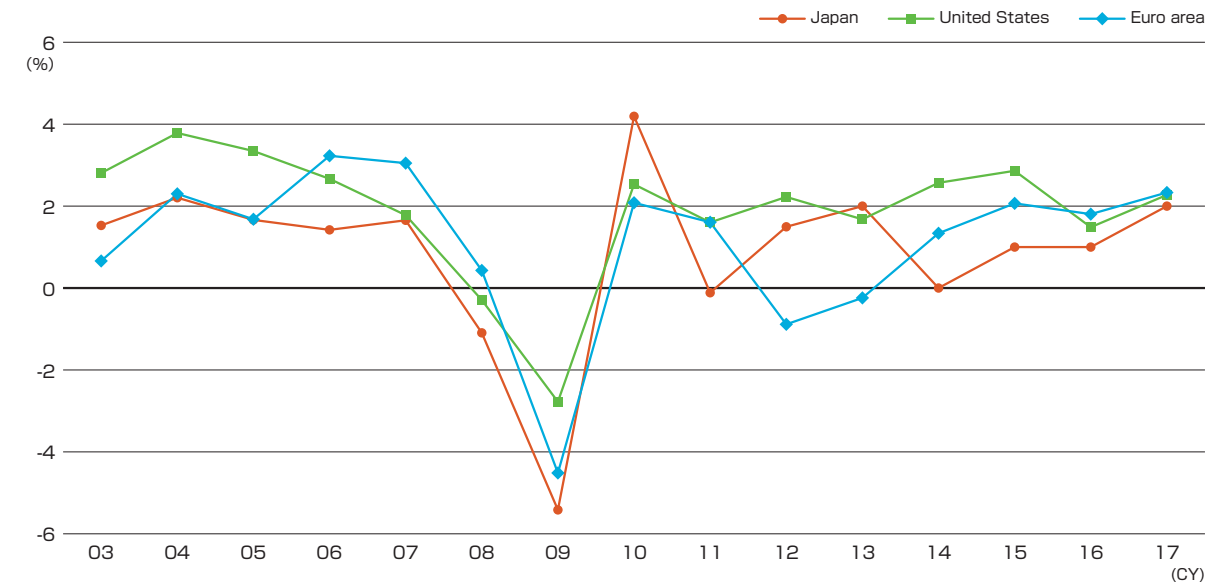
Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.  
 2. Major securities firms: SMBC Nikko Securities Inc., Daiwa Securities, Co., Ltd., Nomura Securities Co., Ltd., and other securities firms capitalized at a hundred billion yen or more.  
 3. Figures for fiscal year ended March 2018 are on a preliminary report basis.  
 Source: Japan Securities Dealers Association

► For numerical data, please see page 45.



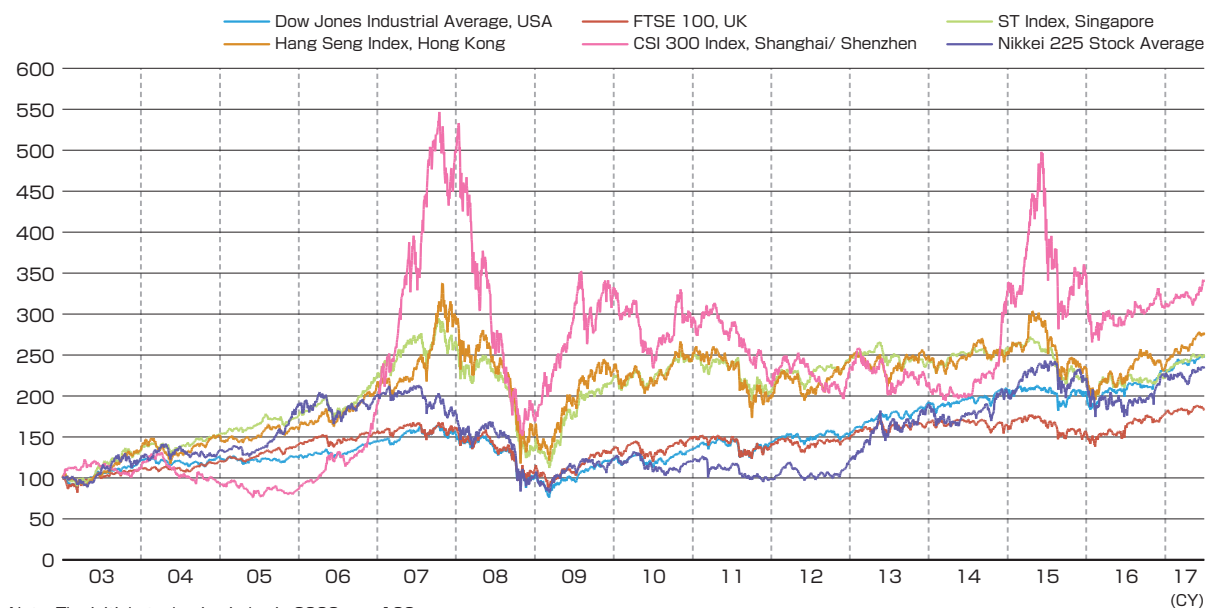
# International Comparison

## Real GDP Growth Rate (year-on-year)



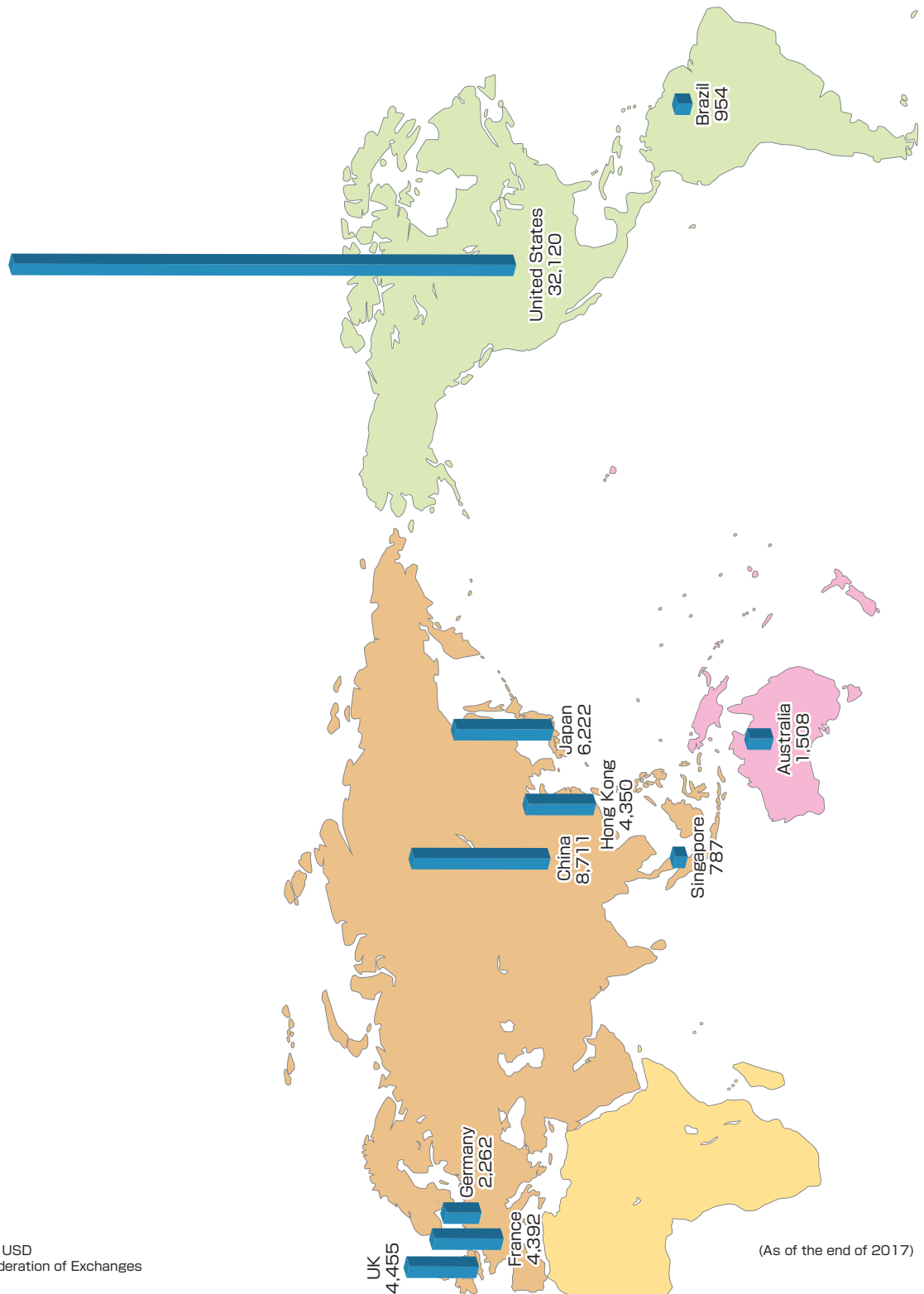
► For numerical data, please see page 46.

## Stock Price



► For numerical data, please see page 46.

## Market Capitalization

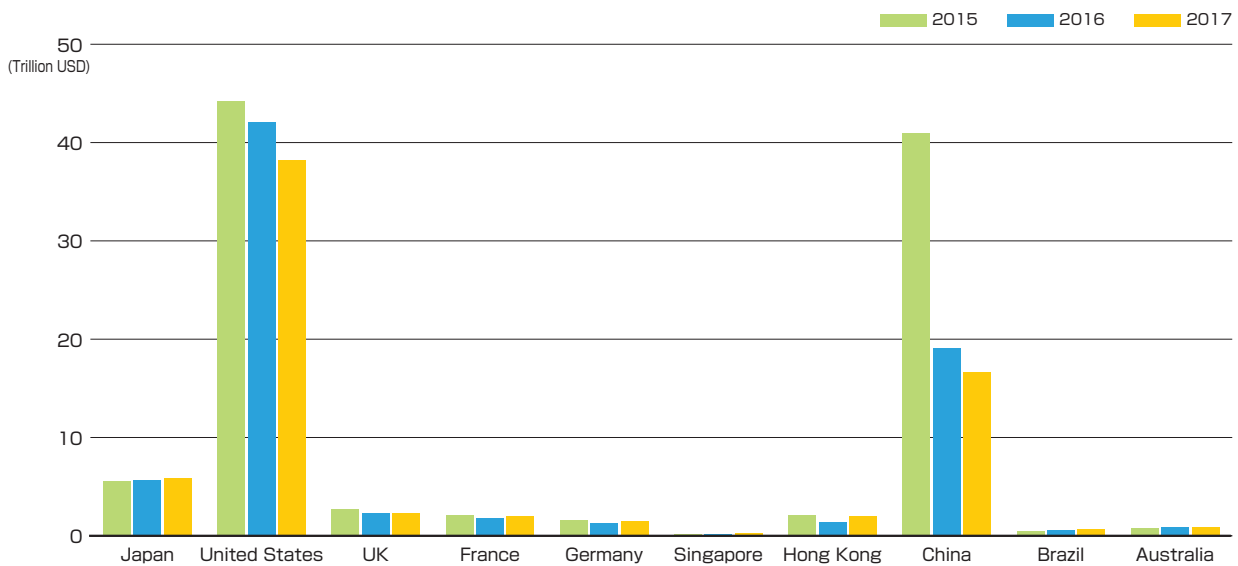


Note: Unit: billion USD  
Source: World Federation of Exchanges

(As of the end of 2017)

► For numerical data, please see page 47.

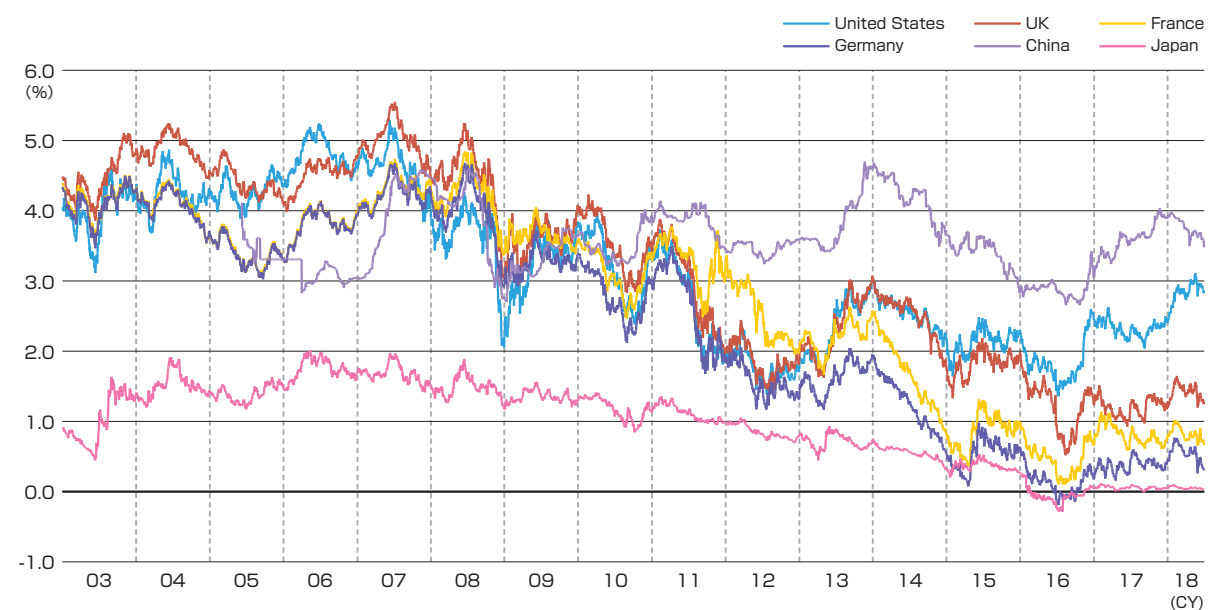
### Value of Share Trading



Source: World Federation of Exchanges

► For numerical data, please see page 47.

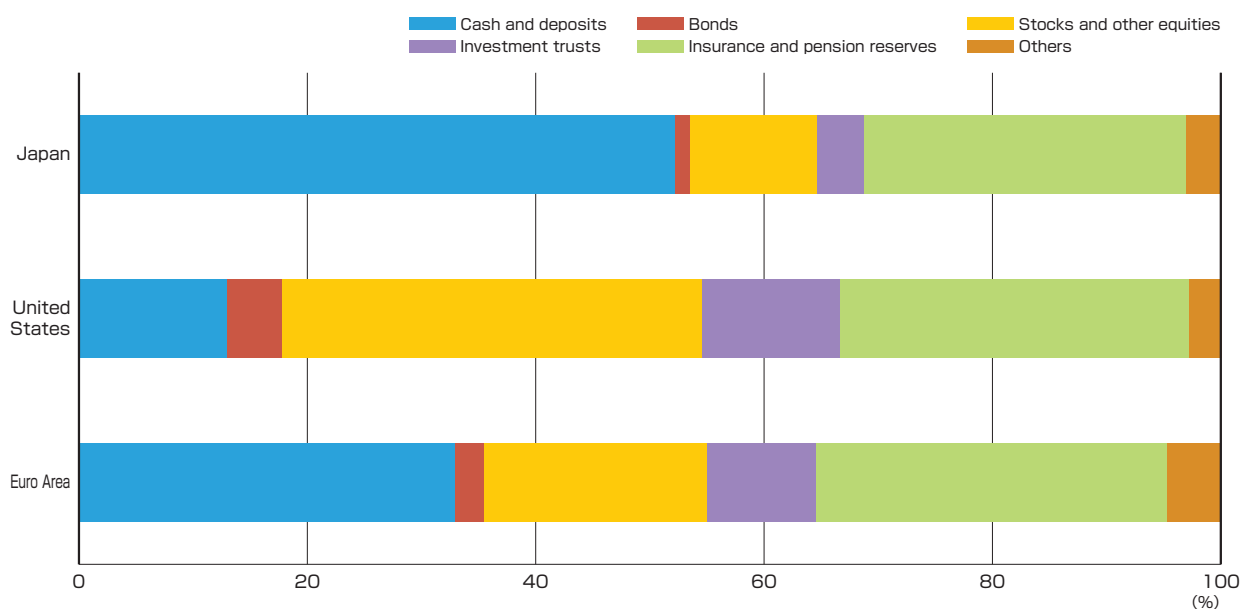
### Long-term Interest Rate (10 yr. Government Bond Yield)



Source: Bloomberg

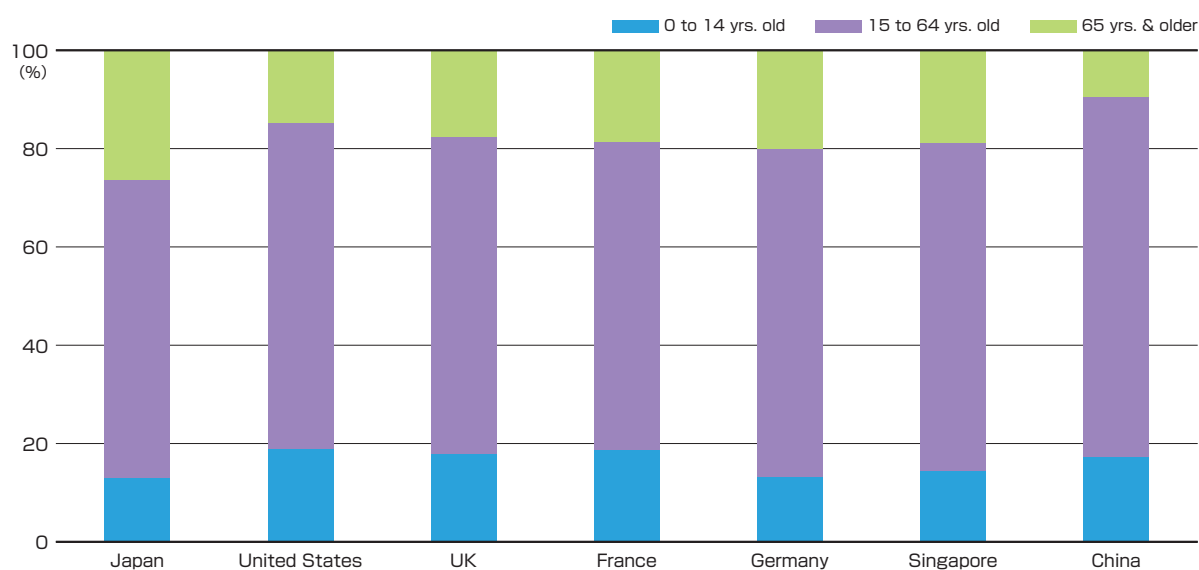
► For numerical data, please see page 48.

## Composition of Household Financial Assets



► For numerical data, please see page 49.

## Population Composition



► For numerical data, please see page 49.



# Statistical Data

## Economy and Market Trends

### 1 Economic Overview

#### Nominal GDP, Real GDP and Real GDP Growth Rate

(Billion yen, %)

CY, Quarterly		Nominal GDP	Real GDP	Real GDP Growth Rate	Private demand	Public demand	Net exports
2003	1 Q	512,017	466,494	-0.1	0.1	-0.1	-0.1
	2 Q	515,915	470,226	0.8	0.4	0.2	0.2
	3 Q	516,165	472,127	0.4	0.2	0.4	-0.1
	4 Q	518,297	477,371	1.1	0.4	0.8	-0.1
2004	1 Q	521,462	481,082	0.8	0.3	0.7	-0.2
	2 Q	519,594	480,916	0.0	0.2	-0.2	0.0
	3 Q	521,869	483,429	0.5	-0.1	0.7	0.0
	4 Q	521,220	482,146	-0.3	-0.1	-0.1	-0.1
2005	1 Q	521,348	484,467	0.5	-0.1	0.5	0.1
	2 Q	523,124	488,257	0.8	0.4	0.9	-0.4
	3 Q	526,129	492,909	1.0	0.1	0.8	0.1
	4 Q	526,436	493,952	0.2	0.5	-0.2	0.0
2006	1 Q	525,748	494,325	0.1	0.1	-0.1	0.1
	2 Q	526,075	496,046	0.3	0.1	0.4	-0.2
	3 Q	524,425	495,192	-0.2	0.3	-0.2	-0.3
	4 Q	531,194	501,244	1.2	0.2	1.0	0.0
2007	1 Q	533,567	504,930	0.7	0.3	0.4	0.0
	2 Q	534,119	505,525	0.1	0.2	-0.1	0.1
	3 Q	529,314	503,243	-0.5	0.5	-0.9	-0.1
	4 Q	529,736	505,787	0.5	0.3	-0.1	0.2
2008	1 Q	530,103	507,317	0.3	0.2	0.2	-0.1
	2 Q	526,411	504,754	-0.5	0.1	-0.2	-0.4
	3 Q	516,108	498,297	-1.3	0.0	-1.2	0.0
	4 Q	510,545	486,994	-2.3	-2.6	0.3	0.1
2009	1 Q	486,111	463,187	-4.9	-1.3	-3.8	0.2
	2 Q	491,986	472,958	2.1	1.9	-0.4	0.7
	3 Q	488,246	473,085	0.0	0.5	-0.7	0.2
	4 Q	491,821	479,830	1.4	0.7	0.5	0.2
2010	1 Q	496,117	484,091	0.9	0.5	0.6	-0.2
	2 Q	499,859	490,094	1.2	0.1	1.2	0.0
	3 Q	505,710	499,004	1.8	0.1	1.6	0.1
	4 Q	500,196	495,313	-0.7	0.0	-0.7	0.0
2011	1 Q	491,787	487,862	-1.5	-0.3	-1.1	0.0
	2 Q	485,042	485,287	-0.5	-1.1	0.3	0.2
	3 Q	495,267	497,091	2.4	0.9	1.6	0.0
	4 Q	494,399	496,360	-0.1	-0.7	0.7	-0.2
2012	1 Q	500,997	502,259	1.2	0.2	0.4	0.6
	2 Q	494,764	498,915	-0.7	-0.5	-0.1	-0.1
	3 Q	492,077	496,938	-0.4	-0.5	0.2	-0.1
	4 Q	492,877	498,020	0.2	-0.1	0.2	0.1
2013	1 Q	498,176	503,994	1.2	0.3	0.7	0.2
	2 Q	502,224	508,275	0.8	0.0	0.6	0.3
	3 Q	506,737	512,161	0.8	-0.3	0.9	0.2
	4 Q	506,626	511,999	0.0	-0.5	0.4	0.1
2014	1 Q	511,874	516,982	1.0	-0.2	1.2	0.0
	2 Q	513,026	507,507	-1.8	1.0	-2.4	-0.4
	3 Q	512,778	507,305	0.0	0.0	-0.2	0.2
	4 Q	517,369	510,470	0.6	0.4	0.1	0.1
2015	1 Q	529,762	518,122	1.5	0.0	1.4	0.1
	2 Q	532,075	517,752	-0.1	-0.2	0.1	-0.1
	3 Q	533,673	518,200	0.1	-0.1	0.1	0.0
	4 Q	532,469	516,596	-0.3	0.0	-0.4	0.1
2016	1 Q	537,659	520,978	0.8	0.3	0.3	0.2
	2 Q	538,585	522,116	0.2	0.1	0.3	-0.1
	3 Q	538,343	523,101	0.2	0.4	-0.3	0.1
	4 Q	539,745	524,402	0.2	0.3	0.1	-0.1
2017	1 Q	540,451	527,937	0.7	0.1	0.5	0.1
	2 Q	545,530	530,723	0.5	-0.3	0.5	0.3
	3 Q	549,636	533,354	0.5	0.5	0.1	-0.1
	4 Q	550,869	534,715	0.3	-0.1	0.4	0.0
2018	1 Q	548,660	533,911	-0.2	0.1	-0.2	0.0

Notes: 1. Data is seasonally adjusted.

2. Real GDP points indicate quarterly comparison figures. Breakdown categories indicate contribution ratios.

3. Data published on June 8, 2018.

Source: Japanese Cabinet Office



## Indexes of Business Conditions (Composite Indexes)

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Leading Index	100.2	106.9	110.5	110.7	106.0	83.2	96.1	100.8	100.9	98.6	111.1	104.4	100.5	104.6	106.6
Coincident Index	109.2	112.7	116.7	119.2	117.6	91.9	93.5	102.9	106.6	103.9	113.9	113.6	111.2	114.4	118.9
Lagging Index	107.8	112.9	115.7	121.6	125.2	111.9	97.4	101.5	104.6	104.6	108.2	113.3	113.9	113.3	117.8

Notes: 1. 2010 average = 100

2. Data published on June 25, 2018.

Source: Japanese Cabinet Office

## Corporate Profits (all industries and all scales of business)

FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ordinary profits (Trillion yen)	36.1	44.7	51.6	54.3	53.4	35.4	32.1	43.7	45.2	48.4	59.6	64.5	68.2	74.9	81.3
Ratio of ordinary profits to sales (%)	2.7	3.1	3.4	3.5	3.4	2.4	2.3	3.2	3.3	3.5	4.2	4.5	4.8	5.2	5.9
Return on equity (%)	3.9	4.5	5.9	6.3	5.6	1.5	1.9	3.7	3.8	4.5	6.7	6.9	6.7	7.3	—

Notes: 1. FY 2017 ordinary profits and the ratio of ordinary profits to sales are on a preliminary report basis.

2. FY 2017 return on equity is not yet published.

3. Ordinary profits, the ratio of ordinary profits to sales, and return on equity exclude performances of the banking and insurance industries.

Source: Ministry of Finance

## Consumer Price and Corporate Goods Price Indexes (year-on-year)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Consumer Price Index (excluding fresh food)	-0.3	-0.1	-0.1	0.1	0.0	1.5	-1.3	-1.0	-0.3	-0.1	0.4	2.6	0.5	-0.3	0.5
Corporate Goods Price Index	-0.9	1.3	1.6	2.2	1.7	4.6	-5.2	-0.1	1.4	-0.9	1.2	3.2	-2.3	-3.5	2.3

Note: Annual average (year-on-year).

Source: Ministry of Internal Affairs and Communications, Bank of Japan

## Employment Conditions

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Unemployment Rate (%)	5.24	4.73	4.43	4.12	3.83	3.98	5.08	5.06	4.58	4.33	4.01	3.58	3.38	3.12	2.83
Job-offers to Seekers Ratio (excluding new school graduates but including part-time workers) (Times)	0.64	0.83	0.95	1.06	1.04	0.88	0.47	0.52	0.65	0.80	0.93	1.09	1.20	1.36	1.50

Note: Annual average (seasonally adjusted).

Source: Ministry of Internal Affairs and Communications, Ministry of Health, Labour and Welfare

## 2 Stock Market

### Stock Price Indexes

(Yen/Points)

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Nikkei 225 Stock Average	10,676.64	11,488.76	16,111.43	17,225.83	15,307.78	8,859.56	10,546.44	10,228.92	8,455.35	10,395.18	16,291.31	17,450.77	19,033.71	19,114.37	22,764.94
TOPIX	1,043.69	1,149.63	1,649.76	1,681.07	1,475.68	859.24	907.59	898.80	728.61	859.80	1,302.29	1,407.51	1,547.30	1,518.61	1,817.56
JPX-Nikkei 400	—	—	—	—	—	—	—	—	—	—	11,767.24	12,768.42	13,951.93	13,614.80	16,074.10

Notes: 1. Stock price indexes show closing prices.

2. Base Date for JPX-Nikkei 400 calculation is August 30, 2013. (Base value: 10,000 points).  
Source: Bloomberg

### Number of TSE Listed Companies, Market Capitalization, Trading Volume, and Trading Value

(companies, billion yen, million stocks)

CY	Number of TSE Listed Companies	Market Capitalization	Trading volume		Trading value	
			Total	Daily average	Total	Daily average
2003	2,174	316,483	316,124	1,290	242,371	989
2004	2,276	364,554	378,755	1,539	343,121	1,394
2005	2,323	539,739	558,901	2,281	491,772	2,007
2006	2,391	549,789	502,463	2,026	673,762	2,716
2007	2,389	483,828	562,118	2,294	752,227	3,070
2008	2,373	283,460	555,106	2,265	576,319	2,352
2009	2,319	307,779	563,576	2,319	373,766	1,538
2010	2,280	310,451	520,052	2,122	359,170	1,466
2011	2,279	255,855	536,774	2,190	347,112	1,416
2012	2,293	300,797	529,928	2,136	310,886	1,253
2013	3,406	477,509	887,952	3,624	682,702	2,786
2014	3,456	524,899	709,104	2,906	643,105	2,635
2015	3,502	589,788	709,718	2,908	745,955	3,057
2016	3,533	579,596	665,769	2,717	691,102	2,820
2017	3,596	700,982	587,729	2,379	741,315	3,001

Notes: 1. Total of domestic stocks.

2. Number of listed companies and market capitalization were those at the end of the year.

3. The spot market of former Osaka Securities Exchange was merged with Tokyo Stock Exchange in July 2013.

Source: Japan Exchange Group

### Average PER (Simple Average) of TSE (1st Section)

(Times)

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PER	96.7	28.1	32.3	25.9	19.5	14.1	—	32.9	15.0	18.4	23.5	18.5	18.5	19.6	21.7

Note: "—" for the end of 2009 indicates that the total net profit per share was negative.

Source: Japan Exchange Group

## Equity Financing (paid-in capital increase) by Corporations

(Billion yen)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public offerings	653	994	884	1,659	511	362	4,968	3,320	1,014	473	1,134	1,384	963	258	424
Offering to Shareholders	2	11	4	3	9	0	0	1	–	0	1	–	0	0	0
Third-party allotments and others	2,808	2,150	2,509	1,220	1,626	1,116	1,366	655	510	1,444	519	617	915	771	943
Total	3,464	3,156	3,397	2,883	2,147	1,479	6,334	3,977	1,524	1,918	1,655	2,002	1,879	1,029	1,368

Notes: 1. Third-party allotments include private placements.

2. Initial public offerings made in conjunction with the listing of shares on exchanges before 2007 are not included in the calculations.

3. "–" indicates nil. "0" indicates an amount less than 1 unit amount.

Source: Japan Exchange Group

## Number of Newly Listed Companies and IPO Amounts

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of newly listed companies	120	152	98	113	65	54	23	26	50	69	79	92	110	96	103
IPO amounts (Billion yen)	347	421	402	594	176	43	33	206	128	39	377	346	91	190	90

Notes: 1. IPOs include public offerings made when foreign companies list on a Japanese exchange.

2. The figures for the number of new listed companies are for the First and Second Sections, the Mothers and JASDAQ markets of the TSE. Figures for other domestic exchanges are not included.

Source: Japan Exchange Group, Japan Securities Dealers Association

## 3 Bond Market

### Long-term and Short-term Interest Rates

(%)

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Simple yield of newly issued 10-year JGBs	1.370	1.441	1.480	1.685	1.510	1.174	1.295	1.128	0.988	0.791	0.741	0.329	0.265	0.046	0.048
Uncollateralized overnight call rate	0.001	0.002	0.004	0.275	0.459	0.103	0.094	0.079	0.075	0.076	0.068	0.066	0.038	–0.058	–0.062

Source: Bank of Japan, Japan Bond Trading Co., Ltd.

### OTC Bond Trading

(Trillion yen)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
JGBs	4,836.1	6,178.6	6,428.0	8,881.6	11,890.1	11,118.4	8,458.1	7,452.4	7,860.2	8,738.9	8,968.6	10,075.4	10,393.4	9,291.1	9,623.9
Short-term JGBs, etc.	1,933.7	2,179.3	1,817.5	1,872.1	2,554.8	2,680.6	3,083.9	2,646.5	2,497.8	2,475.5	2,693.7	2,449.3	2,499.7	1,409.8	1,530.8
Medium-term, long-term, Super-long-term, JGBs	2,902.4	3,999.2	4,610.5	7,009.5	9,335.2	8,437.8	5,374.1	4,805.9	5,362.4	6,263.3	6,274.9	7,626.0	7,893.7	7,881.2	8,093.1
Others	274.0	302.8	330.1	271.3	206.5	169.7	105.1	100.7	104.1	105.3	89.3	106.9	142.8	82.0	92.7
Total	5,110.2	6,481.4	6,758.2	9,152.9	12,096.6	11,288.1	8,563.3	7,553.1	7,964.4	8,844.3	9,058.0	10,182.3	10,536.3	9,373.2	9,716.7

Note: Short-term JGBs, etc. are the total of financial bills, treasury bills and Treasury Discount Bills (since 2009).

Source: Japan Securities Dealers Association

## Corporate Bond Financing

(Billion yen)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Straight corporate bonds	7,728	5,879	7,088	6,858	9,258	9,125	11,493	9,678	8,483	8,409	8,708	8,456	6,898	10,715	11,373
Convertible-type bonds with subscription rights	72	561	889	1,423	127	653	287	171	39	36	97	104	237	87	91
<b>Total</b>	<b>7,800</b>	<b>6,440</b>	<b>7,977</b>	<b>8,281</b>	<b>9,385</b>	<b>9,778</b>	<b>11,780</b>	<b>9,849</b>	<b>8,522</b>	<b>8,445</b>	<b>8,805</b>	<b>8,560</b>	<b>7,135</b>	<b>10,802</b>	<b>11,464</b>

Notes: 1. Straight corporate bonds include asset backed corporate bonds.

2. Financing by corporate bonds with share options was zero.

Source: Japan Securities Dealers Association

## Bond Issuance

(Billion yen)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
JGBs	154,686	175,268	186,155	175,683	140,455	125,751	145,660	165,823	164,064	172,248	181,032	175,848	174,508	168,854	159,168
Municipal bonds	4,264	5,251	6,152	6,031	5,703	5,873	7,439	7,608	6,654	6,771	7,079	6,880	6,849	6,346	6,297
Gov-guaranteed bonds	6,476	8,243	7,821	4,434	4,461	4,494	4,925	4,540	3,153	4,699	4,873	4,600	3,134	3,335	3,643
FILP agency bonds	2,457	3,188	4,187	4,493	4,556	4,472	4,599	4,998	5,647	5,439	4,811	4,134	4,298	4,860	4,814
Straight corporate bonds	7,728	5,879	7,088	6,858	9,258	9,125	11,493	9,678	8,483	8,409	8,708	8,456	6,898	10,715	11,373
Others	15,757	15,812	16,684	13,561	12,150	8,822	5,995	5,838	5,395	4,944	4,368	5,097	4,607	3,120	2,936
<b>Total</b>	<b>191,371</b>	<b>213,642</b>	<b>228,090</b>	<b>211,062</b>	<b>176,585</b>	<b>158,540</b>	<b>180,113</b>	<b>198,488</b>	<b>193,398</b>	<b>202,513</b>	<b>210,873</b>	<b>205,019</b>	<b>200,297</b>	<b>197,232</b>	<b>188,235</b>

Notes: 1. Excluding private placement municipal bonds. In addition, for 2008 and later, excluding private placement special bonds and private placement corporate bonds.

2. Straight corporate bonds include asset backed corporate bonds.

Source: Japan Securities Dealers Association

## Composition of Bond Issuance

(%)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
JGBs	80.8	82.0	81.6	83.2	79.5	79.3	80.9	83.5	84.8	85.1	85.8	85.8	87.1	85.6	84.6
Municipal bonds	2.2	2.5	2.7	2.9	3.2	3.7	4.1	3.8	3.4	3.3	3.4	3.4	3.4	3.2	3.3
Gov-guaranteed bonds	3.4	3.9	3.4	2.1	2.5	2.8	2.7	2.3	1.6	2.3	2.3	2.2	1.6	1.7	1.9
FILP agency bonds	1.3	1.5	1.8	2.1	2.6	2.8	2.6	2.5	2.9	2.7	2.3	2.0	2.1	2.5	2.6
Straight corporate bonds	4.0	2.8	3.1	3.2	5.2	5.8	6.4	4.9	4.4	4.2	4.1	4.1	3.4	5.4	6.0
Others	8.2	7.4	7.3	6.4	6.9	5.6	3.3	2.9	2.8	2.4	2.1	2.5	2.3	1.6	1.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Notes: 1. Excluding private placement municipal bonds. In addition, for 2008 and later, excluding private placement special bonds and private placement corporate bonds.

2. Straight corporate bonds include asset backed corporate bonds.

Source: Japan Securities Dealers Association

## 4 Investment Trusts

### Net Assets, etc. Held in Investment Trusts

(Billion yen)

End of CY		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Publicly offered investment trusts	Number of funds	2,617	2,552	2,640	2,753	2,997	3,333	3,656	3,905	4,196	4,384	4,922	5,404	5,843	6,060	6,152
	Net assets	37,435	40,996	55,347	68,927	79,760	52,146	61,455	63,720	57,327	64,063	81,523	93,504	97,756	96,641	111,191
Real-estate investment trusts	Number of funds	10	15	28	40	42	42	42	35	34	37	52	62	68	83	86
	Net assets	766	1,246	2,050	3,153	3,687	3,968	4,020	3,908	4,109	4,578	6,078	7,137	8,224	9,605	10,367
Private placement investment trusts	Number of funds	1,306	1,588	1,881	2,192	2,477	2,603	2,639	2,689	2,698	2,753	2,883	3,351	3,961	4,829	5,483
	Net assets	10,384	15,596	25,643	32,987	36,030	25,555	29,667	30,626	28,542	31,818	40,413	46,870	61,973	74,084	85,560
Total	Number of funds	3,933	4,155	4,549	4,985	5,516	5,978	6,337	6,629	6,928	7,174	7,857	8,817	9,872	10,972	11,721
	Net assets	48,586	57,839	83,041	105,068	119,478	81,670	95,143	98,255	89,979	100,461	128,014	147,512	167,954	180,331	207,119
Changes in net assets		4,746	9,253	25,201	22,027	14,410	-37,808	13,472	3,112	-8,275	10,481	27,553	19,498	20,442	12,377	26,788

Source: The Investment Trusts Association, Japan

### Net Assets, etc. Held in Publicly Offered Contractual-Type Securities Investment Trusts

(Billion yen)

End of CY		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Stock investment trusts	Number of funds	2,339	2,308	2,408	2,533	2,789	3,135	3,468	3,724	4,017	4,209	4,756	5,242	5,684	5,939	6,032
	Net assets	21,339	27,435	40,828	55,657	66,784	40,842	50,243	52,464	46,761	52,913	65,027	77,095	81,738	83,022	97,432
Bond investment trusts	Number of funds	263	230	218	206	194	184	174	167	165	161	152	148	146	120	120
	Net assets	11,746	9,955	11,498	10,576	10,059	8,691	8,755	9,026	8,536	9,302	14,569	14,433	14,375	13,553	13,759
Money management funds	Number of funds	15	14	14	14	14	14	14	14	14	14	14	14	13	1	0
	Net assets	4,350	3,606	3,020	2,693	2,917	2,612	2,456	2,229	2,028	1,847	1,925	1,975	1,642	65	0
Total	Number of funds	2,617	2,552	2,640	2,753	2,997	3,333	3,656	3,905	4,196	4,384	4,922	5,404	5,843	6,060	6,152
	Net assets	37,435	40,996	55,347	68,927	79,760	52,146	61,455	63,720	57,327	64,063	81,523	93,504	97,756	96,641	111,191
Changes in net assets		1,419	3,561	14,350	13,579	10,832	-27,614	9,308	2,264	-6,392	6,736	17,459	11,981	4,251	-1,114	14,550

Source: The Investment Trusts Association, Japan

## Net Assets, etc. Held in Publicly Offered Contractual-Type Stock Investment Trusts

(Billion yen)

End of CY		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Unit type	Number of funds	221	255	289	249	246	365	393	350	293	239	206	295	359	384	313
	Net assets	1,161	1,799	1,945	1,875	1,876	1,287	1,522	1,266	881	1,275	1,479	1,791	1,734	1,383	858
Open type (excluding ETFs)	Number of funds	2,100	2,038	2,106	2,271	2,527	2,706	3,003	3,289	3,629	3,866	4,440	4,824	5,180	5,400	5,539
	Net assets	17,216	22,522	35,180	49,665	61,029	37,029	46,430	48,588	43,152	47,423	55,456	64,688	63,838	61,292	65,779
ETFs	Number of funds	18	15	13	13	16	64	72	85	95	104	110	123	145	155	180
	Net assets	2,962	3,113	3,703	4,116	3,878	2,524	2,290	2,610	2,728	4,214	8,090	10,616	16,165	20,347	30,794
Total	Number of funds	2,339	2,308	2,408	2,533	2,789	3,135	3,468	3,724	4,017	4,209	4,756	5,242	5,684	5,939	6,032
	Net assets	21,339	27,435	40,828	55,657	66,784	40,842	50,243	52,464	46,761	52,913	65,027	77,095	81,738	83,022	97,432
Changes in net assets		4,966	6,095	13,393	14,828	11,126	-25,942	9,401	2,220	-5,702	6,152	12,113	12,067	4,642	1,284	14,409

Source: The Investment Trusts Association, Japan

## Net Assets, etc. Held in Private Placement Contractual-Type Investment Trusts

(Billion yen)

End of CY		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Stock investment trusts	Number of funds	1,124	1,410	1,718	2,060	2,363	2,475	2,512	2,568	2,597	2,667	2,789	3,135	3,580	4,150	4,657
	Net assets	9,388	14,646	24,723	32,186	35,406	24,967	28,976	29,912	27,938	31,297	39,618	45,155	59,370	69,951	81,305
Bond investment trusts	Number of funds	182	178	163	132	114	128	127	121	101	86	94	216	381	679	826
	Net assets	995	949	919	800	623	587	691	714	604	520	794	1,715	2,603	4,132	4,255
Total	Number of funds	1,306	1,588	1,881	2,192	2,477	2,603	2,639	2,689	2,698	2,753	2,883	3,351	3,961	4,829	5,483
	Net assets	10,384	15,596	25,643	32,987	36,030	25,555	29,667	30,626	28,542	31,818	40,413	46,870	61,973	74,084	85,560
Changes in net assets		3,003	5,211	10,046	7,344	3,043	-10,474	4,111	958	-2,083	3,275	8,594	6,457	15,103	12,110	11,476

Source: The Investment Trusts Association, Japan

## 5 Derivative Market

### Derivative Market Transaction Volume, etc.

(Thousand contracts)

CY	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Transaction volume	142,010	196,191	191,703	218,655	208,424	228,058	360,575	308,009	361,459	337,537	322,408
Current outstanding open contracts	1,700	1,888	2,805	3,462	3,361	5,012	5,346	4,773	3,787	3,928	4,354

Notes: 1. The derivative market of Tokyo Stock Exchange was merged with that of Osaka Securities Exchange in March 2014.

2. The figures above show the total volume of the derivative markets of Tokyo Stock Exchange before the merger and Osaka Securities Exchange.

3. Current outstanding open contracts are as of year-end.

Source: Japan Exchange Group

### Value of Securities OTC Derivative Transactions

(Billion yen)

FY	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Transaction value	88,456	97,214	147,591	88,021	98,697	79,420	69,467	44,041	136,503	122,946	239,526	212,210	357,566
End-of-term balance	19,862	21,726	44,211	20,277	15,676	17,580	17,657	12,645	13,567	38,698	45,066	52,523	55,187

Notes: 1. On a notional value basis.

2. End of term balance is as of fiscal year-end.

Source: Japan Securities Dealers Association

## 6 Investor Trends

### Investment by Institutional Investors (Insurance Companies and Pension Funds)

(Billion yen)

FY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bonds	-1,649	8,658	4,549	11,253	11,581	5,049	-2,040	-2,379	-684	-5,211
Stocks	429	276	-329	-1,306	-1,920	-1,924	-1,787	-780	-917	-245
Investment trusts	2,390	1,003	44	-426	434	-1,429	-1,433	-54	1,771	1,419
Foreign securities	1,521	-1,005	4,915	-1,998	-447	-1,835	3,483	8,996	8,914	3,287

Notes: 1. Changes during the fiscal year.

2. Stocks include other equities.

3. Data published on June 27, 2018.

Source: Bank of Japan

### Investments by Individual Investors (Household)

(Billion yen)

FY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bonds	-1,352	-1,214	-3,627	-3,525	-3,285	-2,420	-2,250	-1,674	126	-1,254
Stocks	3,075	-1,669	1,412	-303	-1,822	-6,676	-6,803	-2,143	-3,279	-3,653
Investment trusts	-2,266	2,166	2,450	-2,821	1,361	3,658	5,705	1,043	-2,637	219
Foreign securities	-605	168	554	1,212	680	-185	471	-1,641	-1,099	1,339

Notes: 1. Changes during the fiscal year.

2. Stocks include other equities.

3. Data published on June 27, 2018.

Source: Bank of Japan

## Stockholdings by Type of Investors

(Billion yen)

End of FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Individuals	75,599	84,740	117,977	108,419	76,653	54,345	68,469	63,040	62,838	76,447	83,429	99,790	90,770	99,466	113,259
Governments	789	722	977	1,866	1,567	1,137	1,152	940	793	791	845	974	765	841	2,350
Financial institutions	67,554	67,402	94,097	87,678	59,843	42,541	52,628	48,575	49,007	57,843	65,309	90,484	83,587	94,060	106,384
Pension trusts	16,581	15,430	20,927	20,185	14,149	9,364	11,697	9,963	9,169	9,580	9,236	10,635	7,693	7,461	7,688
Investment trusts	13,602	15,219	25,537	26,865	19,739	13,378	15,956	13,606	13,881	17,034	21,292	27,530	28,882	36,631	47,901
Insurance companies	29,566	29,441	42,688	43,452	30,875	19,652	23,728	20,017	18,707	21,468	23,042	29,010	24,345	26,654	28,921
Business corporations	80,489	88,077	126,167	121,043	87,649	60,030	72,542	66,031	66,641	81,938	94,752	122,598	117,394	128,638	145,541
Foreigners	80,604	92,765	155,978	161,400	112,222	62,373	88,295	83,037	81,030	105,849	137,377	182,337	154,457	174,730	201,383
Securities firms	4,494	4,596	8,198	10,385	6,293	2,711	5,341	5,569	6,240	7,463	10,149	12,707	10,703	12,717	13,128
Total	369,281	398,396	592,550	581,297	408,992	265,535	339,812	310,783	308,310	378,415	445,434	576,067	518,598	581,204	666,559

Notes: 1. Governments include central and regional governments.

2. Financial Institutions do not include pension trusts, investment trusts and insurance companies.

3. Figures cover all exchange-listed stocks excluding foreign stocks.

4. Pension trusts include investment assets of pension related funds of welfare pension funds, etc. for which banks operating trust business are appointed as trustee, but do not include those of public pension funds.

5. Treasury shares owned by each listed company are included under the investor type in which the companies are categorized.

Source: Tokyo Stock Exchange

## Share of Stockholdings by Type of Investors (market value basis)

(%)

End of FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Individuals	20.5	21.3	19.9	18.7	18.7	20.5	20.1	20.3	20.4	20.2	18.7	17.3	17.5	17.1	17.0
Governments	0.2	0.2	0.2	0.3	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.1	0.4
Financial institutions	18.3	16.9	15.9	15.1	14.6	16.0	15.5	15.6	15.9	15.3	14.7	15.7	16.1	16.2	16.0
Pension trusts	4.5	3.9	3.5	3.5	3.5	3.5	3.4	3.2	3.0	2.5	2.1	1.8	1.5	1.3	1.2
Investment trusts	3.7	3.8	4.3	4.6	4.8	5.0	4.7	4.4	4.5	4.5	4.8	4.8	5.6	6.3	7.2
Insurance companies	8.0	7.4	7.2	7.5	7.5	7.4	7.0	6.4	6.1	5.7	5.2	5.0	4.7	4.6	4.3
Business corporations	21.8	22.1	21.3	20.8	21.4	22.6	21.3	21.2	21.6	21.7	21.3	21.3	22.6	22.1	21.8
Foreigners	21.8	23.3	26.3	27.8	27.4	23.5	26.0	26.7	26.3	28.0	30.8	31.7	29.8	30.1	30.2
Securities firms	1.2	1.2	1.4	1.8	1.5	1.0	1.6	1.8	2.0	2.0	2.3	2.2	2.1	2.2	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: 1. Governments include central and regional governments.

2. Financial Institutions do not include pension trusts, investment trusts and insurance companies.

3. Figures cover all exchange-listed stocks excluding foreign stocks.

4. Pension trusts include investment assets of pension related funds of welfare pension funds, etc. for which banks operating trust business are appointed as trustee, but do not include those of public pension funds.

5. Treasury shares owned by each listed company are included under the investor type in which the companies are categorized.

Source: Tokyo Stock Exchange



## 7 Household Financial Assets

### Household Financial Assets

(Billion yen)

End of FY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Cash and deposits	805,035	817,886	831,331	850,665	866,035	884,203	902,850	917,882	939,113	960,547
Bonds	42,270	41,082	37,386	33,931	30,785	28,285	26,156	24,658	24,631	23,268
Stocks and other equities	89,402	106,365	106,148	109,119	133,151	148,355	170,542	168,156	177,977	198,739
Investment trusts	48,310	59,816	61,316	57,014	65,306	69,531	81,078	73,615	72,200	73,207
Insurance and pension reserves	466,550	470,792	473,621	477,435	493,815	496,749	515,719	518,032	518,952	522,056
Others	44,130	46,594	44,821	45,431	48,118	47,092	51,626	49,552	51,648	51,201
Total	1,495,698	1,542,537	1,554,625	1,573,597	1,637,212	1,674,218	1,747,973	1,751,898	1,784,524	1,829,020

Notes: 1. Bonds include trust beneficiary rights.

2. Data published on June 27, 2018.

Source: Bank of Japan

### Composition of Household Financial Assets

(%)

End of FY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Cash and deposits	53.8	53.0	53.5	54.1	52.9	52.8	51.7	52.4	52.6	52.5
Bonds	2.8	2.7	2.4	2.2	1.9	1.7	1.5	1.4	1.4	1.3
Stocks and other equities	6.0	6.9	6.8	6.9	8.1	8.9	9.8	9.6	10.0	10.9
Investment trusts	3.2	3.9	3.9	3.6	4.0	4.2	4.6	4.2	4.0	4.0
Insurance and pension reserves	31.2	30.5	30.5	30.3	30.2	29.7	29.5	29.6	29.1	28.5
Others	3.0	3.0	2.9	2.9	2.9	2.8	3.0	2.8	2.9	2.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: 1. Bonds include trust beneficiary rights.

2. Data published on June 27, 2018.

Source: Bank of Japan

### Nippon (Japan) Individual Savings Account (NISA)

Year/Month	2014.1	2014.3	2014.6	2014.12	2015.3	2015.6	2015.9	2015.12	2016.3	2016.6	2016.9	2016.12	2017.3	2017.6	2017.9	2017.12	2018.3
Number of accounts (Unit: Ten thousand accounts)	492	650	727	825	879	921	956	987	1,012	1,029	1,049	1,061	1,077	1,090	1,101	1,099	1,167 (50)
Purchase amount (Billion yen)	-	10,034	15,631	29,769	44,109	51,884	58,597	64,444	77,513	83,761	88,591	94,095	105,469	111,945	118,810	125,325	139,287
Listed stocks	-	3,645	4,949	9,705	13,983	16,282	18,867	21,654	27,464	29,921	31,698	34,018	38,854	41,483	44,436	47,237	54,057
Investment trusts	-	6,212	10,395	19,439	29,154	34,477	38,381	41,297	48,126	51,700	54,620	57,636	63,900	67,595	71,370	74,899	81,642
ETF	-	91	140	343	562	655	835	952	1,314	1,413	1,473	1,572	1,704	1,799	1,875	1,991	2,236
REIT	-	86	145	281	409	468	512	540	649	726	799	867	1,010	1,067	1,128	1,197	1,352

Notes: 1. At the time of introduction for January 2014; end of month for others.

2. Figures for September 2014 have not been disclosed.

3. The number of Dollar-Cost Averaging NISA is in parentheses.

4. The amount of purchase represents the accumulated total since the start of the program.

Source: Financial Services Agency

## Status of DC (Defined Contribution)

(Billion yen)

FY end	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Corporate type	540	1,172	2,207	2,962	3,434	3,696	4,497	5,014	6,000	6,796	7,720	9,074	9,566	10,525
Individual type	23	50	116	191	261	314	431	525	609	743	910	1,102	1,215	1,381

Notes: 1. Numbers aggregated based on data managed by record keeping companies. (SBI Benefit Systems Co., Ltd., Sompo Japan Nipponkoa DC Securities Inc., Japan Investor Solutions & Technologies Co., LTD., NIPPON RECORD KEEPING NETWORK Co., Ltd.)

2. Numbers for Corporate type DCs as of FY 2003 end do not include numbers from Sompo Japan Nipponkoa DC Securities, Inc.

Source: Liaison Council for Plan Administrators

## Composition Shift of Assets Managed in DC (Defined Contribution) Plans

(Corporate type)

(%)

FY end	2013	2014	2015	2016
Deposits and savings	37.7	35.0	35.6	35.6
Insurance(life/non-life)	19.5	18.6	18.8	18.0
Domestic equity fund	12.5	13.6	12.5	12.9
Domestic fixed income fund	5.0	5.0	5.7	5.7
Global equity fund	7.0	7.8	6.9	7.6
Global fixed income fund	4.3	4.4	4.3	3.9
Balanced type fund	12.5	13.6	13.8	14.7
Others	1.4	1.9	2.5	1.5
Total	100.0	100.0	100.0	100.0

Notes: 1. Numbers aggregated based on data managed by record keeping companies. (SBI Benefit Systems Co., Ltd., Sompo Japan Nipponkoa DC Securities Inc., Japan Investor Solutions & Technologies Co., LTD., NIPPON RECORD KEEPING NETWORK Co., Ltd.)

2. Numbers for Corporate type DCs as of FY 2003 end do not include numbers from Sompo Japan Nipponkoa DC Securities, Inc.

Source: Liaison Council for Plan Administrators

(Individual type)

(%)

FY end	2014	2015	2016
Deposits and savings	38.8	38.9	38.5
Insurance(life/non-life)	25.9	26.8	26.0
Domestic equity fund	11.4	10.9	10.9
Domestic fixed income fund	2.7	3.1	3.3
Global equity fund	6.5	6.0	6.8
Global fixed income fund	3.1	3.1	3.0
Balanced type fund	9.2	8.9	9.4
Others	2.3	2.4	2.0
Total	100.0	100.0	100.0

Note: Numbers aggregated based on data managed by record keeping companies. (SBI Benefit Systems Co., Ltd., Sompo Japan Nipponkoa DC Securities Inc., Japan Investor Solutions & Technologies Co., LTD., NIPPON RECORD KEEPING NETWORK Co., Ltd.)

Source: Liaison Council for Plan Administrators

# Securities Industry Overview

## 1 Number of Firms, Employees, etc.

### Regular Members (Securities Firms)

End of FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Regular Members	266	267	289	308	317	321	305	293	285	261	255	254	256	261	264
No less than ¥50 million to less than ¥200 million	49	50	55	51	51	51	50	44	43	41	40	39	39	44	43
No less than ¥200 million to less than ¥300 million	11	11	14	20	19	21	19	14	13	15	15	18	18	17	14
No less than ¥300 million to less than ¥1 billion	76	76	88	99	102	103	96	96	92	80	75	75	73	72	79
No less than ¥1 billion to less than ¥3 billion	37	38	36	37	45	46	45	45	41	37	38	35	39	39	38
No less than ¥3 billion to less than ¥5 billion	14	15	15	19	21	23	23	26	26	25	23	24	27	29	33
No less than ¥5 billion to less than ¥10 billion	13	14	14	15	17	17	19	19	19	19	18	17	16	18	17
No less than ¥10 billion	26	25	27	35	33	33	28	26	29	28	30	31	31	31	30
Foreign securities firms	40	38	40	32	29	27	25	23	22	16	16	15	13	11	10
Enrollments	8	7	30	33	22	25	10	12	9	5	5	5	10	11	7
Withdrawals, etc.	23	6	8	14	13	21	26	24	17	29	11	6	8	6	4
Changes	-15	1	22	19	9	4	-16	-12	-8	-24	-6	-1	2	5	3

Notes: 1. The amount in the breakdown for the number of member firms shows the classification of capital for domestic securities firms.

2. In April 2004, the minimum capitalization requirement was lowered from ¥100 million to ¥50 million.

3. Withdrawals, etc. includes the decrease in the number of Regular Members due to mergers, etc.

4. The companies that withdrew effective March 31 are included in the withdrawals of the next fiscal year.

Source: Japan Securities Dealers Association

### Specified Business Members

End of FY	2015	2016	2017
Specified Business Members	3	4	6

Notes: 1. Specified Business Members are companies that engage only in business for 1) over-the-counter derivative transactions that are not related to securities and not financial futures, 2) equity-based crowdfunding, or 3) electronic transaction platform for over-the-counter derivative transactions.

2. Established in May 2015.

Source: Japan Securities Dealers Association

## Special Members (Registered Financial Institutions)

End of FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City banks	7	7	6	6	6	6	6	6	6	6	5	5	5	5	5
Trust banks	14	14	14	14	16	15	14	14	14	12	12	12	13	13	12
Government-affiliated financial institutions	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
Regional banks	64	64	64	64	64	64	64	63	64	64	64	64	64	64	64
Second-tier regional banks	50	48	47	46	45	44	42	42	42	41	41	41	41	41	41
Shinkin banks	36	35	37	37	38	39	40	40	40	40	40	40	40	40	40
Life insurance companies	17	17	16	16	12	12	12	12	12	12	10	10	10	10	11
Non-life insurance companies	14	13	13	13	10	8	8	5	5	5	5	4	4	4	4
Money market brokers	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Foreign banks	4	5	9	8	12	15	15	15	14	14	14	14	14	12	13
Securities finance companies	1	1	1	1	1	2	3	3	3	3	2	2	2	2	1
Credit cooperatives	0	0	2	2	2	3	3	3	3	3	3	3	3	3	3
Other banks	4	6	5	5	9	10	10	10	10	11	10	10	10	10	9
Total	216	215	219	217	220	223	223	219	219	217	212	211	212	210	209

Note: Shinkin banks include shinkin banks and Shinkin Central Bank.  
Source: Japan Securities Dealers Association

## Employees of Regular Members and Specified Business Members

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
No. of Regular Members' Employees	85,027	86,406	87,913	92,661	99,139	99,200	93,308	92,056	88,807	83,056	82,976	85,358	88,108	89,942	90,931
No. of Specified Business Members' Employees	—	—	—	—	—	—	—	—	—	—	—	—	103	73	81
Total	85,027	86,406	87,913	92,661	99,139	99,200	93,308	92,056	88,807	83,056	82,976	85,358	88,211	90,015	91,012

Source: Japan Securities Dealers Association

## Regular Members' Domestic Offices

End of FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Head office	266	267	289	308	317	321	305	293	285	261	255	254	256	261	264
Branches	1,511	1,529	1,514	1,534	1,561	1,575	1,550	1,563	1,544	1,491	1,454	—	—	—	—
Business offices	263	281	324	372	418	419	387	363	362	387	379	1,864	1,889	1,886	1,890
Total	2,040	2,077	2,127	2,214	2,296	2,315	2,242	2,219	2,191	2,139	2,088	2,118	2,145	2,147	2,154

Note: From the end of FY2014, the category of "Branches" is included in that of "Business offices."  
Source: Japan Securities Dealers Association

## Securities Sales Representatives

End of CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Regular Members	67,539	69,298	71,965	76,054	81,260	81,198	77,265	75,913	73,410	69,684	70,720	72,342	74,546	75,390	76,696
Special Members	362,908	356,353	345,374	357,542	349,261	354,559	360,071	362,095	360,289	354,990	350,703	350,533	352,020	353,904	355,968
Specified Business Members	—	—	—	—	—	—	—	—	—	—	—	—	68	79	92
Financial instruments intermediary service providers belonging to Regular Members	—	—	1,144	1,870	2,134	2,056	1,944	2,120	2,422	2,632	2,846	3,012	3,021	3,104	3,123
Financial instruments intermediary service providers belonging to Special Members	—	—	11	13	98,433	99,092	100,658	94,024	96,729	97,226	96,249	94,808	93,859	93,617	93,211
<b>Total</b>	<b>430,447</b>	<b>425,651</b>	<b>418,494</b>	<b>435,479</b>	<b>531,088</b>	<b>536,905</b>	<b>539,938</b>	<b>534,152</b>	<b>532,850</b>	<b>524,532</b>	<b>520,518</b>	<b>520,695</b>	<b>523,514</b>	<b>526,094</b>	<b>529,090</b>

Notes: 1. The JSDA began recording the number of securities sales representatives of Specified Business Members in 2015 and those in financial instruments intermediary service providers in 2005.

2. Excluding representatives of financial instruments intermediary service providers that are individuals rather than companies.

Source: Japan Securities Dealers Association

## Securities Sales Representative Exam Candidates

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Class-1 (No. of Examinees)	5,544	25,452	91,739	74,148	61,716	60,635	61,108	57,099	53,680	83,918	67,586	59,088	58,379	62,174	62,381
Class-2 (No. of Examinees)	6,060	61,705	133,648	102,635	85,559	87,647	75,797	60,999	47,644	33,176	27,740	27,312	26,018	25,447	21,683
Special Members' Class-1 (No. of Examinees)	22,843	11,754	14,266	21,715	15,995	15,233	15,575	13,152	12,636	15,352	12,672	10,128	8,731	9,187	10,540
Special Members' Class-2 (No. of Examinees)	30,434	23,666	44,090	75,680	70,160	67,978	108,691	56,103	30,380	20,895	16,737	15,038	16,774	17,461	17,554
<b>Total</b>	<b>64,881</b>	<b>122,577</b>	<b>283,743</b>	<b>274,178</b>	<b>232,430</b>	<b>231,493</b>	<b>261,171</b>	<b>187,353</b>	<b>144,340</b>	<b>153,341</b>	<b>124,735</b>	<b>111,566</b>	<b>109,902</b>	<b>114,269</b>	<b>112,158</b>

Notes: 1. As of April 2004, employees of Special Members became eligible to take the Class-1 and Class-2 Sales Representative Examinations.

2. As of September 2004, JSDA lifted its restrictions (must be an officer or employee of an association member firm) on eligibility for taking the Class-2 Sales Representative Examination.

3. As of January 2012, JSDA lifted its restrictions (must be an officer or employee of an association member firm, must have qualified as Class-2 Sales Representative) on eligibility for taking the Class-1 Sales Representative Examination.

Source: Japan Securities Dealers Association

## Pass Rate of Securities Sales Representative Examination

(%)															
CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Class-1	75.2	75.4	66.8	54.2	52.1	49.9	47.0	42.6	42.3	39.1	40.1	44.0	45.6	45.2	45.6
Class-2	79.9	72.8	66.5	57.9	58.4	54.9	55.5	53.7	60.1	54.9	54.1	53.4	53.8	51.8	51.6
Special Member's Class-1	57.0	48.9	55.4	49.7	42.8	39.0	38.5	34.8	32.6	30.3	30.1	30.0	31.3	27.5	29.1
Special Member's Class-2	66.6	55.7	55.8	49.9	47.6	42.6	39.9	38.9	41.4	39.5	40.5	43.6	44.7	43.0	42.9

Notes: 1. As of April 2004, employees of Special Members became eligible to take the Class-1 and Class-2 Sales Representative Examinations.

2. As of September 2004, JSDA lifted its restrictions (must be an officer or employee of an association member firm) on eligibility for taking the Class-2 Sales Representative Examination.

3. As of January 2012, JSDA lifted its restrictions (must be an officer or employee of an association member firm, must have qualified as Class-2 Sales Representative) on eligibility for taking the Class-1 Sales Representative Examination.

Source: Japan Securities Dealers Association

## 2 Performance Summary

### Operating Revenues of Regular Members

(Billion yen)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Commission	2,046	2,221	3,195	2,956	2,830	1,797	2,128	1,898	1,634	1,793	2,461	2,293	2,295	2,134	2,260
Trading gain	871	723	1,078	856	579	435	804	540	636	896	1,097	1,237	1,088	1,113	1,004
Financial revenue	369	434	622	847	1,150	860	417	428	406	439	480	578	605	651	809
Others	7	9	15	24	23	62	31	53	33	41	49	46	49	57	55
Operating Revenues	3,294	3,388	4,911	4,686	4,582	3,156	3,381	2,920	2,710	3,171	4,088	4,156	4,038	3,956	4,130

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.

2. Figures for fiscal year ended March 2018 are on a preliminary report basis.

3. Operating revenues of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

### Commissions Received by Regular Members

(Billion yen)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Brokerage commission	889	948	1,399	1,042	898	599	552	493	390	473	870	687	689	558	644
Underwriting and offering commissions	197	216	246	215	120	91	234	145	75	115	170	162	176	166	138
Subscription and distribution commissions	206	228	352	416	375	221	436	444	415	469	513	465	345	298	332
Other commissions	754	828	1,196	1,282	1,435	884	905	815	752	734	906	978	1,084	1,110	1,144
Commissions received	2,046	2,221	3,195	2,956	2,830	1,797	2,128	1,898	1,634	1,793	2,461	2,293	2,297	2,134	2,260

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.

2. Figures for fiscal year ended March 2018 are on a preliminary report basis.

3. Commission of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

### Operating Expenses of Regular Members

(Billion yen)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Selling and general administration costs	2,221	2,319	2,793	3,043	3,123	2,761	2,773	2,618	2,286	2,317	2,628	2,813	2,799	2,823	2,906
Transaction expenses	379	422	536	586	581	523	502	497	400	434	586	717	742	730	757
Employment cost	1,096	1,105	1,345	1,431	1,390	1,122	1,202	1,104	996	1,008	1,098	1,116	1,033	1,059	1,081
Real estate & equipment costs	266	262	265	299	325	319	307	284	256	242	245	235	230	236	231
Data processing & office supplies costs	270	295	314	365	419	424	413	424	385	379	429	451	477	472	497
Others	206	233	331	359	407	371	347	306	248	252	268	291	318	325	337
Financial expenses	285	335	436	646	879	705	268	268	240	273	288	349	380	416	493
Operating expenses	2,506	2,654	3,230	3,689	4,002	3,467	3,041	2,886	2,526	2,590	2,916	3,162	3,180	3,239	3,400

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.

2. Figures for fiscal year ended March 2018 are on a preliminary report basis.

3. Operating expenses of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

## Ordinary Profits/Losses and Current Net Profits/Losses of Regular Members

(Billion yen)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Ordinary Profits / Losses	793	758	1,699	1,015	657	-243	333	87	217	605	1,189	1,019	897	743	761
Current Net Profits / Losses	508	483	1,136	588	-145	-346	202	-270	-25	456	914	724	618	622	544

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.  
 2. Figures for fiscal year ended March 2018 are on a preliminary report basis.  
 3. Ordinary profits/losses and current net profits/losses of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

## Current Net Profits/Losses by Type of Regular Members

(Billion yen)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Major firms	231	214	463	332	-267	-110	92	-69	-1	267	432	362	275	385	239
Foreign firms	75	91	344	71	-8	-76	22	5	-3	12	11	7	14	6	11
Other domestic firms	201	177	328	183	130	-159	87	-206	-20	177	470	354	328	230	294

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.  
 2. Major securities firms: SMBC Nikko Securities Inc., Daiwa Securities, Co., Ltd., Nomura Securities Co., Ltd., and other securities firms capitalized at a hundred billion yen or more.  
 3. Figures for fiscal year ended March 2018 are on a preliminary report basis.  
 4. Current net profits/losses of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

## ROE by Type of Regular Members

(%)

FY ended	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3
Major firms	11.0	9.3	18.2	10.9	-9.7	-4.4	3.5	-2.5	-0.1	10.3	14.0	10.2	7.7	10.8	6.5
Foreign firms	9.4	10.8	38.2	7.6	-1.2	-16.6	5.5	1.5	-1.2	5.8	6.4	4.6	10.5	6.9	16.6
Other domestic firms	9.4	7.4	11.0	5.2	3.2	-4.1	2.5	-6.7	-0.7	6.0	14.5	10.5	9.3	6.2	7.8
All member securities firms	10.1	8.7	17.7	7.9	-1.9	-5.0	3.1	-4.3	-0.5	7.9	14.1	10.3	8.5	8.4	7.2

Notes: 1. Securities firms that were not in business as of the end of March in each year are excluded.  
 2. ROE is after-tax profits divided by average stockholders equity.  
 3. Major securities firms: SMBC Nikko Securities Inc., Daiwa Securities, Co., Ltd., Nomura Securities Co., Ltd., and other securities firms capitalized at a hundred billion yen or more.  
 4. Figures for fiscal year ended March 2018 are on a preliminary report basis.  
 5. Return on equity of member securities firms that end their business year before the end of each fiscal year (for example, the fiscal year ended March 2015 indicates the year from April 2014 to March 2015) are included since the fiscal year ended March 2015 due to the revision of the business year regulations of the financial instruments business operator.

Source: Japan Securities Dealers Association

## International Comparison

### Real GDP Growth Rate (year-on-year)

(%)

CY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Japan	1.528	2.205	1.663	1.420	1.654	-1.094	-5.416	4.192	-0.115	1.495	2.000	0.375	1.354	0.938	1.713
United States	2.807	3.785	3.345	2.666	1.779	-0.292	-2.776	2.532	1.602	2.224	1.677	2.569	2.862	1.485	2.273
Euro area	0.661	2.300	1.679	3.228	3.049	0.430	-4.515	2.082	1.606	-0.886	-0.241	1.337	2.067	1.804	2.332

Source: International Monetary Fund

### Stock Price

End of CY	Nikkei 225 Stock Average	Dow Jones Industrial Average, USA	FTSE 100, UK	CAC 40, France	DAX, Germany	ST Index, Singapore	Hang Seng Index, Hong Kong	CSI 300 Index, Shanghai/Shenzhen
2003	10,676.64	10,453.92	4,476.90	3,557.90	3,965.16	1,730.38	12,575.94	1,194.74
2004	11,488.76	10,783.01	4,814.30	3,821.16	4,256.08	1,999.90	14,230.14	1,000.00
2005	16,111.43	10,717.50	5,618.80	4,715.23	5,408.26	2,280.77	14,876.43	923.45
2006	17,225.83	12,463.15	6,220.80	5,541.76	6,596.92	2,918.63	19,964.72	2,041.05
2007	15,307.78	13,264.82	6,456.90	5,614.08	8,067.32	3,465.62	27,812.65	5,338.27
2008	8,859.56	8,776.39	4,434.17	3,217.97	4,810.20	1,761.56	14,387.48	1,817.72
2009	10,546.44	10,428.05	5,412.88	3,936.33	5,957.43	2,897.62	21,872.50	3,575.68
2010	10,228.92	11,577.51	5,899.94	3,804.78	6,914.19	3,190.04	23,035.45	3,128.26
2011	8,455.35	12,217.56	5,572.28	3,159.81	5,898.35	2,646.35	18,434.39	2,345.74
2012	10,395.18	13,104.14	5,897.81	3,641.07	7,612.39	3,167.08	22,656.92	2,522.95
2013	16,291.31	16,576.66	6,749.09	4,295.95	9,552.16	3,167.43	23,306.39	2,330.03
2014	17,450.77	17,823.07	6,566.09	4,272.75	9,805.55	3,365.15	23,605.04	3,533.71
2015	19,033.71	17,425.03	6,242.32	4,637.06	10,743.01	2,882.73	21,914.40	3,731.00
2016	19,114.37	19,762.60	7,142.83	4,862.31	11,481.06	2,880.76	22,000.56	3,310.08
2017	22,764.94	24,719.22	7,687.77	5,312.56	12,917.64	3,402.92	29,919.15	4,030.86

Source: Bloomberg



## Market Capitalization

	(Billion USD)									
End of CY	Japan	United States	UK	France	Germany	Singapore	Hong Kong	China	Brazil	Australia
2004	3,557	16,323	2,815	2,441	1,194	217	861	447	330	776
2005	4,572	17,000	3,058	2,706	1,202	257	1,054	401	474	804
2006	4,614	19,568	3,781	3,708	1,637	384	1,714	1,145	710	1,095
2007	4,330	20,180	3,846	4,222	2,105	539	2,654	4,478	1,369	1,298
2008	3,115	11,590	1,868	2,101	1,110	264	1,328	1,778	591	683
2009	3,395	15,077	3,453	2,869	1,292	481	2,305	3,573	1,337	1,261
2010	3,827	17,283	3,613	2,930	1,429	647	2,711	4,027	1,545	1,454
2011	3,325	15,640	3,266	2,446	1,184	598	2,258	3,412	1,228	1,198
2012	3,478	18,668	3,396	2,832	1,486	765	2,831	3,697	1,227	1,386
2013	4,543	24,034	4,428	3,583	1,936	744	3,100	3,949	1,020	1,365
2014	4,377	26,330	4,012	3,319	1,738	752	3,233	6,004	843	1,288
2015	4,894	25,067	3,878	3,305	1,715	639	3,184	8,188	490	1,187
2016	5,061	27,352	3,467	3,463	1,718	649	3,193	7,320	774	1,316
2017	6,222	32,120	4,455	4,392	2,262	787	4,350	8,711	954	1,508

Source: World Federation of Exchanges

## Value of Share Trading

	(Billion USD)									
CY	Japan	United States	UK	France	Germany	Singapore	Hong Kong	China	Brazil	Australia
2004	3,294	20,106	1,605	1,903	1,124	107	403	511	104	525
2005	4,566	27,053	1,905	2,188	1,392	116	420	387	166	672
2006	5,634	32,486	2,807	2,982	2,018	180	757	1,140	275	860
2007	6,273	42,879	4,319	4,513	3,362	381	2,020	6,074	607	1,378
2008	5,473	52,585	3,844	3,835	3,210	261	1,562	3,825	750	1,068
2009	3,874	37,409	2,717	1,934	1,516	247	1,416	7,827	644	798
2010	3,968	38,939	2,741	2,018	1,628	289	1,496	8,068	868	1,062
2011	4,160	43,906	2,836	2,134	1,758	285	1,444	6,496	930	1,196
2012	3,605	34,201	2,194	1,576	1,275	256	1,106	4,967	875	935
2013	6,516	35,001	2,233	1,661	1,334	280	1,323	7,589	810	881
2014	5,443	41,268	2,770	1,952	1,469	209	1,520	12,026	728	807
2015	5,540	44,209	2,651	2,076	1,555	203	2,125	40,954	498	799
2016	5,618	42,071	2,282	1,765	1,305	196	1,350	19,098	535	822
2017	5,812	38,173	2,329	1,942	1,481	213	1,957	16,675	663	830

Source: World Federation of Exchanges

## Long-term Interest Rate (10 yr. Government Bond Yield)

(%)

End of CY	Japan	United States	UK	France	Germany	Singapore	Hong Kong	China
2003	1.370	4.2455	4.802	4.301	4.292	3.7502	4.385	—
2004	1.441	4.2182	4.537	3.677	3.683	2.5842	3.547	—
2005	1.480	4.3911	4.100	3.304	3.309	3.2110	4.192	—
2006	1.685	4.7022	4.741	3.981	3.948	3.0467	3.745	3.058
2007	1.510	4.0232	4.508	4.422	4.307	2.6756	3.470	4.460
2008	1.174	2.2123	3.020	3.414	2.951	2.0487	1.197	2.760
2009	1.295	3.8368	4.015	3.593	3.387	2.6568	2.599	3.640
2010	1.128	3.2935	3.396	3.362	2.963	2.7126	2.868	3.910
2011	0.988	1.8762	1.977	3.148	1.829	1.6271	1.510	3.440
2012	0.791	1.7574	1.828	1.997	1.316	1.2965	0.625	3.590
2013	0.741	3.0282	3.022	2.558	1.929	2.5581	2.334	4.620
2014	0.329	2.1712	1.756	0.826	0.541	2.2803	1.896	3.650
2015	0.265	2.2694	1.960	0.988	0.629	2.5976	1.579	2.860
2016	0.046	2.4443	1.239	0.686	0.208	2.4743	1.974	3.060
2017	0.048	2.4054	1.190	0.785	0.427	2.0045	1.834	3.902

Source: Bloomberg

## Foreign Exchange Rates

(yen per unit of foreign currency)

End of CY	USD	GBP	EUR	SGD	HKD	CNY	BRL	AUD
2003	107.22	191.39	135.00	63.04	13.78	12.95	37.08	80.68
2004	102.63	196.84	139.10	62.89	13.20	12.40	38.64	80.09
2005	117.75	202.88	139.48	70.79	15.18	14.58	50.35	86.28
2006	119.06	233.19	157.12	77.52	15.30	15.25	55.74	93.90
2007	111.75	221.76	163.04	77.56	14.32	15.27	62.81	97.77
2008	90.64	132.54	126.71	63.47	11.70	13.29	39.16	63.67
2009	93.03	150.41	133.20	66.21	11.99	13.62	53.31	83.48
2010	81.12	126.66	108.47	63.21	10.43	12.27	48.88	83.02
2011	76.91	119.53	99.66	59.35	9.90	12.21	41.19	78.43
2012	86.75	140.94	114.46	71.02	11.19	13.92	42.28	90.14
2013	105.31	174.36	144.73	83.36	13.58	17.39	44.58	93.87
2014	119.78	186.57	144.85	90.33	15.43	19.28	45.05	97.81
2015	120.22	177.17	130.64	84.77	15.51	18.51	30.36	87.59
2016	116.96	144.50	122.97	80.85	15.08	16.81	35.93	84.21
2017	112.69	152.23	135.28	84.30	14.39	17.29	34.01	88.03

Note: Rates quoted are 5 pm in New York.  
Source: Bloomberg

## Composition of Household Financial Assets

### United States

(%)

End of CY	2014	2015	2016	2017
Cash and deposits	13.1	13.5	13.7	12.9
Bonds	5.6	6.3	5.9	4.9
Stocks and other equities	35.0	34.5	35.3	36.7
Investment trusts	11.4	11.1	11.1	12.1
Insurance and pension reserves	31.7	31.5	31.1	30.6
Others	3.2	3.1	3.1	2.9
Total	100.0	100.0	100.0	100.0

Source: Federal Reserve Board

### Euro Area

(%)

End of CY	2014	2015	2016	2017
Cash and deposits	33.5	33.0	33.0	32.9
Bonds	4.6	3.7	3.2	2.6
Stocks and other equities	18.3	19.0	19.0	19.5
Investment trusts	8.3	9.1	8.9	9.5
Insurance and pension reserves	30.1	30.1	31.2	30.8
Others	5.3	5.1	4.7	4.7
Total	100.0	100.0	100.0	100.0

Source: European Central Bank

► For Japanese data, please see page 39

## Population Composition

(%)

	1965			2015			2065 (forecast)		
	0 to 14 yrs. old	15 to 64 yrs. old	65 yrs. & older	0 to 14 yrs. old	15 to 64 yrs. old	65 yrs. & older	0 to 14 yrs. old	15 to 64 yrs. old	65 yrs. & older
Japan	25.8	67.9	6.3	12.9	60.8	26.3	12.8	50.7	36.5
United States	30.1	60.4	9.5	18.9	66.3	14.8	17.3	58.8	23.9
UK	23.3	64.5	12.2	17.8	64.5	17.7	16.2	57.6	26.2
France	25.5	62.5	12.1	18.5	62.4	18.7	16.3	57.0	26.6
Germany	22.9	64.6	12.5	12.9	65.9	19.7	13.3	53.6	33.2
Singapore	43.7	53.7	2.6	15.5	72.8	20.7	10.8	51.9	37.4
China	41.3	55.3	3.4	17.2	73.2	9.6	13.0	54.1	32.9

Note: As of July 1 of each year  
Source: United Nations

## FACT BOOK 2018

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