

MONEX GROUP

31st Monex Global Retail Investor Survey, Conducted in December 2023

The forecast DI (*) for world stock markets rose sharply among retail investors in all three regions.

Tokyo, Florida and Hong Kong, January 18, 2024 – Monex, Inc., TradeStation Securities, Inc. (“TradeStation”) and MONEX Boom Securities (H.K.) Limited (“BOOM”), group companies of Monex Group, Inc. (TSE: 8698), surveyed retail investors with accounts held in the respective companies about their perceptions of the market environment. The Monex Global Retail Investor Survey is a report summarizing their responses.

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January 18, 2024

For Immediate Release

Monex, Inc.
TradeStation Securities, Inc.
Monex Boom Securities (H.K.) Limited

31st Monex Global Retail Investor Survey, Conducted in December 2023

The forecast DI () for world stock markets rose sharply among retail investors in all three regions*

Monex, Inc. (Minato-ku, Tokyo; Yuko Seimei, President) conducted the 31st Monex Global Retail Investor Survey* in collaboration with Group companies TradeStation Securities, Inc. (Florida, the U.S.; Peter Korotkiy, President) and Monex Boom Securities (H.K.) Limited (China [H.K.], Ivan Law, COO) from December 13 to December 21, 2023.

2023 was a very firm year for the stock markets. Both the Nikkei Stock Average and the Dow Jones showed yearly rises, moving up 28% and 14%, respectively, and Japanese stocks in particular enjoyed their strongest performance since 2013. The TSE Growth Market 250 Index (former Mothers Index) declined 3%, while the NASDAQ Composite Index rose 43%.

In 2023, monetary tightening progressed in major countries except Japan. In March, financial instability surfaced in Europe and the United States, and geopolitical risk also persisted. In the United States, economic growth was solid thanks to vigorous consumption, and growing expectations for a soft landing in the economy pushed up stock prices, along with the end of the phase of rising interest rates. Japanese stocks also rose sharply in April to June after the Tokyo Stock Exchange requested listed companies to improve capital efficiency at the end of March. It was also around this time that Warren Buffett's investment in Japanese stocks, mentioned in this survey, became a hot topic.

Given that 2024 is said to be an election year and that elections will be held in various countries, the macroeconomic environment surrounding risk assets will become even more important. However, all of us at Monex, Inc., led by our team of analysts, will continue working together to provide information on the latest developments that will serve as a useful reference for retail investors.

With your assistance, we have been able to compile and analyze extremely valuable data. We greatly appreciate your cooperation.

We hope that this survey will aid your investment decisions.

Summary Findings

1. Global Survey Results: Survey of Retail Investors in Japan, U.S. and China (H.K.)

The forecast DI (*) for world stock markets rose sharply among retail investors in all three regions.

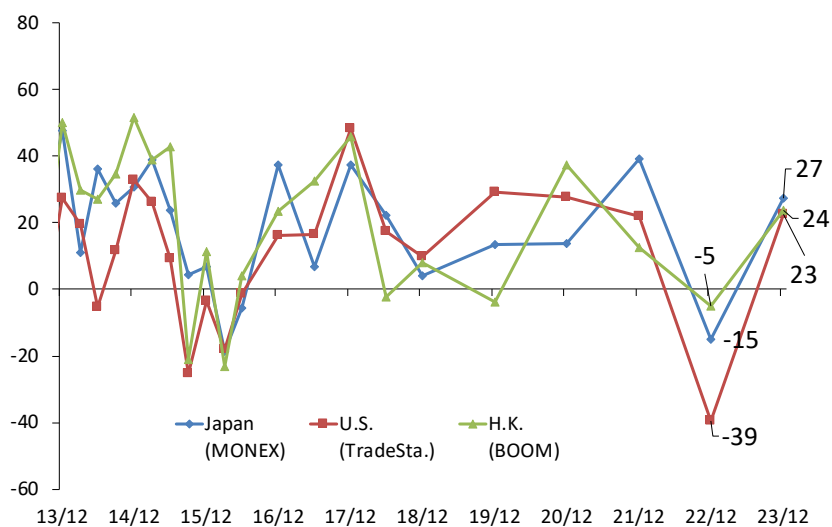
We asked retail investors in each region about their views on the world stock market for the coming three months. Among retail investors in Japan, the U.S., and China (H.K.), the DI increased sharply from the previous survey (conducted in December 2022). It is confirmed that the degree of improvement is particularly large for retail investors in the United States.

*DI (diffusion index):

The percentage of respondents who answered “will rise or improve” minus the percentage of respondents who answered “will fall or deteriorate.”

Figure 1: Retail Investors’ Outlook on World Stock Markets (Trends in DIs in Three Regions)

(Retail Investors in Japan, U.S. and China (H.K.))



(Source) Monex, Inc.

【Forecast DI for world stock markets】

[Japan] Dec. 2022: -15 → Dec. 2023: 27 (+42 points)

[U.S.] Dec. 2022: -39 → Dec. 2023: 23 (+62 points)

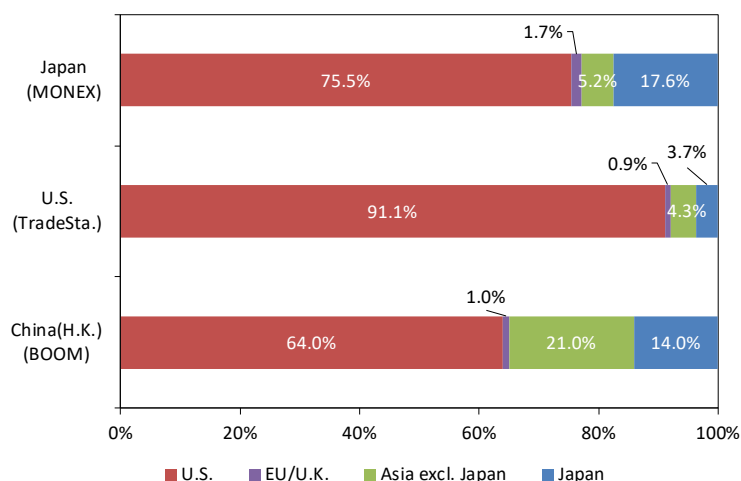
[China (H.K.)] Dec. 2022: -5 → Dec. 2023: 24 (+29 points)

Expectations for U.S. stocks were the highest among retail investors in all three regions.

We asked retail investors to name the region with the greatest likelihood of stock price appreciation in the coming three months. The percentage of respondents who answered that the “U.S.” was the highest among all retail investors in Japan, U.S., and China (H.K.). More than 91% of U.S. retail investors had expectations for the U.S. stock markets. The high expectations of world investors for U.S. stocks were confirmed.

Figure 2-1: Expectation for Areas of Best Equity Performance for the Next 3 Months (Breakdown of Responses in Each Region)

(Retail Investors in Japan, U.S. and China (H.K.))



【Expectations for stock markets in the coming three months】

[Japan] U.S.: 75.5% EU/U.K.: 1.7% Asia excl. Japan: 5.2% Japan: 17.6%

[U.S.] U.S.: 91.1% EU/U.K.: 0.9% Asia excl. Japan: 4.3% Japan: 3.7%

[China (H.K.)] U.S.: 64.0% EU/U.K.: 1.0% Asia excl. Japan: 21.0% Japan: 14.0%

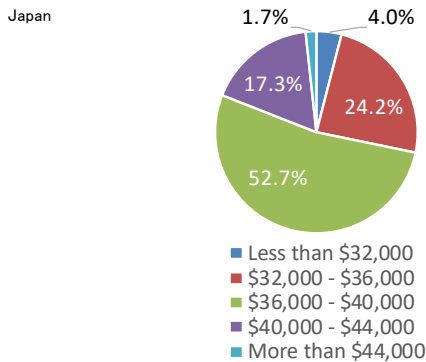
The 2024 U.S. market outlook: The highest percentage of retail investors in Japan and the U.S. expect the 2024 high to be between 36,000 and 40,000.

We asked retail investors in all three regions about their expectations for the Dow Jones high and low in 2024. Most retail investors in Japan and the U.S. answered that they expect the 2024 high will be between 36,000 and 40,000. Meanwhile, most retail investors in China (H.K.) answered that the 2024 high will be between 32,000 and 36,000. While the highest percentage of retail investors in Japan and China (H.K.) answered that they expect the 2024 low would be between 27,000 and 31,000, the highest percentage of retail investors in the U.S. answered that they expect the 2024 low would be between 31,000 and 35,000.

[【Reference】 Closing price on January 12: \$37,592.98]

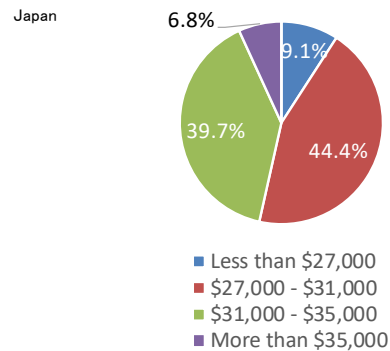
【Retail investors in Japan】

Figure3-1: Dow Jones Industrial Average High price forecast



(Source) Monex, Inc.

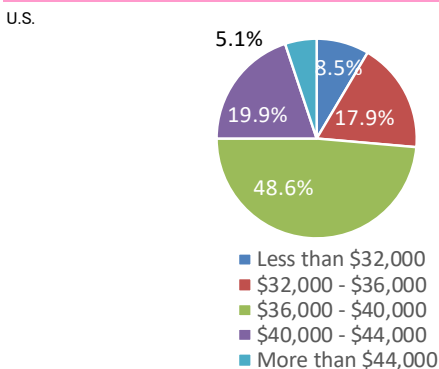
Figure3-2: Dow Jones Industrial Average Low price forecast



(Source) Monex, Inc.

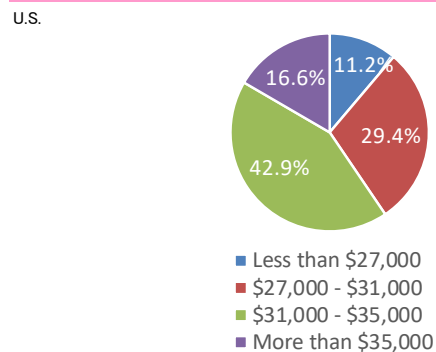
【Retail investors in the U.S.】

Figure3-3: Dow Jones Industrial Average High price forecast



(Source) Monex, Inc.

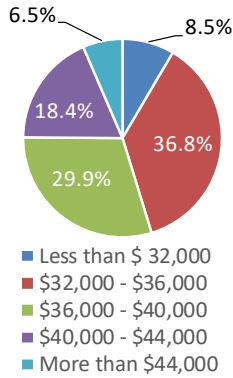
Figure3-4: Dow Jones Industrial Average Low price forecast



(Source) Monex, Inc.

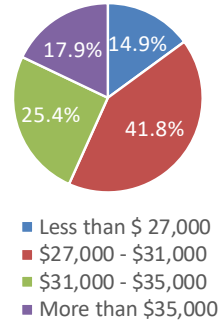
【Retail investors in China (H.K.)】

Figure3-5: Dow Jones Industrial Average High price forecast
China(H.K.)



(Source) Monex, Inc.

Figure3-6: Dow Jones Industrial Average Low price forecast
China(H.K.)

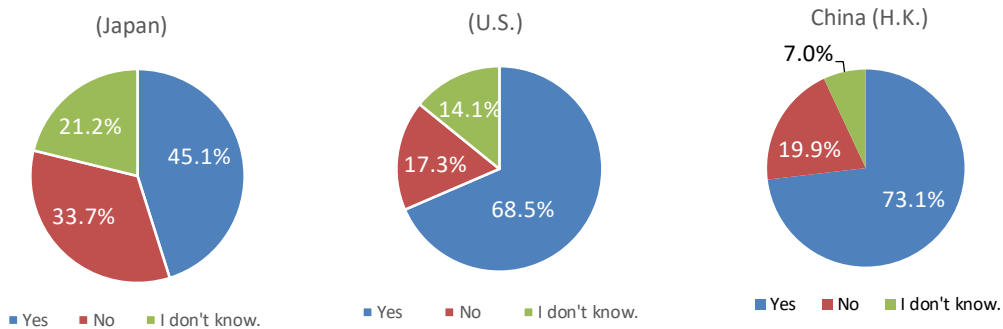


(Source) Monex, Inc.

Japanese investors are optimistic about necessity of risk aversion.

We asked retail investors in all three regions whether they think that the current market conditions require them to avert risk to certain extent. While approximately 70% of retail investors in the U.S. and China (H.K.) think that risk aversion is necessary, fewer than 50% of retail investors in Japan think so.

Figure 4-1: Do You Think That Risk Aversion is Necessary?



(Source) Monex, Inc.

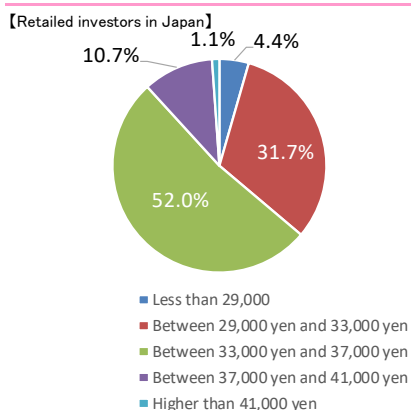
2. Japan Specific Quarterly Survey Results: Survey of Retail Investors in Japan

The percentage forecasting that the 2024 high of the Nikkei Stock Average would be between 33,000 and 37,000 was highest, at 52.0%.

We asked Japanese retail investors about their forecast for the 2024 high and low of the Nikkei Stock Average. The percentage forecasting that the 2024 high of the Nikkei Stock Average would be 33,000 - 37,000 was highest, at 52.0%. The percentage forecasting a 2024 low of 26,000 - 29,000 was highest, at 40.7%.

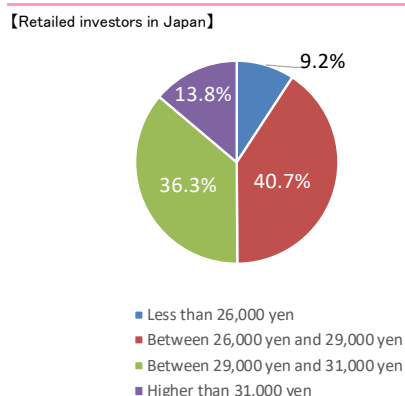
[Closing price on January 12: 35,577.118]

Figure 10-1: Nikkei Stock Average High Price Forecast in 2024



(Source) Monex, Inc.

Figure 10-2: Nikkei Stock Average Low Price Forecast in 2024



(Source) Monex, Inc.

Please refer to the details of the results of the survey in the attached report.

The outline of the survey conducted in Japan, the U.S. and China (H.K.):

	Japan	U.S.	China(H.K.)
Survey period	Dec. 14 to Dec 18, 2023	Dec. 13 to Dec 21, 2023	Dec. 14 to Dec 18, 2023
Number of responses	1,172	940	201

Monex, Inc. has been surveying retail investors about their attitudes regarding financial market conditions, providing you with the survey results as the “Monex Retail Investor Survey” since October 2009. In addition to Japan, as our group has established securities businesses in the U.S. and China (H.K.), we expanded this retail investor survey geographically and added the U.S. and China (H.K.) in order to compile the "Monex Global Retail Investor Survey" since June 2011. Monex, Inc., TradeStation Securities, Inc. and Monex Boom Securities (H.K.) Limited have been jointly conducting this survey and observing retail investors’ attitudes about financial market conditions in Japan, the U.S. and in China (H.K.) on a regular basis.