

For Immediate Release

Monex, Inc.
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Twenty-Second Monex Global Retail Investor Survey
Survey Focusing on the Economic Outlook for 2017 after Donald Trump's Victory in the
U.S. Presidential Election

The twenty-second Monex Global Retail Survey* was conducted from Nov.21 to Dec.5, 2016.

The results of this time's global survey were characterized by improvement in the outlook for stock markets among retail investors in Japan, the U.S. and China (Hong Kong) compared to the previous survey (conducted in May and June 2016).

This time, we also prepared special questions on the outlook for major economies next year. The percentage of retail investors in all three regions who anticipate U.S. growth was extremely high, indicating high expectations that Donald Trump's policies will stimulate the U.S economy.

Summary Findings

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

(1-1) The forecast DI of retail investors in all three regions improved significantly and was positive across the board.**

[Figure 1 on Page 3(Exhibit)]

We asked retail investors in each region about their views on world stock markets for the coming three months. The forecast DI rose sharply from the previous survey in all three regions. In particular, the forecast DI among retail investors in Japan showed a considerable 43-point improvement from the previous survey. Moreover, the last time the forecast DI of retail investors in all three regions was positive was one-and-a-half years ago in the June 2015 survey. The gains in world stock markets since Trump's victory in the presidential election appear to have significantly improved the sentiment of retail investors.

[Forecast DI: Japan] June 2016: -6 → Dec. 2016: 37 (+43 points)

[Forecast DI: U.S.] June 2016: -1 → Dec. 2016: 16 (+17 points)

[Forecast DI: China (H.K.)] June 2016: 4 → Dec. 2016: 23 (+19 points)

(1-2) The percentage of retail investors in Japan with expectations for U.S. stocks reached a record high.

[Figures from 2-1 to 2-4 on Page 4(Exhibit)]

As in the previous survey, the percentage of retail investors who answered that the U.S. is the region where there is the greatest likelihood of stock price appreciation in the coming three months was the highest in all regions. In particular, the percentage of retail investors in Japan who have expectations for the U.S. rose beyond the all-time high of 57.7% set in the previous survey to 61.7%. The policies to stimulate the U.S. economy set out by President-elect Trump appear to have further increased expectations for U.S. stocks.

[Japan]	U.S.:	61.7%	Europe/U.K.:	4.5%	Asia excl. Japan:	9.3%	Japan:	24.5%
[U.S.]	U.S.:	83.0%	Europe/U.K.:	4.5%	Asia excl. Japan:	8.0%	Japan:	4.5%
[China (H.K.)]	U.S.:	56.3%	Europe/U.K.:	5.1%	Asia excl. Japan:	31.7%	Japan:	6.9%

(1-3) On the list of most attractive sectors, “Financial Services” ranked top in the U.S and China, while similarly in Japan, “Banks” shot up the rankings.

[Figures 4-1 and 4-2 on Page 5 (Exhibit)]

“Financial Services” ranked top on the list of the most attractive sectors in both the U.S. and China. Similarly in Japan, “Banks” shot up the rankings, from 11th in the previous survey to 5th. President-elect Trump has indicated that he plans to relax financial regulations, and this, among other factors, may have increased the attractiveness of financial stocks.

(1-4) Survey of economic outlook for 2017: Retail investors in all three regions were noticeably bullish on the outlook for the U.S.

[Figures from 7-1 to 7-4 on Page 7 (Exhibit)]

We asked retail investors about the outlook for major economies (U.S., Europe, China and Japan) in 2017. Retail investors in all three regions were noticeably bullish on the outlook for the U.S. economy, with more than 50% of respondents in every region expecting the U.S. economy to improve. The outlook for the EU economy was slightly pessimistic, with around 40% of retail investors in all three regions answering that the EU economy would deteriorate. The outlook for China was characterized by a division of opinion between the regions, with most retail investors in the U.S. and China (Hong Kong) answering that the Chinese economy would improve, but most retail investors in Japan predicting deterioration. The outlook for Japan was comparatively optimistic, with more than 30% of retail investors in Japan and China (Hong Kong) answering that the Japanese economy would improve. However, retail investors in the U.S. were somewhat cautious about Japan’s prospects, with only 22% predicting improvement.

2. Japan Bimonthly Survey Results: Survey of Retail investors in Japan

(2-1) The DIs for Japanese stocks, U.S. stocks and Chinese stocks all rose, with the DI for U.S. stocks rising most noticeably.

[Figures 8-1 and 8-2 on Page 8(Exhibit)]

We asked Japanese retail investors about their outlook for the stock markets in Japan, the U.S. and China in the coming three months. The DIs for Japanese stocks, U.S. stocks and Chinese stocks all rose from the previous survey (conducted in October 2016). In particular, the DI for U.S. stocks gained 45 points in a huge rebound from the previous survey. Expectations for U.S. stocks are far higher than for Japanese or Chinese stocks, indicating expectations for Trump's economic policies.

[Japanese Stocks DI] Oct. 2016: 23 → Dec. 2016: 30 (+7 points)

[U.S. Stocks DI] Oct. 2016: 10 → Dec. 2016: 55 (+45 points)

[China stocks DI] Oct. 2016: - 41 → Dec. 2016: -22 (+19 points)

(2-2) All U.S. topics received much more attention.

[Figures 10-1 and 10-2 on Page 9 (Exhibit)]

The topic that received the greatest increase in attention among retail investors from the previous survey was politics and diplomacy in the U.S., and rate movements, corporate performance, monetary policy, and macroeconomics in the U.S. also received much more attention. Trump's victory in the presidential election appears to have led to a surge in attention paid to the U.S.

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

* An outline of the surveys conducted in Japan, the U.S. and China (H.K.)

	Japan	U.S.	China (H.K.)
Survey period	21 Nov-5 Dec 2016	21 Nov-1 Dec 2016	21 Nov-5 Dec 2016
Number of responses	915	112	350

** DI (diffusion index): The percentage of respondents who answered "will rise or improve" minus the percentage of respondents who answered "will fall or deteriorate"

Monex, Inc. has been surveying retail investors about their attitudes to 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 (Hong Kong), we expanded this retail investor survey geographically and added the U.S. and China (Hong Kong) 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 (Hong Kong) on a regular basis.

Monex Global Retail Investor Survey

December 2016

Executive Summary

Financial Intelligence Department, Monex Inc.

We are pleased to bring you results of our twenty-second Monex Global Retail Investor Survey.

On November 9, when the news broke that Donald Trump had won the U.S. presidential election, the yen strengthened against the dollar, temporarily reaching the 101 yen mark, while the Nikkei Stock Average plummeted 919 points. This may have reflected the Japanese market preparing itself for uncertainty due to the victory of Trump, whose extreme campaign promises included building a huge wall along the U.S. border with Mexico and banning Muslims from entering the U.S. After Trump won the election, the Dow Jones Industrial Average was also sliding. However, when news broke of the conciliatory tone of Trump's victory speech, the U.S. benchmark index rallied and had soared 256 points by the end of the day.

The markets then swung into "risk on" mode. The yen weakened against the dollar, temporarily reaching the 114 yen mark, and the Nikkei Stock Average hit a high for 2016. The Dow Jones Industrial Average was on a winning streak, notching records day after day. Expectations that Trump's policies will stimulate the economy and ease regulation are believed to be fueling the rise in stock prices.

Under these market conditions, in this time's Monex Global Retail Investor Survey, we asked retail investors in Japan, the U.S. and China about the outlook for major economies next year. As expected, retail investors in all three regions have extremely high expectations for the U.S., with around 60% of retail investors answering that the U.S. economy would improve next year.

However, due to a debt ceiling, which places an upper limit on how much debt the U.S. government can accumulate, it is currently unclear whether the economic policies put forward by Trump can actually be implemented. It is also quite possible that if the U.S. economy really did expand, the FED would try to tighten the money supply by increasing the pace of interest rate hikes. The outlook for the U.S and the world economy next year remains unpredictable.

Such uncertain conditions are likely to give rise to many situations in which retail investors find it difficult to make decisions. Monex, Inc. (hereinafter “Monex”) will continue to disseminate 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 and hope that this survey will be of some aid in your investment decisions.

(Written as of December 6, 2016)

Summary

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

(1-1) The forecast DI* of retail investors in all three regions improved significantly and was positive across the board.

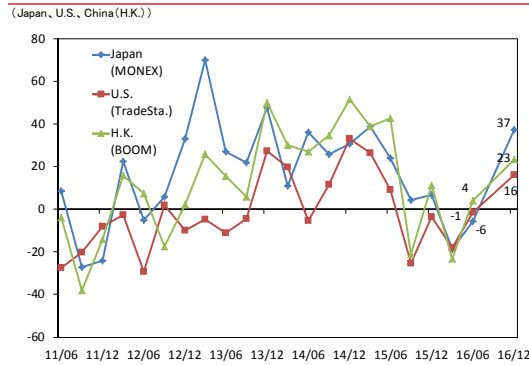
We asked retail investors in each region about their views on world stock markets for the coming three months. The forecast DI rose sharply from the previous survey (conducted in May and June 2016) in all three regions. In particular, the forecast DI among retail investors in Japan showed a considerable 43-point improvement from the previous survey. Moreover, the last time the forecast DI of retail investors in all three regions was positive was one-and-a-half years ago in the June 2015 survey. The gains in world stock markets since Trump’s victory in the presidential election appear to have significantly improved the sentiment of retail investors.

[Forecast DI: Japan] June 2016: -6 → Dec. 2016: 37 (+43 points)

[Forecast DI: U.S.] June 2016: -1 → Dec. 2016: 16 (+17 points)

[Forecast DI: China (H.K.)] June 2016: 4 → Dec. 2016: 23 (+19 points)

Figure1: Outlook on Stocks Globally for the Next 3 Months



Source: Monex, Inc.

* DI (diffusion index): The percentage of respondents who answered “will rise or improve” minus the percentage of respondents who answered “will fall or deteriorate.”

(1-2) The percentage of retail investors in Japan with expectations for U.S. stocks reached a record high.

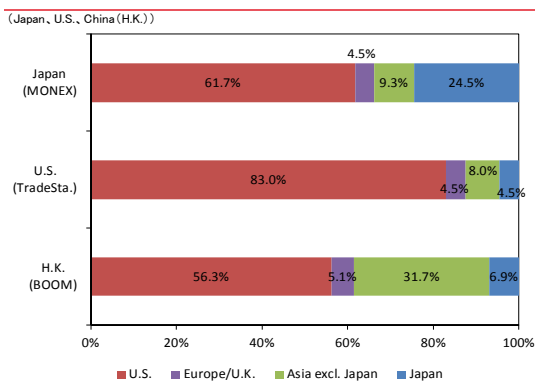
As in the previous survey, the percentage of retail investors who answered that the U.S. is the region where there is the greatest likelihood of stock price appreciation in the coming three months

was the highest in all regions.

In particular, the percentage of retail investors in Japan who have expectations for the U.S. rose beyond the all-time high of 57.7% set in the previous survey to 61.7%. The policies to stimulate the U.S. economy set out by President-elect Trump appear to have further increased expectations for U.S. stocks.

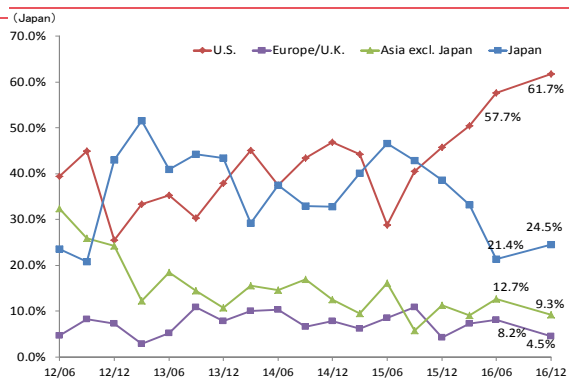
[Japan] U.S.: 61.7% Europe/U.K.: 4.5% Asia excl. Japan: 9.3% Japan: 24.5%
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 [China (H.K.)] U.S.: 56.3% Europe/U.K.: 5.1% Asia excl. Japan: 31.7% Japan: 6.9%

Figure2-1: Expectation for Areas of Best Equity Performance for the Next 3 Months



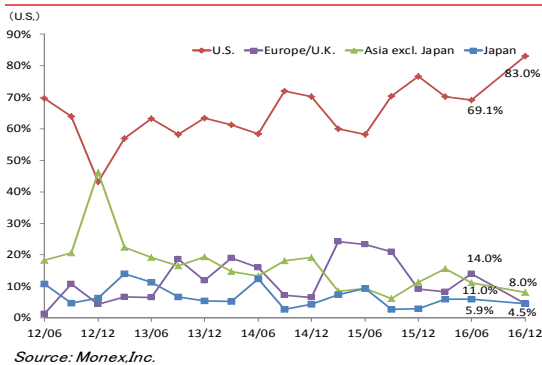
Source: Monex, Inc.

Figure2-2: Expectation for Areas of Best Equity Performance for the Next 3 Months



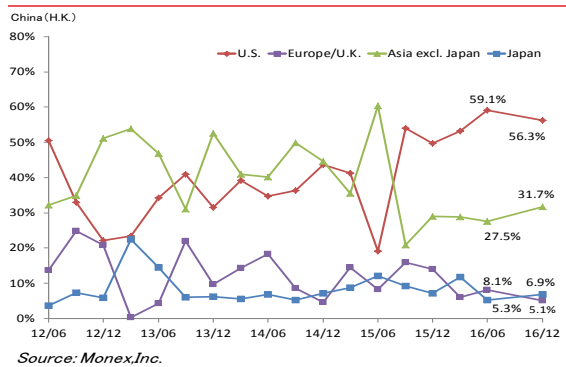
Source: Monex, Inc.

Figure2-3: Expectation for areas of Best Equity Performance for the Next 3 Months



Source: Monex, Inc.

Figure2-4: Expectation for areas of Best Equity Performance for the Next 3 Months

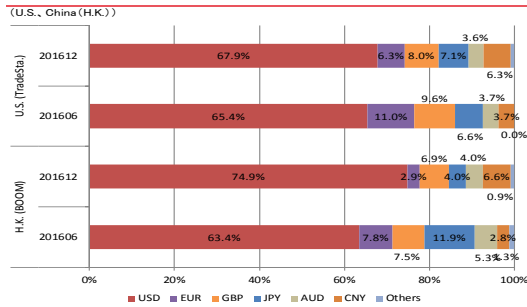


Source: Monex, Inc.

(1-3) Retail investors in all three regions anticipate a stronger dollar.

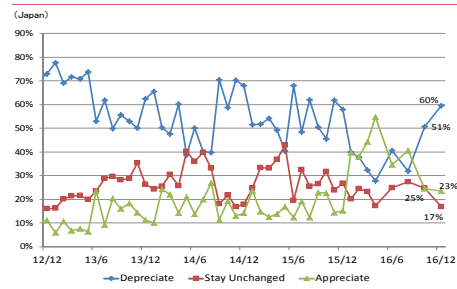
The currency that retail investors in the U.S. and China (Hong Kong) considered as being the most likely to increase in value in the coming three months was the U.S. dollar in both regions, and the percentage who answered U.S. dollar was higher than in the previous survey. The percentage of retail investors in Japan who forecast a weaker yen against the dollar in the coming three months reached 60%, while the percentage anticipating a stronger yen was only 23%.

Figure3-1: Strongest Currency Over the Next 3 Months(vs Previous survey)



Source: Monex,Inc.

Figure3-2: JPY Against the Dollar for the Next 3 Months

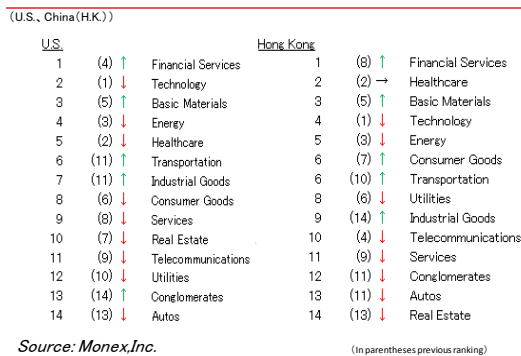


Source: Monex,Inc.

(1-4) On the list of most attractive sectors, “Financial Services” ranked top in the U.S and China, while similarly in Japan, “Banks” shot up the rankings.

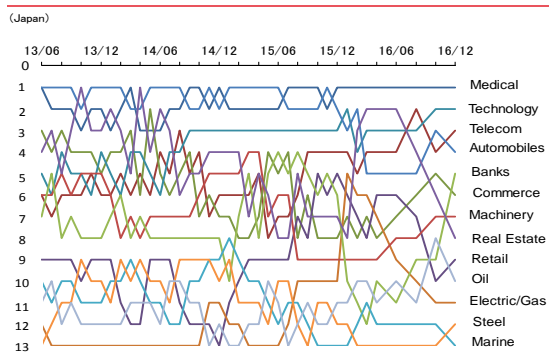
“Financial Services” ranked top on the list of the most attractive sectors in both the U.S. and China. Similarly in Japan, “Banks” shot up the rankings, from 11th in the previous survey to 5th. President-elect Trump has indicated that he plans to relax financial regulations, and this, among other factors, may have increased the attractiveness of financial stocks.

Figure4-1: Attractive Sectors



Source: Monex,Inc.

Figure4-2: Attractive Sectors



Source: Monex,Inc.

(The previous survey of U.S. and Chinese (H.K.) retail investors was conducted in December 2016, and the sector ranking by Japanese retail investors are shown since June 2013.)

(1-5) The Crude Oil DI fell in all three regions.

The Crude Oil DI fell in all three regions. Media reports ahead of the OPEC meeting that OPEC members might not reach a deal to cut oil production may have worsened expectations for oil, even though an agreement was ultimately reached. Opinion on expectations for metals was divided among retail investors in the three regions, with the Metals DI falling sharply in Japan but rising in the U.S. and China (Hong Kong).

[Expectations for oil]

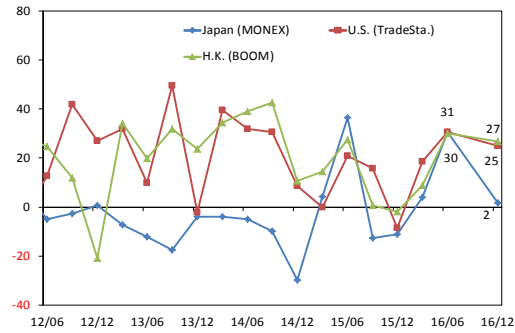
[Crude Oil DI (Japan)] June 2016 : 31 → Dec. 2016 : 2 (-29 points)
 [Crude Oil DI (U.S.)] June 2016 : 31 → Dec. 2016 : 25 (-6 points)
 [Crude Oil DI (China (Hong Kong))] June 2016 : 30 → Dec. 2016 : 27 (-3 points)

[Expectations for metals]

[Metals DI (Japan)] June 2016 : 31 → Dec. 2016 : -12 (-43 points)
 [Metals DI (U.S.)] June 2016 : 15 → Dec. 2016 : 39 (+24 points)
 [Metals DI (China (Hong Kong))] June 2016 : 9 → Dec. 2016 : 22 (+13 points)

Figure5-1: Crude Oil DI

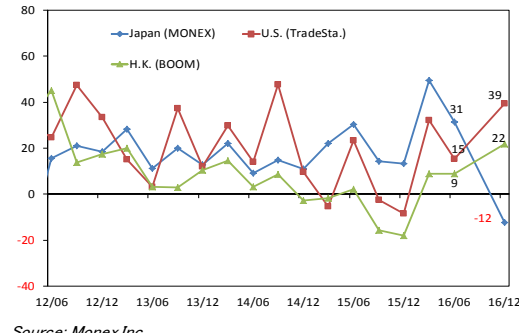
(Japan, U.S., China(H.K.))



Source: Monex,Inc.

Figure5-2: Metals DI

(Japan, U.S., China(H.K.))



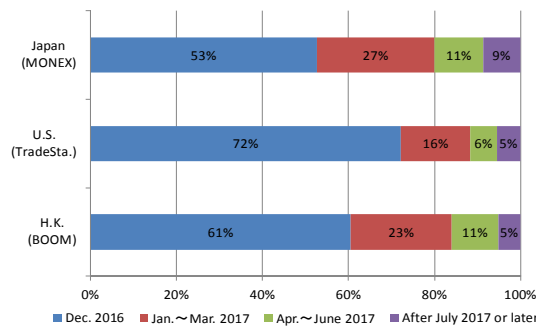
Source: Monex,Inc.

(1-6) A majority of retail investors in all three regions forecast a further U.S. rate hike in December 2016.

A majority of retail investors in all three regions answered that the timing of the FED’s next rate hike would be December 2016. In particular, more than 70% of retail investors in the U.S. anticipate a December rate hike, and an increasing number of retail investors are basing their investment behavior on the assumption that a rate hike is imminent.

Figure6: When will the Fed start to raise interest rates next time?

(Japan, U.S., China(H.K.))



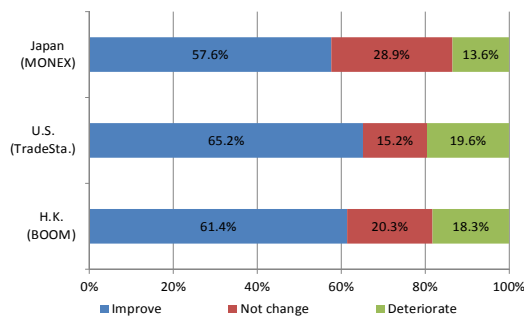
Source: Monex,Inc.

(1-7) Survey of economic outlook for 2017: Retail investors in all three regions were noticeably bullish on the outlook for the U.S.

We asked retail investors about the economic outlook for major economies (U.S., Europe, China and Japan) in 2017. Retail investors in all three regions were noticeably bullish on the outlook for the U.S. economy, with more than 50% of respondents in every region expecting the U.S. economy to improve. The outlook for the EU economy was slightly pessimistic, with around 40% of retail investors in all three regions answering that the EU economy would deteriorate. The outlook for China was characterized by a division of opinion between the regions, with most retail investors in the U.S. and China (Hong Kong) answering that the Chinese economy would improve, but most retail investors in Japan predicting deterioration. The outlook for Japan was comparatively optimistic, with more than 30% of retail investors in Japan and China (Hong Kong) answering that the Japanese economy would improve. However, retail investors in the U.S. were somewhat cautious about Japan’s prospects, with only 22% predicting improvement.

Figure7-1: How do you think the U.S. economy will perform in 2017 compared to in 2016?

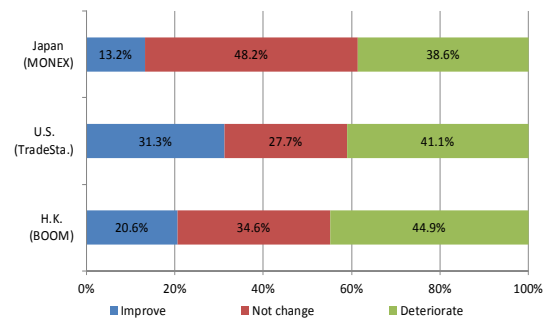
(Japan, U.S., China (H.K.))



Source: Monex, Inc.

Figure7-2: How do you think the EU economy will perform in 2017 compared to in 2016?

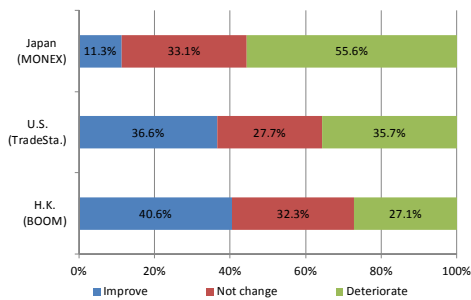
(Japan, U.S., China (H.K.))



Source: Monex, Inc.

Figure7-3: How do you think the Chinese economy will perform in 2017 compared to in 2016?

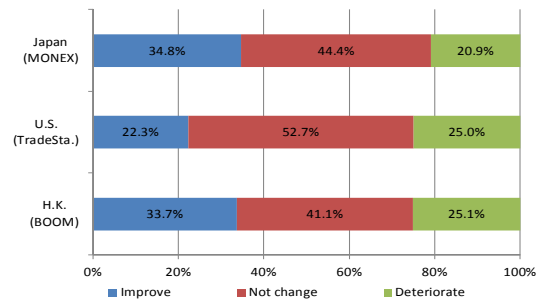
(Japan, U.S., China (H.K.))



Source: Monex, Inc.

Figure7-4: How do you think the Japanese economy will perform in 2017 compared to in 2016?

(Japan, U.S., China (H.K.))



Source: Monex, Inc.

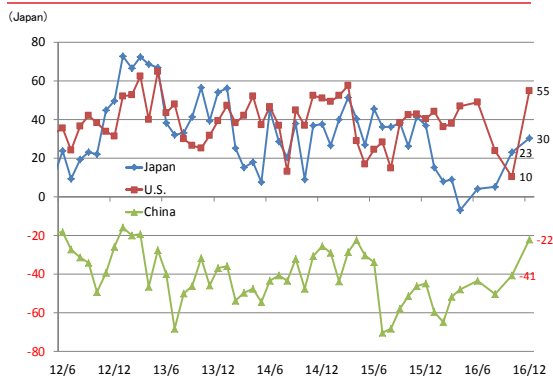
2. Japan Bimonthly Survey Results: Survey of Retail investors in Japan

(2-1) The DIs for Japanese stocks, U.S. stocks and Chinese stocks all rose, with the DI for U.S. stocks rising most noticeably.

We asked Japanese retail investors about their outlook for the stock markets in Japan, the U.S. and China in the coming three months. The DIs for Japanese stocks, U.S. stocks and Chinese stocks all rose from the previous survey (conducted in October 2016). In particular, the DI for U.S. stocks gained 45 points in a huge rebound from the previous survey. Expectations for U.S. stocks are far higher than for Japanese or Chinese stocks, indicating expectations for Trump’s economic policies.

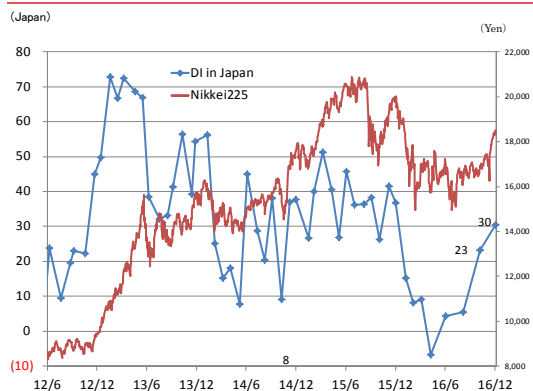
- [Japanese Stocks DI] Oct. 2016: 23 → Dec. 2016: 30 (+7 points)
- [U.S. Stocks DI] Oct. 2016: 10 → Dec. 2016: 55 (+45 points)
- [China stocks DI] Oct. 2016: -41 → Dec. 2016: -22 (+19 points)

Figure8-1: Outlook on Stocks for the Next 3 Months



Source: Monex,Inc.

Figure8-2: Japanese Investor’s Domestic DI and Nikkei 225



Source: Monex,Inc.

(2-2) Willingness to invest in Japanese stocks improved across the board.

The DI of “trading frequency,” DI of “investment amount,” and DI of “the number of stock names held” for Japanese stocks all increased from the previous survey. However, the change in all three indexes was only small, perhaps reflecting the antagonism between wariness of adjustment, given that the Nikkei Stock Average had risen almost uniformly since the U.S. presidential election and reached a high for 2016, and anticipation of a rise in stock prices, which ultimately resulted in no significant change in any of the indexes.

[DI of trading frequency]

Oct. 2016: 24 → Dec. 2016: 29 (+5 points)

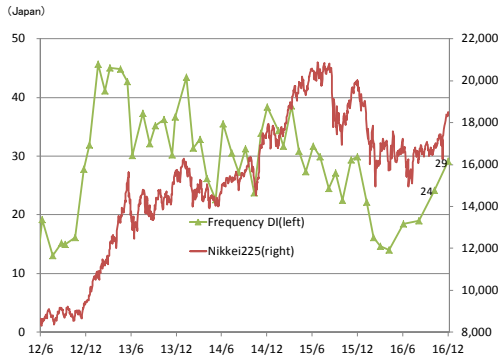
[DI of investment amount]

Oct. 2016: 17 → Dec. 2016: 18 (+1 point)

[DI of the number of stock names held]

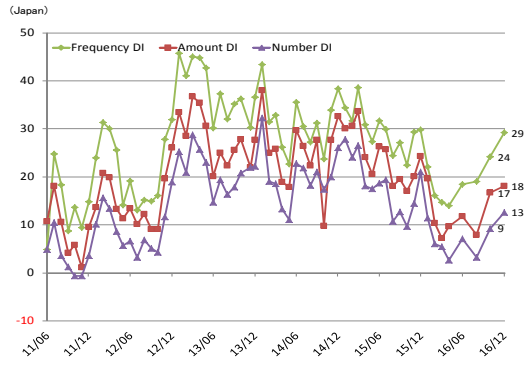
Oct. 2016: 9 → Dec. 2016: 13 (+4 points)

Figure9-1: Investment Willingness for the Next 3 Months and Nikkei225



Source: Monex, Inc.

Figure9-2: Investment Willingness for the Next 3 Months



Source: Monex, Inc.

(2-3) All U.S. topics received much more attention.

The topic that received the greatest increase in attention among retail investors from the previous survey was politics and diplomacy in the U.S., and rate movements, corporate performance, monetary policy, and macroeconomics in the U.S. also received much more attention. Trump’s victory in the presidential election appears to have led to a surge in attention paid to the U.S.

Figure10-1: Topic

(Japan)	Japan	U.S.	Europe	China (incl.H.K.)	Emerging country (excl.China)
Corporate performance	81.9%	47.4%	12.6%	11.7%	8.7%
Macroeconomics	56.7%	65.6%	26.3%	23.9%	16.0%
Exchange markets trend	73.7%	67.3%	21.3%	9.0%	13.1%
Rate movements	51.1%	74.9%	18.3%	6.6%	8.5%
Monetary policy	61.7%	68.3%	25.0%	15.5%	7.7%
Politics, diplomacy	59.0%	76.8%	34.5%	37.7%	18.4%

Source: Monex, Inc.

Figure10-2: Topic (Change From Previous Survey)

(Japan)	Japan	U.S.	Europe	China (incl.H.K.)	Emerging country (excl.China)
Corporate performance	-6.6	6.6	0.2	-0.7	0.2
Macroeconomics	-6.5	5.7	-4.0	-3.7	-1.5
Exchange markets trend	0.1	-0.2	-6.1	0.0	1.3
Rate movements	-7.0	8.7	-0.8	0.2	0.3
Monetary policy	-12.1	5.8	-4.6	1.6	0.1
Politics, diplomacy	-4.6	11.5	-2.4	0.0	-1.4

Source: Monex, Inc.

(point)

Outline of Survey & Characteristics of Respondents

(Japan)

Method: Online survey
 Respondents: Customers of Monex, Inc.
 # of Responses: 915
 Period: 21 Nov. – 5 Dec. 2016

[Gender]

Male	Female
83.0%	17.0%

[Age]

Minor	20s	30s	40s	50s	60s	70s or over
0.2%	2.5%	10.2%	29.8%	26.2%	22.2%	8.9%

[Financial assets]

Under JPY 5 million	JPY 5 ~ 10 million	JPY 10 ~ 20 million	JPY 20 ~ 50 million	JPY 50 ~ 100 million	Over JPY 100 million
22.7%	18.7%	19.2%	22.2%	13.1%	4.0%

[Frequency of trading]

Day trading	Several times a week	Several times a month	Once in every few months	Fewer than that
5.4%	14.0%	34.2%	28.6%	17.8%

[Experience with stock investment]

Less than a year	1 ~ 5 years	5 ~ 10 years	Over 10 years
6.2%	18.4%	16.5%	58.9%

(United States)

Method: Online survey
 Respondents: Customers of TradeStation Securities, Inc.
 # of Responses: 112
 Period: 21 Nov. – 1 Dec. 2016

(Hong Kong)

Method: Online survey
 Respondents: Customers of Monex BOOM Securities (H.K.) Limited
 # of Responses: 350
 Period: 21 Nov. – 5 Dec. 2016

The Monex Global Retail Investor Survey measures customer sentiment based upon answers to specific questions received from a random sampling of customers of Monex, Inc., TradeStation Securities, and Monex Boom Securities (H.K.) Limited. Details of the methodology used to conduct the survey are available upon request. Accuracy and completeness of the data derived from the survey are not guaranteed.

The information contained herein should not be construed as investment research or an offer or solicitation to buy or sell securities, securities derivatives, or futures products or services. Investor sentiment derived from the survey responses is no guarantee of future performance or success.