

Questionnaire on Investment Trusts for Those Aged 60 and Over

Summary of Survey Results

March 2021

The Investment Trusts Association, Japan

Important Points

- Among respondents with investment experience, 37.5% currently hold investment trusts and 95.5% recognize them. The order of investment trust products currently held was the same as last year: monthly and bi-monthly dividend funds (53.4%), balanced funds (51.6%). (P5, P6)
- Regarding monthly withdrawals of deposits and savings, 41.2% of respondents do not withdraw any deposits or savings. 50.7% of respondents who manage investments do not break into any investment capital. (P24, P25)
- 50.4% of respondents did not conduct asset building, and 61.8% wish they had conducted asset building earlier, suggesting regrets over insufficient asset building. (P26)
- 23.7% of respondents who intend to leave inheritance are thinking of converting them to cash. The majority, 56.9%, have not yet decided. (P33)



Outline of Survey Plan

Purpose of the survey	Understand the awareness, etc. of investment trusts among Japanese (individuals) aged at least 60 years, and extensively distribute the survey results to the members of the Investment Trusts Association, Japan and all types of research institutes and the media, and use the results to make amendments to the scheme at the same time.																																																						
Survey method	Internet survey (sampled from Macromill monitors and tie-up panels)																																																						
Survey location	Nationwide (three blocks consisting of the Tokyo metropolitan area, the Hanshin area and other regions)																																																						
Survey target	Males and females aged 60 and over																																																						
Number of samples	<p>A total of 5,158 samples</p> <table border="1"> <thead> <tr> <th></th> <th>60–69 years</th> <th>70–79 years</th> <th>80 and over</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>1,130</td> <td>826</td> <td>473</td> <td>2,429</td> </tr> <tr> <td> Tokyo metropolitan area</td> <td>298</td> <td>229</td> <td>117</td> <td>644</td> </tr> <tr> <td> Hanshin area</td> <td>166</td> <td>133</td> <td>73</td> <td>372</td> </tr> <tr> <td> Other regions</td> <td>666</td> <td>464</td> <td>283</td> <td>1,413</td> </tr> <tr> <td>Female</td> <td>1,189</td> <td>979</td> <td>561</td> <td>2,729</td> </tr> <tr> <td> Tokyo metropolitan area</td> <td>308</td> <td>263</td> <td>175</td> <td>746</td> </tr> <tr> <td> Hanshin area</td> <td>182</td> <td>156</td> <td>105</td> <td>443</td> </tr> <tr> <td> Other regions</td> <td>609</td> <td>560</td> <td>281</td> <td>1,540</td> </tr> <tr> <td>Total</td> <td>2,319</td> <td>1,805</td> <td>1,034</td> <td>5,158</td> </tr> </tbody> </table> <p>Since it is difficult to collect data on females aged 80 and over in “other regions” in the population demographics of region x age x gender, we maximized collection, and the shortage was collected equally in every other cell. In this Report, when referring to the overall figures, 2,852 samples selected at random in the ratio as “the whole (composition)” were used.</p>						60–69 years	70–79 years	80 and over	Total	Male	1,130	826	473	2,429	Tokyo metropolitan area	298	229	117	644	Hanshin area	166	133	73	372	Other regions	666	464	283	1,413	Female	1,189	979	561	2,729	Tokyo metropolitan area	308	263	175	746	Hanshin area	182	156	105	443	Other regions	609	560	281	1,540	Total	2,319	1,805	1,034	5,158
	60–69 years	70–79 years	80 and over	Total																																																			
Male	1,130	826	473	2,429																																																			
Tokyo metropolitan area	298	229	117	644																																																			
Hanshin area	166	133	73	372																																																			
Other regions	666	464	283	1,413																																																			
Female	1,189	979	561	2,729																																																			
Tokyo metropolitan area	308	263	175	746																																																			
Hanshin area	182	156	105	443																																																			
Other regions	609	560	281	1,540																																																			
Total	2,319	1,805	1,034	5,158																																																			
Survey period	January 15 (Friday) – January 18 (Monday), 2021																																																						
Organization responsible for the survey	The Investment Trusts Association, Japan																																																						
Entity that conducted the survey	Macromill, Inc.																																																						

[Tokyo metropolitan area] Saitama, Chiba, Tokyo, Kanagawa
[Hanshin area] Kyoto, Osaka, Hyogo, Nara
[Other regions] Prefectures other than the above

* Listed scores have been rounded to one decimal place.

2. Status of Investment Trust Holdings (1)

Status of investment trust holdings/recognition

(Q10) * On a "Segment with experience of investing" basis

		n=	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>■ Currently holding (self-purchase)</p> <p>■ Not holding (with experience of holding)</p> <p>■ Not holding (no recognition)</p> </div> <div style="width: 45%;"> <p>■ Currently holding (not self-purchase)</p> <p>■ Not holding (recognized but not holding)</p> </div> </div>				Holding (total)	Recognition (total)	
			(%)						
2021 The whole (composition)		(1,622)	36.7	0.9	30.9	27.1	4.5	37.5%	95.5%
2020 The whole (composition)		(1,707)	35.1	0.9	27.8	30.1	6.0	36.1%	94.0%
2019 The whole (composition)		(1,010)	36.0	1.4	30.0	27.8	4.8	37.4%	95.2%
By gender	Male	(1,591)	35.4	0.6	28.6	30.7	4.7	36.0%	95.3%
	Female	(1,370)	40.2	1.1	32.0	23.0	3.6	41.3%	96.4%
By age group	60s	(1,208)	40.9	0.8	23.8	29.8	4.6	41.7%	95.4%
	70s	(1,094)	36.5	0.7	33.0	25.8	4.0	37.2%	96.0%
	80s and older	(659)	33.5	1.1	37.2	24.4	3.8	34.6%	96.2%
By annual household income	Under ¥2 million	(249)	30.9	1.2	37.3	24.1	6.4	32.1%	93.6%
	¥2 million – under ¥4 million	(988)	35.0	0.8	32.1	26.8	5.3	35.8%	94.7%
	¥4 million – under ¥6 million	(660)	39.1	0.8	27.9	28.8	3.5	39.8%	96.5%
	¥6 million – under ¥8 million	(324)	38.9		28.1	29.6	3.4	38.9%	96.6%
	¥8 million – under ¥10 million	(202)	44.1	1.0	22.3	29.7	3.0	45.0%	97.0%
	¥10 million – under ¥12 million	(79)	44.3	2.5	25.3	25.3	2.5	46.8%	97.5%
	¥12 million – under ¥15 million	(63)	55.6		27.0	15.9	1.6	55.6%	98.4%
	¥15 million – under ¥20 million	(38)	39.5		31.6	28.9		39.5%	100.0%
	¥20 million or more	(22)	54.5		18.2	27.3		54.5%	100.0%
By financial assets	Under ¥1 million	(189)	12.7	1.1	29.1	43.4	13.8	13.8%	86.2%
	¥1 million – under ¥5 million	(278)	23.7	1.4	28.8	39.9	6.1	25.2%	93.9%
	¥5 million – under ¥10 million	(287)	30.0	1.0	35.5	28.6	4.9	31.0%	95.1%
	¥10 million – under ¥20 million	(419)	41.5	0.7	25.5	28.4	3.8	42.2%	96.2%
	¥20 million – under ¥50 million	(599)	46.2	0.7	29.0	21.9	2.2	46.9%	97.8%
	¥50 million – under ¥100 million	(248)	58.9	1.6	24.6	14.5	0.4	60.5%	99.6%
	¥100 million or more	(94)	61.7	1.1	23.4	13.8		62.8%	100.0%

* Holding (total): *Currently holding (self-purchase)* + *Currently holding (not self-purchase)* / Recognition (total): from *Currently holding (self-purchase)* to *Not holding (recognized but not holding)*

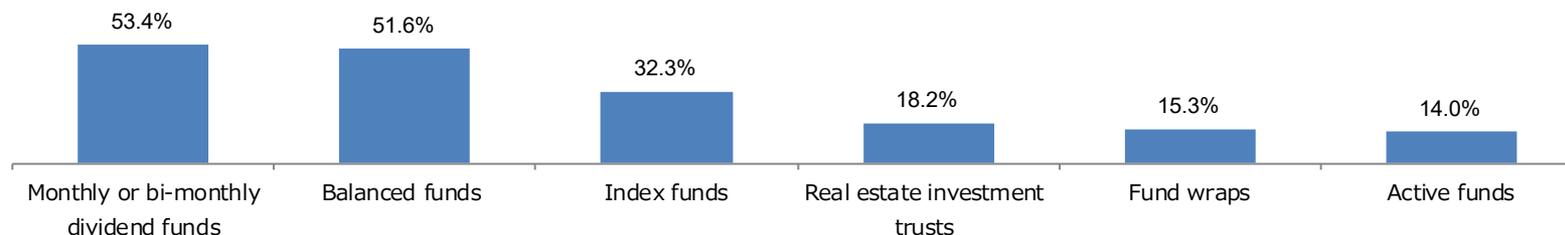
* Figures less than n=30 are listed for reference

- Among respondents with investment experience, 37.5% currently hold investment trusts and 95.5% recognize them.
- By gender, a higher percentage of females currently hold investment trusts than males.
By age group, a greater percentage of respondents currently hold investment trusts the younger the age group. No significant differences in recognition rate were observed.
- By annual household income, the higher the annual income, a greater percentage of respondents currently hold investment trusts and recognize them.

2. Status of Investment Trust Holdings (2)

Types of investment trusts held

(Q12) * Data of respondents currently holding investment trusts (share) (n = 609)



Reasons for holding investment trusts by type

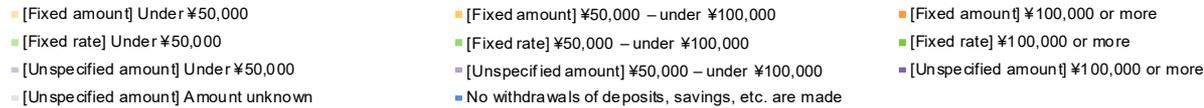
(Q13) * Data of respondents currently holding each investment trust

	Holder of monthly or bi-monthly dividend funds (n = 325)	Holder of balanced funds (n = 314)	Holder of index funds (n = 197)	Holder of real estate investment trusts (n = 125)	Holder of fund wraps (n = 128)	Holder of active funds (n = 85)
1st	Low interest rates on deposits and savings 67.7%	Low interest rates on deposits and savings 66.2%	Low interest rates on deposits and savings 64.5%	Low interest rates on deposits and savings 66.4%	Low interest rates on deposits and savings 63.3%	Low interest rates on deposits and savings 67.1%
2nd	Diversified holding of assets 45.2%	Diversified holding of assets 51.9%	Diversified holding of assets 53.8%	Diversified holding of assets 52.0%	Diversified holding of assets 51.6%	Diversified holding of assets 51.8%
3rd	Funds for own living expenses 28.6%	To enjoy investing 28.0%	To enjoy investing 36.0%	To enjoy investing 36.0%	Preparing funds for future medical and nursing care 31.3%	To enjoy investing 40.0%
4th	To enjoy investing 26.2%	Funds for own living expenses 25.8%	Funds for own living expenses 28.9%	Funds for own living expenses 29.6%	Funds for own living expenses 28.1%	Funds for own living expenses 31.8%
5th	Preparing funds for future medical and nursing care 19.4%	Preparing funds for future medical and nursing care 25.2%	Preparing funds for future medical and nursing care 25.4%	Preparing funds for future medical and nursing care 28.8%	To enjoy investing 25.8%	Preparing funds for future medical and nursing care 30.6%

- Among the different types of investment trusts, monthly and bi-monthly dividend funds are held by the highest percentage of respondents, 53.4%, followed by balanced funds (51.6%).
- Irrespective of type, the top reasons given for holding investment trusts are “low interest rates on deposits and savings” and “diversified holding of assets.”

4. Awareness and reality of assets after retirement (pensions and retirement benefits) (4)

Monthly withdrawal of savings (deposits and savings) (Q22S1)



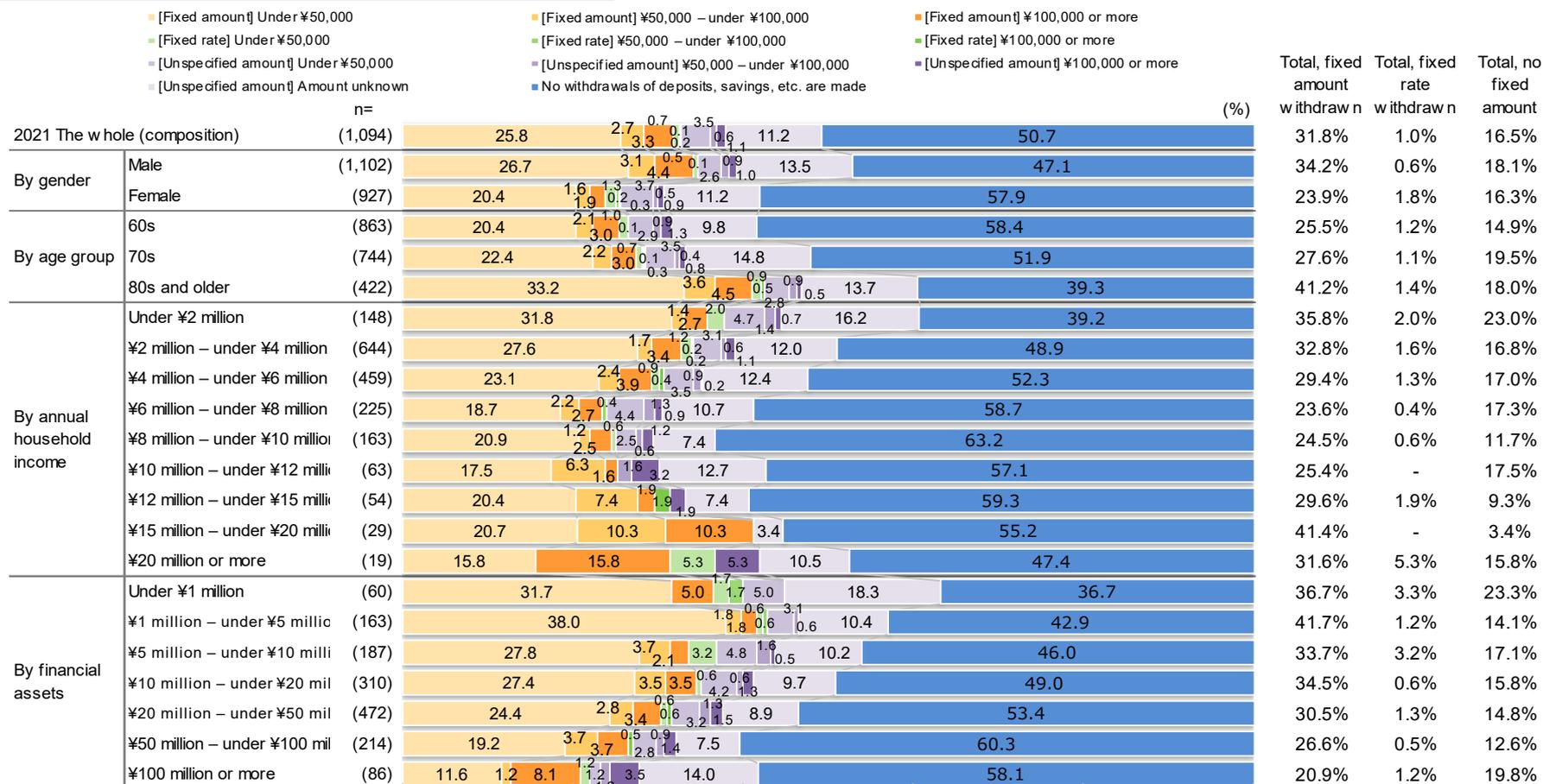
	n=	(%)									Total, fixed amount withdraw n	Total, fixed rate withdraw n	Total, no fixed amount
2021 The whole (composition)	(2,852)	24.4	7.3	5.2	0.1	16.2	11.3	12.3		41.2	36.8%	1.1%	20.9%
By gender	Male (2,429)	24.5	8.3	6.5	0.7	6.3	11.2	12.6		38.0	39.4%	0.9%	21.7%
	Female (2,729)	22.4	6.3	4.1	0.8	6.2	0.9	13.6		44.5	32.8%	1.2%	21.4%
By age group	60s (2,319)	20.3	6.4	4.1	0.8	6.4	1.1	12.0		47.1	30.9%	1.3%	20.7%
	70s (1,805)	23.8	7.0	4.8	0.2	6.6	1.2	14.2		40.0	35.6%	1.1%	23.3%
	80s and older (1,034)	29.5	9.7	8.4	0.2	5.1	0.6	11.1		31.2	47.6%	0.8%	20.4%
By annual household income	Under ¥2 million (527)	32.3		9.1	5.7	0.9	8.2	1.9	12.7	28.1	47.1%	1.1%	23.7%
	¥2 million – under ¥4 million (1,755)	28.0	7.4	5.1	0.4	7.2	1.4	13.0	35.0	40.4%	1.6%	23.0%	
	¥4 million – under ¥6 million (1,035)	21.2	7.4	5.1	0.6	7.1	0.7	10.7	46.0	33.7%	0.8%	19.5%	
	¥6 million – under ¥8 million (480)	20.0	6.0	4.8	0.6	5.0	0.6	10.0	52.3	30.8%	0.8%	16.0%	
	¥8 million – under ¥10 million (299)	17.1	6.4	8.4	0.3	5.0	0.7	6.4	54.8	31.8%	0.7%	12.7%	
	¥10 million – under ¥12 million (117)	17.1	8.5	4.3	0.9	5.1	0.9	8.5	52.1	29.9%	0.9%	17.1%	
	¥12 million – under ¥15 million (84)	21.4	6.0	2.4	4.2	7.1			59.5	29.8%	-	10.7%	
	¥15 million – under ¥20 million (46)	13.0	8.7	10.9	2.2	2.2			63.0	32.6%	-	4.3%	
By financial assets	¥20 million or more (25)	20.0	4.0	8.0	4.0	12.0	4.0	8.0	40.0	32.0%	4.0%	24.0%	
	Under ¥1 million (550)	34.7		6.5	2.2	0.7	9.3	1.1	10.2	34.2	43.5%	1.1%	21.3%
	¥1 million – under ¥5 million (563)	35.7		7.8	3.9	0.5	8.5	0.9	8.3	33.2	47.4%	0.7%	18.7%
	¥5 million – under ¥10 million (476)	31.1		9.5	6.1	0.6	7.6	2.1	9.9	32.1	46.6%	1.3%	20.0%
	¥10 million – under ¥20 million (559)	24.7		11.8	7.5	1.3	7.0	1.1	6.4	38.5	44.0%	1.6%	15.9%
	¥20 million – under ¥50 million (741)	22.7		9.2	7.3	1.2	6.2	1.3	6.5	43.5	39.1%	1.3%	16.1%
	¥50 million – under ¥100 million (283)	17.3		8.1	8.5	0.4	4.2	0.7	7.1	52.7	33.9%	0.4%	13.1%
¥100 million or more (100)	9.0		9.0	10.0	6.0	7.0	4.0	55.0	28.0%	-	17.0%		

* Total, fixed amount withdrawal score: from [Fixed amount] Under ¥50,000 to [Fixed amount] ¥100,000 or more * Total, fixed rate withdrawal score: from [Fixed rate] Under ¥50,000 to [Fixed rate] ¥100,000 or more
 * Figures less than n=30 are listed for reference * Total, no fixed amount score: from [Unspecified amount] Under ¥50,000 to [Unspecified amount] Amount unknown

- Regarding monthly withdrawals of deposits and savings, the highest percentage of respondents (41.2%) is “No withdrawals of deposits, savings, etc. are made.” Among those that do make monthly withdrawals, the largest percentage of respondents (36.8%) withdraw a [fixed amount], followed by 20.9% who withdraw an [unspecified amount]. Only 1.1% of respondents withdraw a fixed rate.
- Among respondents who make withdrawals, “[Fixed amount] Under ¥50,000” accounted for the highest percentage (24.4%), followed by “[Unspecified amount] Amount unknown” (12.3%).
- In terms of annual household income, the lower the annual income, the higher the percentage of respondents who withdraw their deposits and savings. (However, since the sample size is insignificant, income of ¥20 million or more is shown only as reference)

4. Awareness and reality of assets after retirement (pensions and retirement benefits) (5)

Monthly withdrawal of savings (investment capital) (Q2S2) * Data of investment managers



* Total, fixed amount withdrawal score: from [Fixed amount] Under ¥50,000 to [Fixed amount] ¥100,000 or more * Total, fixed rate withdrawal score: from [Fixed rate] Under ¥50,000 to [Fixed rate] ¥100,000 or more

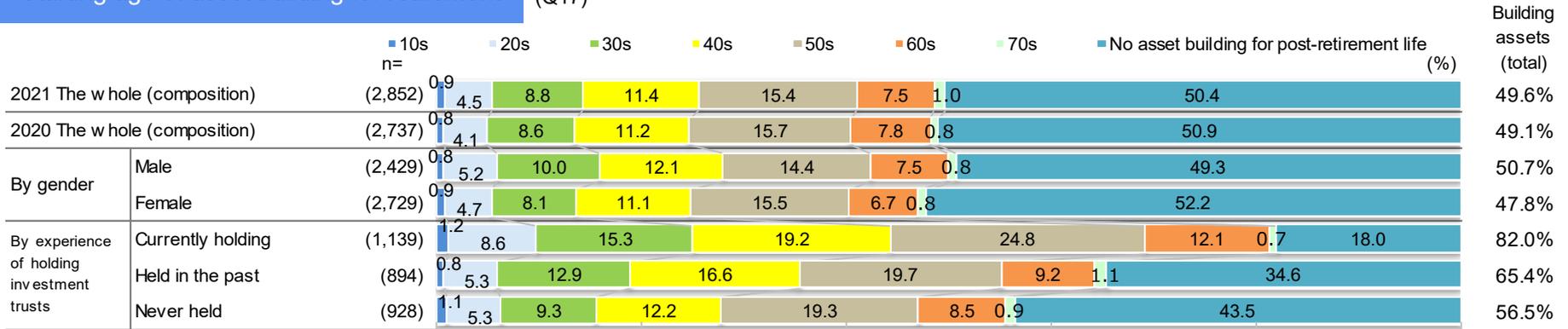
* Figures less than n=30 are listed for reference

* Total, no fixed amount score: from [Unspecified amount] Under ¥50,000 to [Unspecified amount] Amount unknown

- Regarding monthly withdrawals of investment capital, the highest percentage of respondents (50.7%) is “No withdrawals of deposits, savings, etc. are made.” Among those that do make monthly withdrawals, the largest percentage of respondents (31.8%) withdraw a [fixed amount], followed by 16.5% who withdraw an [unspecified amount]. Only 1.0% of respondents withdraw a fixed rate.
- Among respondents who make withdrawals, “[Fixed amount] Under ¥50,000” accounted for the highest percentage (25.8%), followed by “[Unspecified amount] Amount unknown” (11.2%).
- In terms of annual household income, the lower the annual income, the higher the percentage of respondents who withdraw their investment capital. (However, since the sample sizes are insignificant, incomes of ¥15 million or more are shown only as reference)

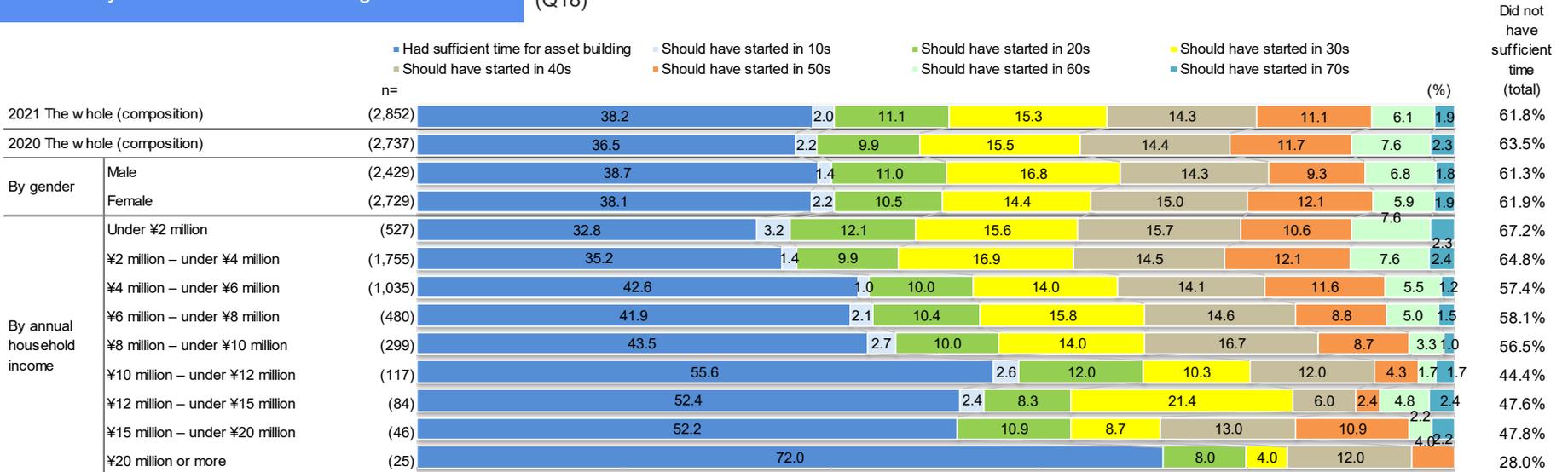
4. Awareness and reality of assets after retirement (pensions and retirement benefits) (6)

Starting age of asset building for retirement (Q17)



* Building assets (total) score: from 10s to 70s

Sufficiency of time for asset building for retirement (Q18)



* Did not have sufficient time (total) score: from Should have started in 10s to Should have started in 70s

- Only about half of respondents said they conducted asset building for retirement. 50.4% said “No asset building for post-retirement life.” Among those who conducted asset building, the highest percentage (15.4%) started when they were in their 50s, followed by 40s (11.4%) and 30s (8.8%).
- Only 38.2% of respondents thought they had sufficient time for asset building for post-retirement life; whereas 61.8% felt they had not done enough asset building.
- By annual household income, respondents who thought they had sufficient time for asset building peaks between ¥10 million and ¥12 million, before dropping for incomes more than ¥12 million. (Since the sample size is insignificant, income of ¥20 million or more is shown only as reference)

5. Current lifestyles and attitudes for the future by people in their 60s and older (4)

Assets to be inherited

(Q26) * Data of respondents intending to leave an inheritance

		Real assets					Financial assets							(%)	
		Buildings	Land	Gold and other precious metals, gems	Art and antiques	Other real assets	Cash, deposits and savings	Life insurance benefits	Equities	Investment trusts	Bonds	Other insurance benefits	Other financial assets	Nothing in particular	
2021 The w hole (composition)		(2,122)	69.6	68.6	11.5	4.5	1.3	78.9	39.2	22.8	11.9	4.7	0.8	1.0	-
2020 The w hole (composition)		(1,186)	75.2	73.5	15.4	6.1	0.8	84.9	37.4	29.2	18.2	8.3	0.8	0.2	-
2019 The w hole (composition)		(666)	74.0	70.6	16.5	5.4	1.4	86.6	43.4	34.1	20.1	10.5	0.6	0.6	-
By gender	Male	(1,894)	78.2	76.7	6.4	4.0	1.2	80.4	36.9	26.5	13.7	4.6	1.0	0.8	-
	Female	(1,949)	61.0	60.4	15.4	3.7	0.9	78.0	39.8	18.5	12.0	4.3	0.6	0.6	-
By experience of holding investment trusts	Currently holding	(991)	70.3	68.2	16.4	6.8	1.0	85.6	44.0	47.3	49.7	12.3	0.8	0.6	-
	Held in the past	(744)	72.7	70.4	11.3	4.8	1.2	82.0	41.1	23.8	-	4.3	0.4	1.1	-
	Never held	(754)	72.3	72.0	9.3	2.5	0.8	78.4	32.9	28.6	-	2.4	0.9	0.9	-

* Sorted in descending order by 2021 The w hole (composition) score for each category

Intention to convert inherited assets to cash

(Q27) * Data of respondents intending to leave an inheritance of financial assets other than deposits and savings

		n=	Intention to convert to cash (total)				(%)	Intend to convert to cash (total)
			Plan to sell all financial instruments (convert to cash) and leave them as inheritance	Plan to sell some of financial instruments (convert to cash) and leave them as inheritance	Plan to leave all financial instruments as inheritance (without converting to cash)	Not yet decided how to leave own inheritance		
2021 The w hole (composition)		(1,132)	14.3	9.4	19.4	56.9	23.7%	
2020 The w hole (composition)		(654)	16.4	11.6	24.8	47.2	28.0%	
By gender	Male	(1,005)	16.0	11.0	21.1	51.8	27.1%	
	Female	(1,024)	13.0	6.7	17.9	62.4	19.7%	
By experience of holding investment trusts	Currently holding	(733)	18.0	11.9	22.8	47.3	29.9%	
	Held in the past	(412)	16.3	9.7	21.6	52.4	26.0%	
	Never held	(394)	15.0	8.9	20.3	55.8	23.9%	

* Intend to convert to cash (total) score: Plan to sell all financial instruments (convert to cash) and leave them as inheritance + Plan to sell some of financial instruments (convert to cash) and leave them as inheritance

- Among respondents intending to leave an inheritance, the top assets are “cash, deposits and savings” (78.9%), “buildings” (69.6%) and “land” (68.6%). 49.7% of respondents who currently hold investment trusts intend to leave them as inheritance.
- Among respondents who intend to leave financial assets as inheritance, 23.7% intend to convert them to cash, comprised of 14.3% who “plan to sell all financial instruments (convert to cash) and leave them as inheritance” and 9.4% who “plan to sell some of financial instruments (convert to cash) and leave them as inheritance.” Another 19.4% of respondents do not plan to convert their financial assets to cash, and 56.9% have not yet decided. The percentage of respondents who are undecided has increased since the 2020 survey. By gender, males are more inclined to convert to cash than females.