

2020 Questionnaire on Investment Trusts (Survey on NISA, iDeCo and Other Programs)

Summary of Survey Results

[Survey in December 2020]

Important Points

- The highest percentage of respondents, 47.8%, opened an account for Tsumitate NISA (installment NISA) at online securities companies. This was an increase of 5.7 percentage points from the previous survey. (P11)
- Intention to use installment NISA tends to increase for younger age groups. (P15)
- The percentage of respondents recognizing the individual-type defined contribution pension plans (iDeCo) increased by 5.2 percentage points from the previous survey to 59.9%, suggesting that these plans are becoming increasingly well known. (P18)
- In both installment NISA and corporate-type/individual-type defined contribution pension plans, the percentage of respondents holding investment trusts that invest primarily in foreign stock increased by 6–8 percentage points from the previous survey. (P12, P17, P20)
- Recognition (total recognition) of both ETFs and J-REITs increased from the previous survey among respondents in their 20s and 30s. (P27, P28)

March 2021

The Investment Trusts Association, Japan



Outline of Survey Plan



Purpose of the survey	This survey targeted male and female individuals aged 20-79 years nationwide. The purpose of the survey was (1) to grasp the status of recognition and utilization of NISA, Tsumitate NISA (installment NISA), junior NISA and corporate- and individual-type defined contribution pension plans (iDeCo), reasons for not purchasing financial instruments on accounts, reasons for not opening accounts, and intention of use, (2) to grasp the status of recognition and holding of ETFs and J-REITs, their appeals and factors in dissatisfaction, and intention of use, and (3) to provide useful reference materials that can help broaden the use of investment trusts and activities to promote public awareness of investment trusts in the future.																																																																																				
Survey method	Internet survey (frame for extraction: NRC Network Panel) * It has been confirmed that Internet survey monitors generally have high information sensitivity. There is a tendency among Internet survey monitors that their ratios of holding financial instruments (investment trusts) and rates of recognition of the relevant systems show higher levels than those of mail survey monitors. Some data show a different trend than the 2018 survey due to a change of panel in 2019.																																																																																				
Survey location	Nationwide (three blocks consisting of the Tokyo metropolitan area, the Hanshin area and other regions)																																																																																				
Survey target	Male and female individuals aged 20-79 years																																																																																				
Number of samples	<p>A total of 20,000 samples</p> <ul style="list-style-type: none"> Allocation by gender, age group and location was implemented (the allocation was based on the Basic Resident Register as of January 1, 2019). Exclusion by occupational conditions was not implemented. <p><Details of the numbers of collected questionnaire answers by gender, age group and location></p> <table border="1"> <thead> <tr> <th colspan="2"></th> <th>20-29 years</th> <th>30-39 years</th> <th>40-49 years</th> <th>50-59 years</th> <th>60-69 years</th> <th>70-79 years</th> <th>Total: 20-79 years</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Male</td> <td>Tokyo metropolitan area</td> <td>417</td> <td>505</td> <td>646</td> <td>529</td> <td>451</td> <td>407</td> <td>2,955</td> </tr> <tr> <td>Hanshin area</td> <td>192</td> <td>217</td> <td>294</td> <td>243</td> <td>233</td> <td>223</td> <td>1,402</td> </tr> <tr> <td>Other regions</td> <td>721</td> <td>872</td> <td>1,105</td> <td>954</td> <td>1,071</td> <td>870</td> <td>5,593</td> </tr> <tr> <td>Total: Male</td> <td>1,330</td> <td>1,594</td> <td>2,045</td> <td>1,726</td> <td>1,755</td> <td>1,500</td> <td>9,950</td> </tr> <tr> <td rowspan="4">Female</td> <td>Tokyo metropolitan area</td> <td>401</td> <td>474</td> <td>604</td> <td>487</td> <td>455</td> <td>472</td> <td>2,893</td> </tr> <tr> <td>Hanshin area</td> <td>192</td> <td>220</td> <td>299</td> <td>250</td> <td>252</td> <td>267</td> <td>1,480</td> </tr> <tr> <td>Other regions</td> <td>674</td> <td>831</td> <td>1,066</td> <td>963</td> <td>1,119</td> <td>1,024</td> <td>5,677</td> </tr> <tr> <td>Total: Female</td> <td>1,267</td> <td>1,525</td> <td>1,969</td> <td>1,700</td> <td>1,826</td> <td>1,763</td> <td>10,050</td> </tr> <tr> <td>TOTAL</td> <td></td> <td>2,597</td> <td>3,119</td> <td>4,014</td> <td>3,426</td> <td>3,581</td> <td>3,263</td> <td>20,000</td> </tr> </tbody> </table> <p>* Definitions of locations and numbers of collected questionnaire answers by location are as follows: [Tokyo metropolitan area] Tokyo, Kanagawa, Saitama, Chiba / total of 5,848 samples [Hanshin area] Osaka, Kyoto, Hyogo, Nara / total of 2,882 samples [Other regions] Prefectures other than the above / total of 11,270 samples</p>			20-29 years	30-39 years	40-49 years	50-59 years	60-69 years	70-79 years	Total: 20-79 years	Male	Tokyo metropolitan area	417	505	646	529	451	407	2,955	Hanshin area	192	217	294	243	233	223	1,402	Other regions	721	872	1,105	954	1,071	870	5,593	Total: Male	1,330	1,594	2,045	1,726	1,755	1,500	9,950	Female	Tokyo metropolitan area	401	474	604	487	455	472	2,893	Hanshin area	192	220	299	250	252	267	1,480	Other regions	674	831	1,066	963	1,119	1,024	5,677	Total: Female	1,267	1,525	1,969	1,700	1,826	1,763	10,050	TOTAL		2,597	3,119	4,014	3,426	3,581	3,263	20,000
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Survey period	November 26 (Thursday) – December 5 (Saturday), 2020																																																																																				
Organization responsible for the survey	The Investment Trusts Association, Japan																																																																																				
Entity that conducted the survey	Nippon Research Center, Ltd.																																																																																				

Notes regarding the graphs, tables and comments:

- The percentages, such as response rates, in this report are rounded to the first decimal place.
- The numerical values in the graphs and tables represent percentages unless otherwise specified. The letter “n” represents the number of responses in the sample of each attribute.

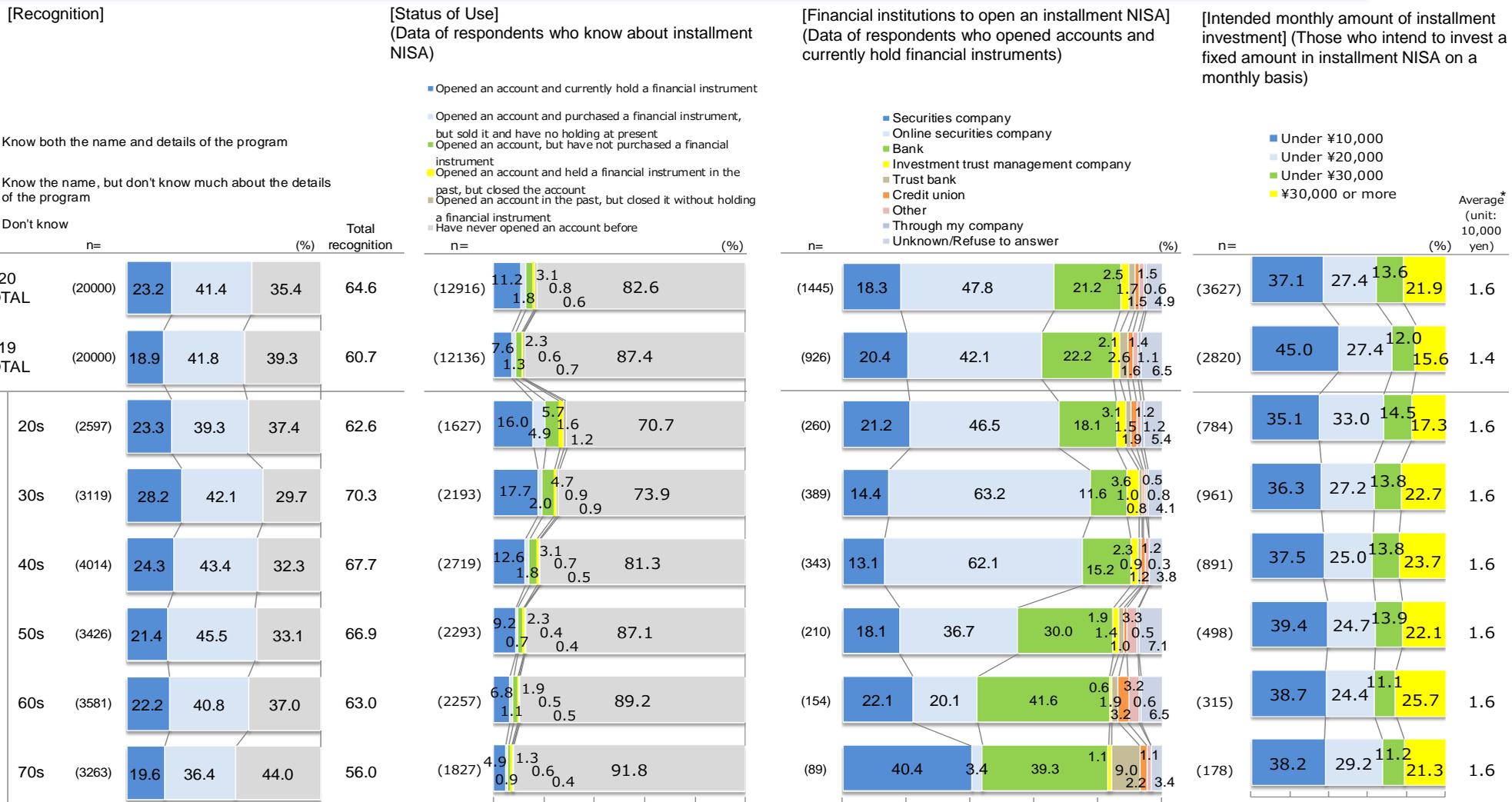
Note that data for n representing a small number of respondents (less than 30) should only be used as a reference.

3. Penetration of Installment NISA and Intention of Future Use (1)



(Q14②, Q15_1②, Q18②, Q24_2)

Recognition and use of installment NISA, financial institutions to open an account, and intended monthly investment amount in installment NISA



* Survey weights in calculation of the average values are as follows: 2019: under ¥10,000: ¥5,000 / under ¥20,000: ¥15,000 / under ¥30,000: ¥25,000 / ¥30,000 or more: ¥30,000
2018: under ¥10,000: ¥5,000 / under ¥20,000: ¥10,000 / ¥20,000 or more: ¥30,000

- The percentage of respondents who recognize installment NISA stands at 64.6%, reflecting an increase by 3.9 percentage points from the previous survey. The ratio of respondents who know the details of the program, which stands at 23.2%, also increased 4.3 percentage points. Recognition is high among respondents in their 30s, and somewhat low among those in their 70s.
- Of the respondents who know about installment NISA, those who currently hold a financial instrument with NISA is only 11.2%, but this is an increase of 3.6 percentage points from the previous survey.
- The highest percentage of respondents, 47.8%, opened an account for installment NISA at "online securities company," followed by "bank" (21.2%) and "securities company" (18.3%). Those responding "online securities company" increased 5.7 percentage points from the previous survey.
- The intended monthly amount of installment investment of "under ¥10,000" is the highest, accounting for 37.1%. Those responding "under ¥10,000" decreased 7.9 percentage points from the previous survey, whereas "¥30,000 or more" increased 6.3 percentage points. The average amount is ¥16,000.

3. Penetration of Installment NISA and Intention of Future Use (2)

Financial instruments held in installment NISA (Multiple answers) (Q16_2)

(Data of respondents currently holding financial instruments in installment NISA)

		n=	Investment trusts	ETFs	Other	Unknown	(%)
2020 TOTAL		(1445)	85.1	3.3	1.5	12.7	
2019 TOTAL		(926)	82.1	4.5	2.7	14.4	
2020, by age group	20s	(260)	89.2	5.0	1.5	8.5	
	30s	(389)	88.2	3.1	1.0	10.0	
	40s	(343)	87.2	4.1	1.2	10.2	
	50s	(210)	81.9	3.8	1.0	17.1	
	60s	(154)	76.0	0.6	2.6	20.8	
	70s	(89)	74.2	0.0	3.4	22.5	

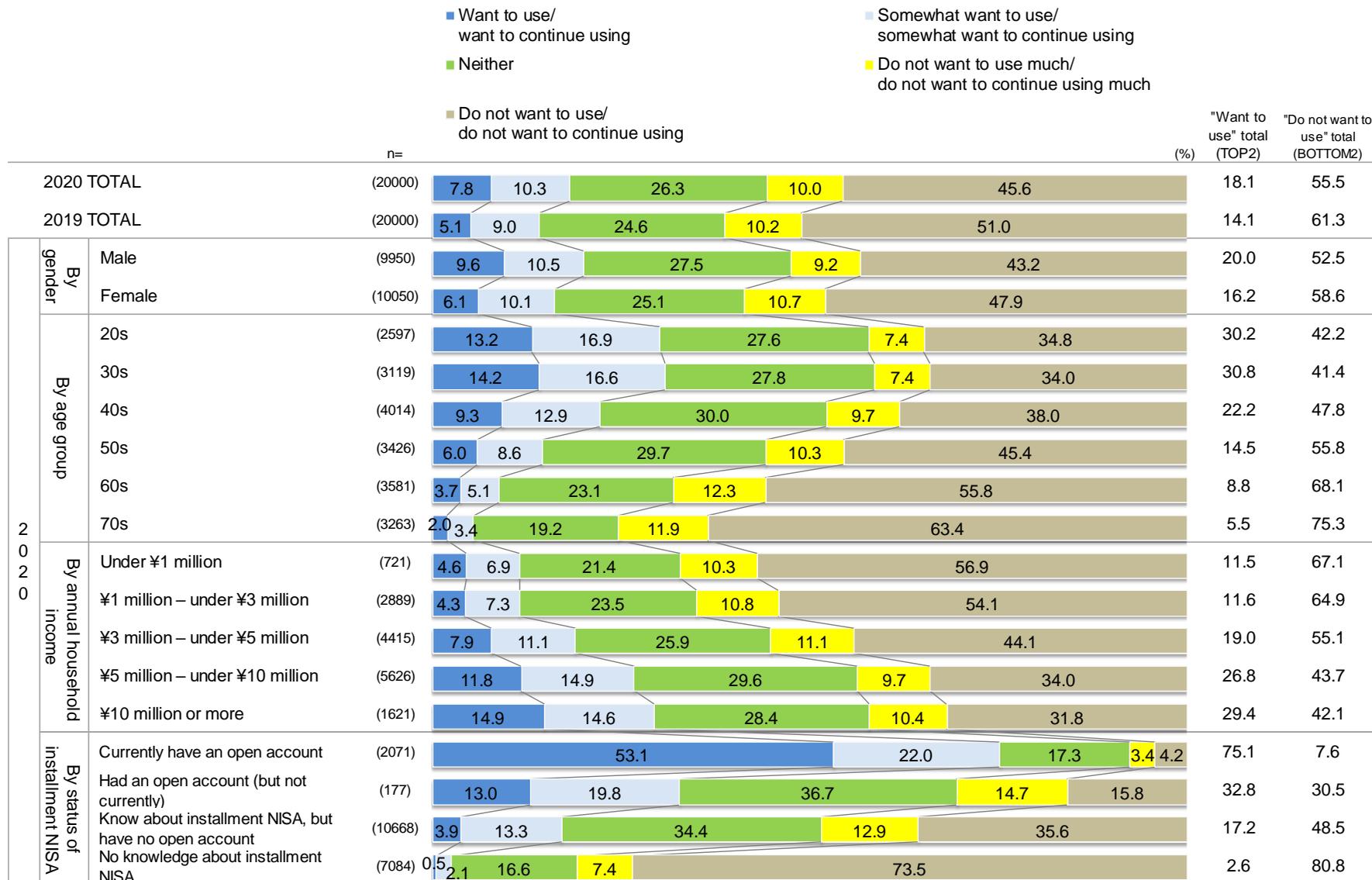
		n=	Investment trusts that invest primarily in domestic bonds	Investment trusts that invest primarily in foreign bonds	Investment trusts that invest primarily in domestic equities	Investment trusts that invest primarily in foreign equities	Investment trusts that invest primarily in real estate investment trusts (excluding J-REITs)	Investment trusts that invest in a variety of assets	(%)
2020 TOTAL		(1445)	20.4	15.6	32.0	42.2	4.3	16.8	
2019 TOTAL		(926)	25.9	13.7	30.5	33.8	6.0	19.1	
2020, by age group	20s	(260)	26.2	20.0	36.2	45.8	5.8	15.4	
	30s	(389)	17.2	13.6	31.1	49.1	4.4	14.1	
	40s	(343)	16.9	16.3	36.2	52.2	5.0	20.1	
	50s	(210)	22.9	17.1	28.6	37.1	1.9	16.7	
	60s	(154)	22.7	11.0	24.7	17.5	2.6	19.5	
	70s	(89)	21.3	13.5	28.1	18.0	5.6	15.7	

- Among financial instruments held in installment NISA, “investment trusts” account for 85.1%. In the itemized breakdown of “investment trusts,” “investment trusts that invest primarily in foreign equities” (42.2%) is highest, up 8.4 percentage points from the previous survey. This is followed by “investment trusts that invest primarily in domestic equities” (32.0%).
- By age group, there tends to be a high percentage of those aged in their 40s or younger who hold “investment trusts that invest primarily in domestic/foreign equities.”

3. Penetration of Installment NISA and Intention of Future Use (5)



Intention of future use / continued use of installment NISA (Q21②)



- When asked about whether they intended to use installment NISA, a total of 18.1% of respondents indicated they wanted to use (TOP 2), and a total of 55.5% indicated they did not want to use (BOTTOM 2). Intention of use increased 4.0 percentage points from the previous survey.
- The total percentage of respondents wanting to use installment NISA tends to be higher for younger groups and higher income groups.

4. Penetration of Corporate-type Defined Contribution Pension Plan and Intention of Future Use (2)



Financial instruments held in corporate-type defined contribution pension plan (Multiple answers) (Q16_3①)

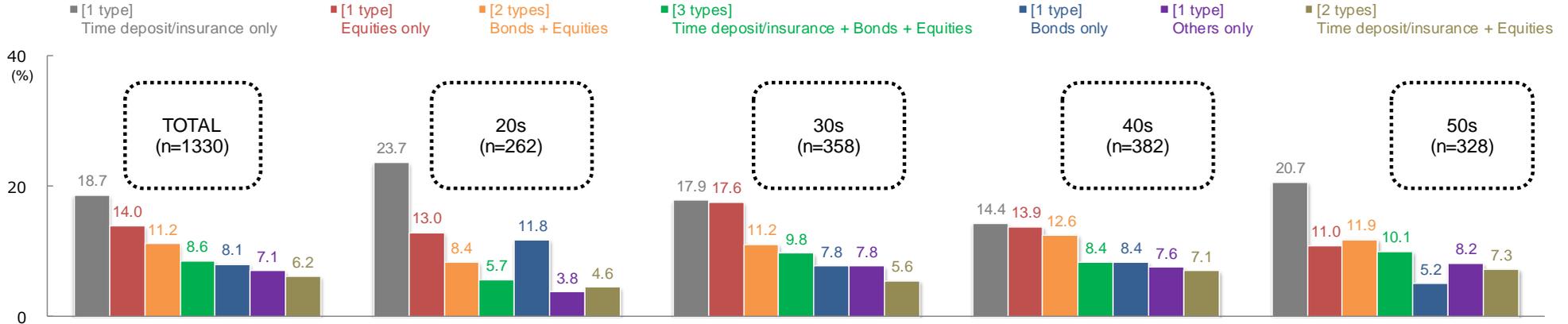
* Total investment trusts: Percentage of respondents who hold any "investment trusts that invest primarily in domestic bonds" through to "investment trusts that invest in a variety of assets"

(Data of respondents aged under 60 currently holding financial instruments in corporate-type defined contribution pension plan)

	n=	Time deposits	Insurance products	Total investment trusts (*)	Investment trusts that invest primarily in domestic bonds	Investment trusts that invest primarily in foreign bonds	Investment trusts that invest primarily in domestic equities	Investment trusts that invest primarily in foreign equities	Investment trusts that invest primarily in real estate investment trusts (excluding J-REITs)	Investment trusts that invest in a variety of assets	Other	Unsure / no answer
		(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
2020 TOTAL	(1330)	35.1	14.3	67.2	28.1	26.2	38.7	34.7	5.8	11.5	2.0	12.7
2019 TOTAL	(898)	40.0	12.9	62.5	27.1	22.8	35.2	28.0	5.0	11.4	1.2	13.7
2020, by age group	20s (262)	34.7	14.9	61.1	26.7	23.7	33.2	30.2	6.1	9.5	0.8	15.3
	30s (358)	33.2	13.7	71.8	27.1	29.1	39.1	39.9	8.1	11.5	2.2	8.9
	40s (382)	32.7	13.4	69.4	29.1	27.2	39.8	36.1	3.9	11.5	1.6	14.9
	50s (328)	40.2	15.5	64.6	29.3	24.1	41.5	31.1	5.2	13.1	3.0	12.2

<Ratios of types of financial instruments held, by age group>

* Types of financial instruments held were categorized into "time deposit/insurance" (time deposit or insurance products), "bond investment trusts" (investment trusts that invest primarily in domestic or foreign bonds), "equity investment trusts" (investment trusts that invest primarily in domestic or foreign equities), "real estate investment trusts" (investment trusts that invest primarily in real estate investment trusts), and "other" (investment trusts that invest in a variety of assets or other financial instruments), and the status of their combined use was observed.

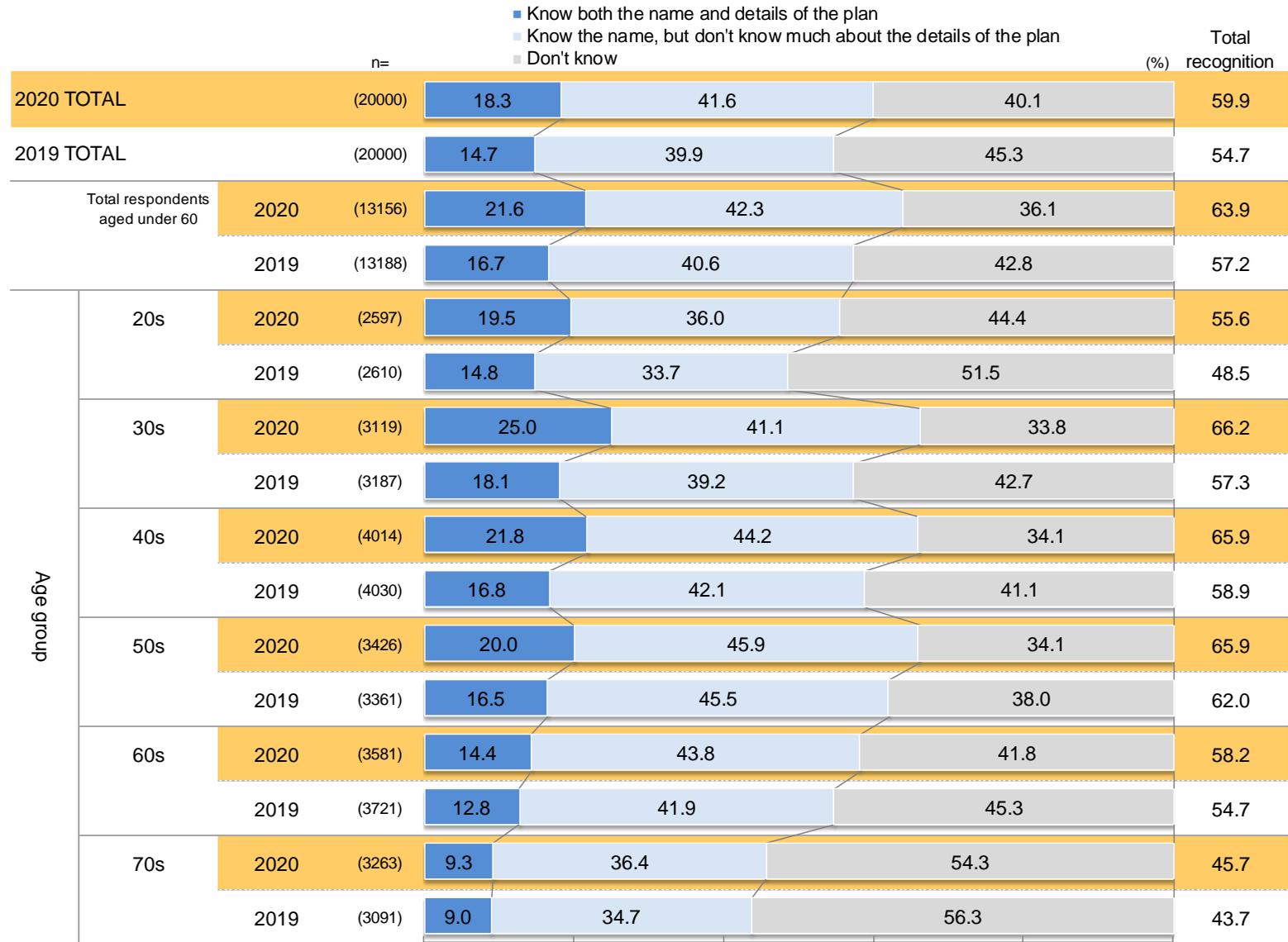


- Among financial instruments held in corporate-type defined contribution pension plan, "total investment trusts*" accounted for 67.2%. Of the investment trust products, a high percentage (at least 30%) of respondents hold "investment trusts that invest primarily in domestic/foreign equities." "Investment trusts that invest primarily in foreign equities" increased 6.7 percentage points from the previous survey.
- Looking at the combined use of financial instruments in corporate-type defined contribution pension plan by age group, "time deposit/insurance products" (1 type) is highest for each age group. Except for respondents aged in their 50s, this is followed by "equities only" (1 type) holdings in the 10%+ range. A high percentage of respondents in their 20s and 50s hold "time deposit/insurance products" (1 type).

5. Penetration of Individual-type Defined Contribution Pension Plan (iDeCo) and Intention of Future Use (1)



Recognition of the individual-type defined contribution pension plan (iDeCo) (Q14⑤)



- The percentage of respondents who recognize the individual-type defined contribution pension plan (iDeCo) increased by 5.2 percentage points from the previous survey to 59.9%. The percentage of respondents who know the details of the plan (18.3%) also increased slightly.
- By age group, the percentage of recognition increased by more than 5 percentage points among respondents in their 30s and 40s. “Know both the name and details of the plan” increased by 6.9 percentage points from the previous survey among respondents in their 30s, and increased by 4.9 percentage points among all respondents aged under 60.

5. Penetration of Individual-type Defined Contribution Pension Plan (iDeCo) and Intention of Future Use (3)



Financial instruments held in individual-type defined contribution pension plan (Multiple answers) (Q16_3②)

(Data of respondents aged under 60 currently holding financial instruments in individual-type defined contribution pension plan)

		n=	Time deposits	Insurance products	Total investment trusts (*)	Investment trusts that invest primarily in domestic bonds	Investment trusts that invest primarily in foreign bonds	Investment trusts that invest primarily in domestic equities	Investment trusts that invest primarily in foreign equities	Investment trusts that invest primarily in real estate investment trusts (excluding J-REITs)	Investment trusts that invest in a variety of assets	Other	Unsure / no answer (%)	
2020 TOTAL		(1101)	29.8	7.1	67.8	22.0	20.4	31.6	36.9	8.2	12.1	1.9	11.3	
2019 TOTAL		(897)	34.3	9.0	60.4	23.7	17.8	33.3	30.3	9.4	13.3	2.3	13.4	
2020	By age group	20s	(186)	34.4	12.9	62.9	23.1	21.5	21.0	28.0	8.6	7.5	1.6	10.8
	30s	(288)	25.7	6.6	74.0	23.6	22.9	34.7	40.3	8.7	9.7	1.0	9.7	
	40s	(364)	26.9	5.2	67.3	20.3	19.5	31.3	43.1	8.8	13.2	1.6	14.8	
	50s	(263)	35.0	6.1	65.4	21.7	18.3	36.1	30.8	6.5	16.3	3.4	8.4	
	By occupation	Self-employed/freelance or in agriculture, fishery or forestry	(54)	22.2	3.7	68.5	24.1	24.1	22.2	33.3	3.7	13.0	0.0	13.0
Company employees, company executives, temporary/contract workers, etc.	(713)	29.0	8.1	70.7	23.6	22.2	33.4	37.4	9.4	13.6	1.5	9.3		
Civil servants	(162)	30.9	3.1	66.0	21.0	18.5	33.3	40.1	7.4	8.0	2.5	10.5		
Full-time homemakers	(55)	27.3	3.6	56.4	21.8	14.5	32.7	30.9	1.8	5.5	5.5	23.6		

* Total investment trusts: Percentage of respondents who hold any "investment trusts that invest primarily in domestic bonds" through to "investment trusts that invest in a variety of assets"

- Among financial instruments held in individual-type defined contribution pension plan, "total investment trusts*" accounted for 67.8%, an increase of 7.4 percentage points from the previous survey. A high percentage (at least 30%) of respondents hold "investment trusts that invest primarily in domestic/foreign equities." "Investment trusts that invest primarily in foreign equities" increased 6.6 percentage points from the previous survey.
- "Total investment trusts*" is high (74.0%) among respondents in their 30s, and the percentage holding "investment trusts that invest primarily in domestic/foreign equities" is somewhat high. Looking at occupations, "total investment trusts*" is lower for full-time homemakers than for other occupations.

7. Penetration of ETFs and J-REITs and Intention of Future Purchase (2)



<ETFs>

Recognition of ETFs

(Q8①)

- Know both the name and details of the product
- Know the name, but don't know much about the details of the product
- Don't know

		n=	Total recognition (%)		
2020 TOTAL		(20000)	10.5	17.5	28.0
Age group	20s	(2597)	11.7	15.5	27.2
	30s	(3119)	14.3	17.3	31.5
	40s	(4014)	12.0	17.3	29.3
	50s	(3426)	8.9	16.5	25.4
	60s	(3581)	8.9	17.6	26.5
	70s	(3263)	7.7	20.3	28.1

- Know both the name and details of the product
- Know the name, but don't know much about the details of the product
- Don't know

		n=	Total recognition (%)		
2019 TOTAL		(20000)	8.7	16.3	25.0
Age group	20s	(2610)	7.4	12.0	19.4
	30s	(3187)	10.5	15.0	25.5
	40s	(4030)	9.0	16.6	25.6
	50s	(3361)	8.7	16.7	25.4
	60s	(3721)	8.6	17.7	26.3
	70s	(3091)	7.4	18.8	26.3

Knowledge about the characteristics of ETFs (Multiple answers)

(Q9①)

(Data of respondents who know about ETFs)

		n=	The principal is not guaranteed	Sales fees vary among securities companies	Risk can be reduced through diversified investment	The purchase price of an ETF is equal to the transaction price of the ETF at that time	Market orders and limit orders can be placed	Fees are lower than for general investment trusts	The movement of an index-linked price is easy to understand	Don't know / Nothing in particular
2020 TOTAL		(5600)	59.9	39.7	39.1	35.7	33.8	31.4	31.1	27.0
2019 TOTAL		(4993)	62.1	40.0	39.0	35.1	34.0	31.0	30.9	27.3
2020, by age group	20s	(707)	49.1	36.1	35.1	39.2	31.3	28.4	24.3	21.4
	30s	(984)	60.1	41.6	43.4	39.6	38.5	38.2	34.9	23.1
	40s	(1176)	60.3	38.4	42.6	35.0	34.9	33.7	33.5	26.9
	50s	(869)	62.4	40.6	38.2	35.0	34.4	30.6	32.5	28.9
	60s	(948)	65.8	40.4	37.7	32.5	30.7	28.9	30.8	27.4
	70s	(916)	59.1	40.3	35.7	33.5	32.1	26.6	28.3	33.4

- Recognition (total recognition) of ETFs was 28.0%, and recognition of the details of ETFs was 10.5%. Both trended slightly upward from the previous survey. By age group, the rate of recognition was slightly higher among respondents in their 30s and 40s. The rate of recognition increased from the previous survey among respondents in their 20s and 30s.
- As in the previous survey, recognition that “the principal is not guaranteed” as a characteristic of ETFs is particularly high (59.9%). Recognition that “the principal is not guaranteed” is lower among respondents in their 20s compared to other age groups.

7. Penetration of ETFs and J-REITs and Intention of Future Purchase (3)



<J-REITs>

Recognition of J-REITs

(Q8②)

- Know both the name and details of the product
- Know the name, but don't know much about the details of the plan
- Don't know

	n=	Total recognition (%)		
2020 TOTAL	(20000)	11.9	20.5	32.4
Age group	20s (2597)	10.2	18.8	29.0
	30s (3119)	13.7	18.9	32.6
	40s (4014)	12.5	19.6	32.1
	50s (3426)	10.8	19.8	30.6
	60s (3581)	12.3	21.3	33.5
	70s (3263)	11.9	24.3	36.2

- Know both the name and details of the product
- Know the name, but don't know much about the details of the product
- Don't know

	n=	Total recognition (%)		
2019 TOTAL	(20000)	10.7	20.1	30.8
Age group	20s (2610)	7.0	15.4	22.4
	30s (3187)	10.6	17.5	28.1
	40s (4030)	10.5	19.5	30.0
	50s (3361)	10.8	19.5	30.3
	60s (3721)	12.6	22.3	34.9
	70s (3091)	11.9	25.5	37.3

Knowledge about the characteristics of J-REITs (Multiple answers)

(Q11①)

(Data of respondents who know about J-REITs)

- Real estate investment is available with a small amount of money
- The investment can be diversified into multiple real estate units
- The principal is not guaranteed
- The investment is operated and managed by experts
- Relatively high yields can be expected
- Dividends are primarily funded from rental revenue
- Most of the investment profit is distributed
- The assets held vary from office buildings to compounds or integrated types
- Since it can be traded on exchanges, redeemability/liquidity is high
- It can be used as a hedge against inflation
- The end of the accounting period varies depending on the fund
- Disclosed information is readily available
- Don't know / Nothing in particular

	n=	Total recognition (%)												
2020 TOTAL	(6486)	44.0	34.4	29.3	26.4	24.0	23.2	20.1	19.6	19.3	18.7	15.5	10.4	35.4
2019 TOTAL	(6162)	43.7	35.5	31.7	28.0	25.5	24.1	19.9	19.4	19.7	19.1	15.9	10.1	34.3
2020, by age group	20s (754)	44.3	31.2	15.4	23.2	19.9	20.8	20.0	17.1	12.7	17.0	12.2	11.3	29.6
	30s (1017)	54.0	39.7	25.9	29.5	27.0	25.1	24.5	21.0	18.8	21.1	16.7	11.3	26.5
	40s (1287)	47.2	36.4	28.7	26.0	24.2	24.8	21.1	18.9	19.2	18.6	16.4	10.6	33.5
	50s (1047)	44.1	34.1	34.0	25.4	24.1	23.0	17.9	21.2	19.1	19.3	16.6	10.5	37.4
	60s (1201)	39.9	33.8	33.5	26.2	25.4	22.6	19.2	20.1	20.7	16.7	15.8	9.5	38.5
	70s (1180)	35.7	30.8	33.2	27.4	22.5	21.9	18.1	18.7	23.1	19.4	14.1	9.8	44.0

- Recognition (total recognition) of J-REITs was 32.4%, and recognition of the details of J-REITs was 11.9%, about the same as the previous survey. By age group, the rate of recognition was slightly higher among respondents in their 70s. The rate of recognition increased from the previous survey among respondents in their 20s and 30s.
- Recognition that "real estate investment is available with a small amount of money" as a characteristic of J-REITs is highest (44.0%), followed by "the investment can be diversified into multiple real estate units" (34.4%) and "the principal is not guaranteed" (29.3%). The rate of recognition was about the same as the previous survey for all characteristics.