

To the press and whom it may concern

January 29, 2024  
The Investment Trusts Association, Japan

## **[2023 Survey on Investment Trusts]**

**Installment-type NISA grew notably across all age groups as accounts for holding investment trusts. The percentage of the respondents using installment investment in investment trusts rose among those in their 30s to 70s, indicating popularity across wide age groups.**

The Investment Trusts Association, Japan (address: 2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo; Chairperson: Koichi Matsushita) conducted in September 2023 a survey of 20,000 men and women aged between 20 and 79 across Japan about the holding status and awareness of investment trusts, for the purpose of providing useful information for increasing the future use and raising the public awareness of investment trusts.

### **General overview of survey results**

#### **[Accounts for holding investment trusts]**

- Among the respondents who currently hold investment trusts, 55.0% held it in taxable accounts (specified accounts or general accounts) (down 8.5 percentage points year on year), 42.6% in Installment-type NISA accounts (up 10.6 percentage points year on year), 33.7% in General NISA accounts (down 4.4 percentage points year on year), and 16.1% in iDeCo (up 0.6 percentage points year on year). The percentages for Installment-type NISA increased across all age groups (Figure 1) (Reference: p. 8 of the report).
- We asked the respondents who currently hold investment trusts about their use of installment investment in investment trusts (not limited to Installment-type NISA) and found that 64.6% was “Using,” and 35.4% was “Not using” them. Those who were “Using” installment investment increased by 7.2 percentage points year on year. The percentages for the answer “Using” topped 80% among those in their 20s and 30s. The year-on-year increase in the respondents answering “Using” was seen across all age groups from 30s to 70s (Figure 2) (Reference: p. 9 of the report).

#### **[Awareness of purchasing investment trusts]**

- Among the respondents who currently hold or once held investment trusts, the largest percentage at 52.5% chose “Able to diversify investment with small amounts” as an advantage (attraction), followed by “Able to make installment investment” at 32.6% and “Able to invest even without expertise and time” at 32.2%. On the other hand, 56.9% of the respondents who have never held investment trusts selected “Don’t know / not applicable.” The challenge is how to communicate the functions and features of investment trusts to individuals who have never held investment trusts (Figure 3) (Reference: p. 15 of the report).

### **[Financial education]**

- We asked all respondents about their financial education experience. The answer “None of these apply / never exposed to talks about money” came top at 65.8%, followed by “Video-sharing sites (e.g., YouTube)” at 13.7% and “Employer’s introduction, continuation, or education of defined contribution pension plans” at 13.5%. The percentage for “Lectures at high school or university” was low at 5.0%. The percentages for this answer, however, were 13.0% among the respondents in their 20s and 7.7% among those in their 30s, and expected to grow gradually (Figure 5) (Reference: p. 16 of the report).

## **Main characteristics of survey results**

The following are the three main characteristics of the survey results:

- 1. Installment-type NISA has grown significantly as accounts for holding investment trusts, with the percentage of the respondents using installment investment also rising.**
- 2. It is important to effectively highlight features of investment trusts for individuals who have never held them, according to their respective reasons for not buying them.**
- 3. Videos on YouTube and other video-sharing sites are considered the best for financial education.**

- 1. Installment-type NISA has grown significantly as accounts for holding investment trusts, with the percentage of the respondents using installment investment also rising.**

The use of Installment-type NISA as accounts for holding investment trusts has grown across all age groups from the previous survey. The percentages of using Installment-type NISA was higher than that for ordinary taxable accounts among the respondents in their 20s to 40s. The percentages for using individual-type defined contribution pension plans (iDeCo) and corporate-type defined contribution pension plans (corporate-type DC) increased from the previous survey among the respondents in their 30s to 40s.

\* Accounts used for holding investment trusts: the percentages of the respondents who currently hold investments trusts by types of accounts used.

Among the respondents who currently hold investment trusts, the percentage of the respondents using installment investment increased to 64.6%, up 7.2 percentage points from the previous survey. The percentages of the respondents using installment investment were higher among younger age groups, being at the 82% level among the respondents in their 20s

and 30s. The percentage for using installment investment rose among the respondents in their 30s to 70s, suggesting that the use of installment investment is spreading across generations. This may be an indication that the government's drastic reforms under the Doubling Asset-based Income Plan are starting to bear fruits.

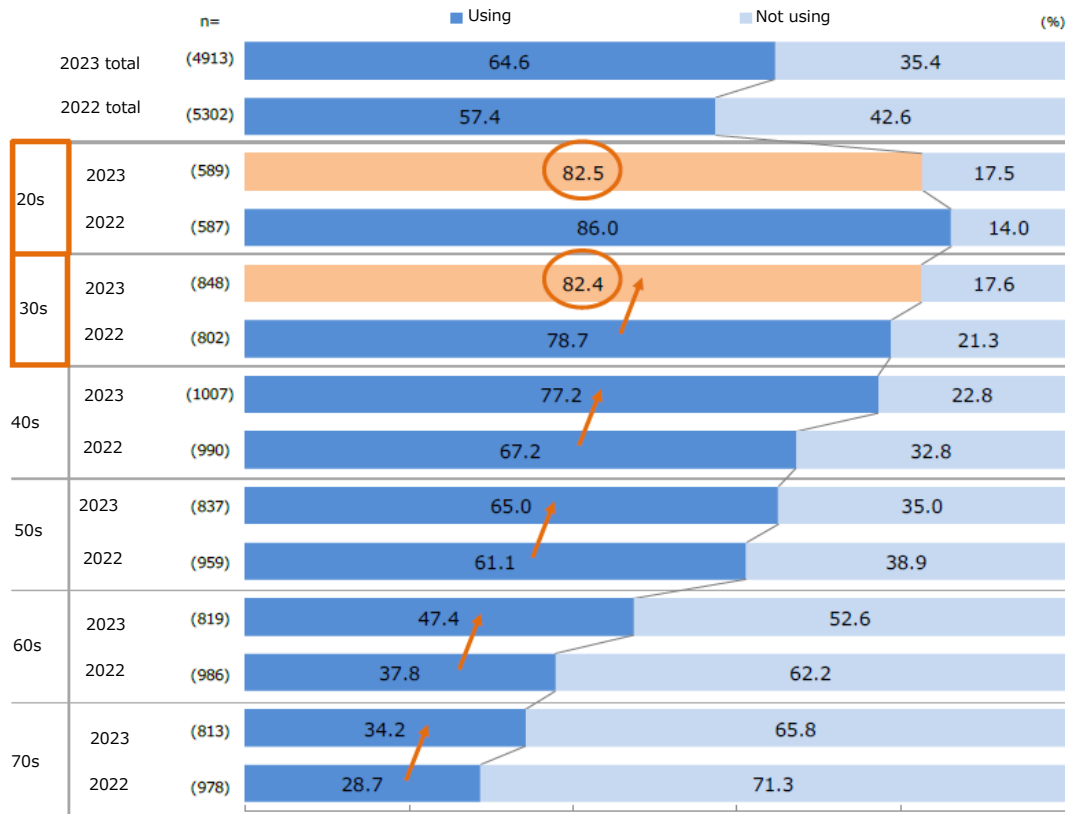
**Figure 1. Accounts used for holding investment trusts**

(Scope: respondents who currently hold investment trusts / Q3: multiple answers / pp. 8, 33, and 34 of the report)

		Specified accounts or ordinary taxable accounts such as general account	Installment- type NISA	General NISA	iDeCo (Individual- type defined contribution pension plan)	Accounts for reward-point investment	Corporate- type DC (corporate- type defined contribution pension plan)	Other	Don't know / forgot	(%)
	n=									
2023 Total	(4913)	55.0	42.6	33.7	16.1	13.1	10.4	0.5	2.5	
2022 Total	(5302)	63.5	32.0	38.1	15.5	14.4	9.4	0.8	2.3	
20s										
2023	(589)	37.7	69.1	21.4	12.1	15.3	15.1	0.2	1.4	
2022	(587)	50.1	65.6	25.9	19.4	18.7	16.4	0.7	1.2	
30s										
2023	(848)	48.8	63.1	28.4	24.5	19.7	16.7	0.5	1.4	
2022	(802)	52.9	55.5	28.6	22.9	23.6	15.2	0.5	1.1	
40s										
2023	(1007)	51.4	55.6	28.2	27.2	19.0	15.9	0.4	1.0	
2022	(990)	57.7	39.5	31.7	24.1	20.7	11.9	1.1	2.0	
50s										
2023	(837)	57.6	36.2	30.9	20.3	14.1	9.6	0.5	2.5	
2022	(959)	64.4	27.1	37.0	22.6	14.8	11.5	0.4	1.7	
60s										
2023	(819)	62.5	23.1	46.2	7.6	6.3	4.5	0.5	3.9	
2022	(986)	73.8	13.7	48.3	6.4	7.4	4.1	0.8	3.2	
70s										
2023	(813)	68.1	12.3	45.1	0.5	3.2	0.6	0.7	5.2	
2022	(978)	75.1	8.4	50.4	0.6	4.6	1.1	1.1	3.7	

**Figure 2. Status of using installment investment in investment trusts**

(Scope: respondents who currently hold investment trusts / Q18: single answer / pp. 9, 39, and 40 of the report)



## 2. It is important to effectively highlight features of investment trusts for individuals who have never held them, according to their respective reasons for not buying them.

We compared advantages of investment trusts, perceived by those who currently hold or once held investment trusts, with attractions of investment trusts, perceived by those who have never held them, using same choices of answers. The percentages among the respondents who have never held investment trusts were lower for the answer “Able to diversify investment with small amounts” by 28.1 percentage points, for “Able to make installment investment” by 23.1 percentage points, and for “Able to invest even without expertise and time” by 21.6 percentage points. These are top three answers selected by the respondents who currently hold or once held investment trusts as advantages of investment trusts, but these points do not seem to be fully understood by individuals who have never held them.

We looked at correlations between attractions perceived by those who have never held investment trusts and their reasons for not buying them. The respondents who mentioned “Lack of enough money” as a reason for not buying tended to choose “Able to diversify investment with small amounts” as an attraction, those with the reason “Too many types of products to select on my own” to choose “Able to invest even without expertise and time,” and those with

the reason “Buying requires efforts” to select “Easy processes for buying.” This suggests that features that can eliminate specific reasons for not buying look attractive to them. In order to prompt individuals who have never held investment trusts to buy them, it is considered important to effectively highlight features that speak to their respective reasons for not buying.

**Figure 3. Advantages of investment trusts perceived by those who currently hold or once held them, and attractions of investment trusts perceived by those who have never held them**

(Scope: respondents who currently hold or once held investment trusts / Q15: multiple answers)

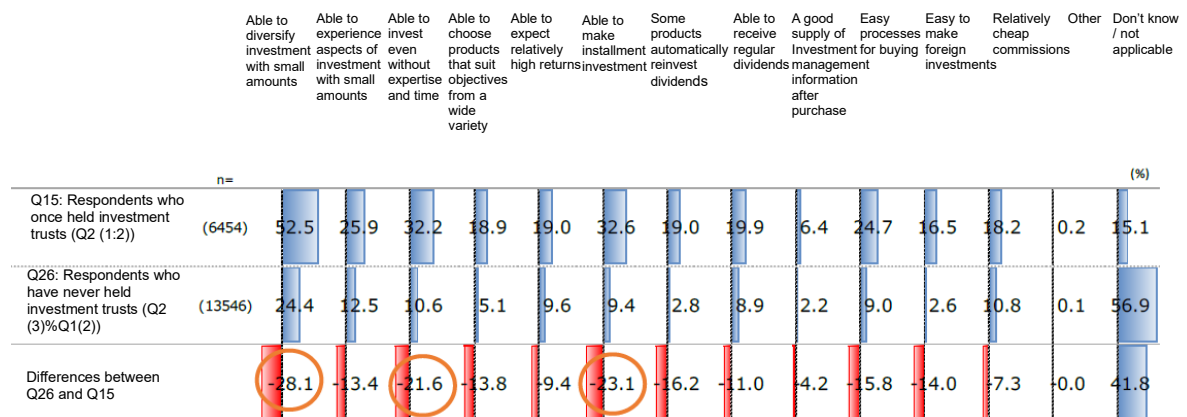
(Scope: respondents who have never held investment trusts / Q26: multiple answers)

(pp. 15, 61, and 68 of the report)

\* Q15 asked the respondents who currently hold investment trusts, and the respondents who once held investment trusts (but not anymore), about advantages of investment trusts.

Q26 asked the respondents who have never held investment trusts about attractions of investment trusts.

The same choices of answers were offered in both Q15 and Q26 to check differences between those who once held, and those who have never held, investment trusts.



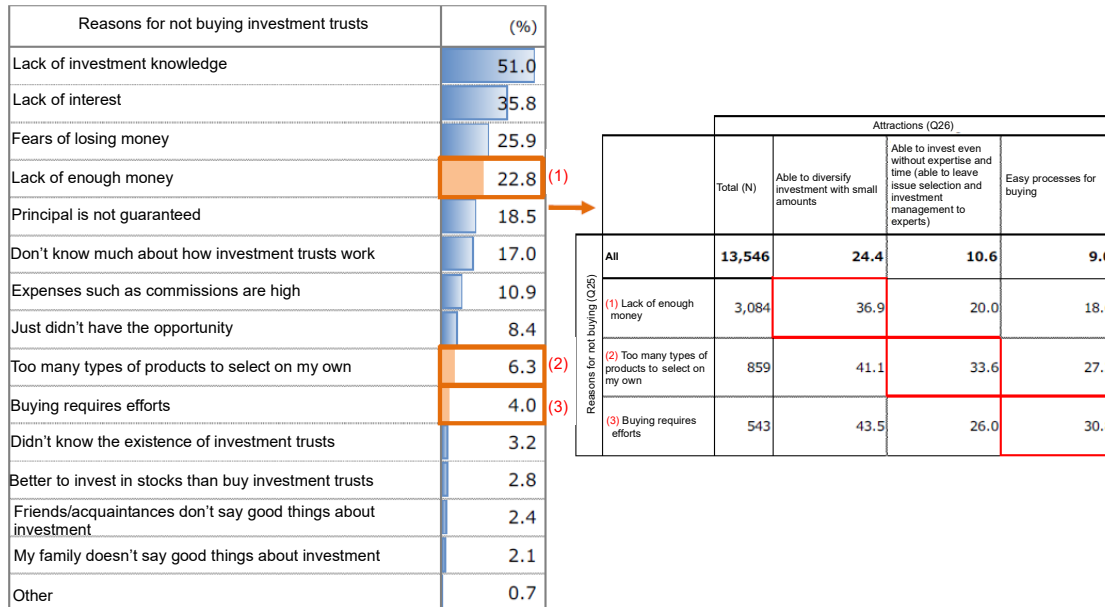
#### Figure 4. Reasons of those who have never held investment trusts for not buying them, and attractions of investment trusts by reasons for not buying

(Scope: respondents who have never held investment trusts / Q25: multiple answers)

(Scope: respondents who have never held investment trusts / Q26: multiple answers) (p. 15 of the report)

\* Q25 asked the respondents who have never held investment trusts about reasons for not buying them, and Q26 asked them attractions of investment trusts.

We performed a cross tabulation to identify attractions by reasons for not buying.



•(1) Among the respondents who chose “Lack of enough money” as a reason for not buying, 36.9% selected “Able to diversify investment with small amounts” as an attraction (12.5 percentage points higher than the percentage for all).

•(2) Among the respondents who selected “Too many types of products to select on my own” as a reason for not buying, 33.6% selected “Able to invest even without expertise and time” as an attraction (23.0 percentage points higher than the percentage for all).

•(3) Among the respondents who selected “Buying requires efforts” as a reason for not buying, 30.8% selected “Easy processes for buying” as an attraction (21.8 percentage points higher than the percentage for all).

Findings in (1) through (3) suggest that attractions can eliminate reasons for not buying.

### 3. Videos on YouTube and other video-sharing sites are considered the best for financial education.

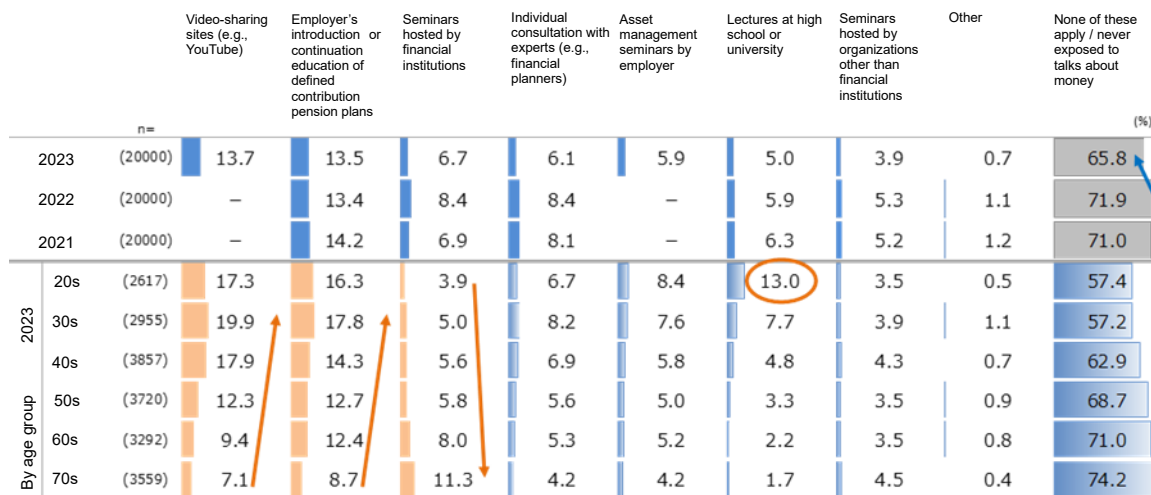
We asked respondents about their financial education experience and the financial education that was or seems best. “Video-sharing sites (e.g., YouTube)” was the top answer for both questions, excluding “None of these apply / never exposed to talks about money.” This was followed by “Employer’s introduction, continuation, or education of defined contribution pension plans.”

By age groups, younger groups had higher percentages for “Video-sharing sites (e.g., YouTube)” and “Employer’s introduction, continuation, or education of defined contribution pension plans.” Among the respondents in their 20s, the percentage for “Lectures at high school

or university” was higher than that for other age groups. Among elderly respondents, the percentage for “Seminars hosted by financial institutions” was high.

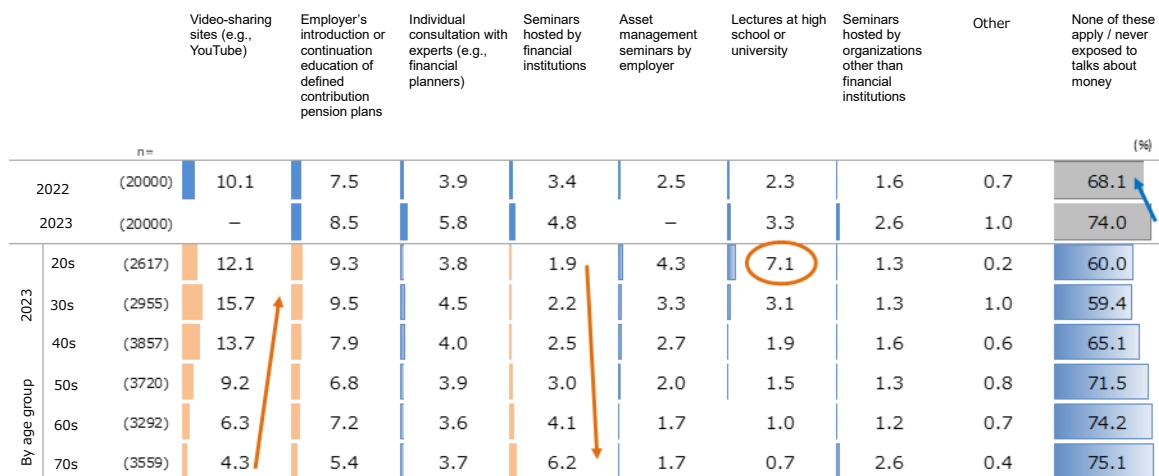
**Figure 5. Financial education experience**

(Scope: all / Q29 (1): multiple answers / pp. 16 and 90 of the report)



**Figure 6. Financial education that was or seems best**

(Scope: all / Q29 (2): single answer / pp. 16 and 92 of the report)



## Overview of the survey

### • About this survey:

Over many years, we have periodically conducted surveys on investment trusts, such as the holding status of investment trusts and awareness of those who have never held investment trusts.

• Period: Wednesday, September 13, 2023, to Wednesday, September 20, 2023

• Method: Internet survey

- Location: Nationwide in Japan
- Respondents: Men and women aged between 20 and 79
- Number of samples: 20,000 samples in total (collected in proportion with the composition of Japan's population)

In addition to this survey, we conduct "Survey on NISA, iDeCo and Other Plans" for the purpose of understanding the actual situation concerning NISA and defined contribution pension plans.

URL: <https://www.toushin.or.jp/english/16058/>



### About The Investment Trusts Association, Japan

- Name: The Investment Trusts Association, Japan
- Address: 2-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo, Japan
- Chairperson: Koichi Matsushita
- Established: July 1957
- Business description: Recommendations on self-regulatory operations and various system revisions, educational/promotional activities for investment trusts, etc., and other activities
- Website: <https://www.toushin.or.jp/english/>