

2018 Questionnaire on Investment Trusts

Summary of Survey Results

Point

- The percentage ratio of investment trust holdings is 14.7%. The percentage ratio tends to rise as the respondents' age group and annual household income increase. (page 5)
- Among those who currently have investment trust holdings, the utilization of installment investment is 34.9%. By age group, many in their 20's utilize installment investment, at 65.2%. (page 22)
- In terms of reasons for an interest in/purchase of investment trusts, the percentage ratios of "The tax-free small-lot investment program started" and "I selected an investment trust in a Defined Contribution Pension Plan and took an interest, and it was good" tend to rise as the respondents' age group becomes younger. (page 37)



March 2019

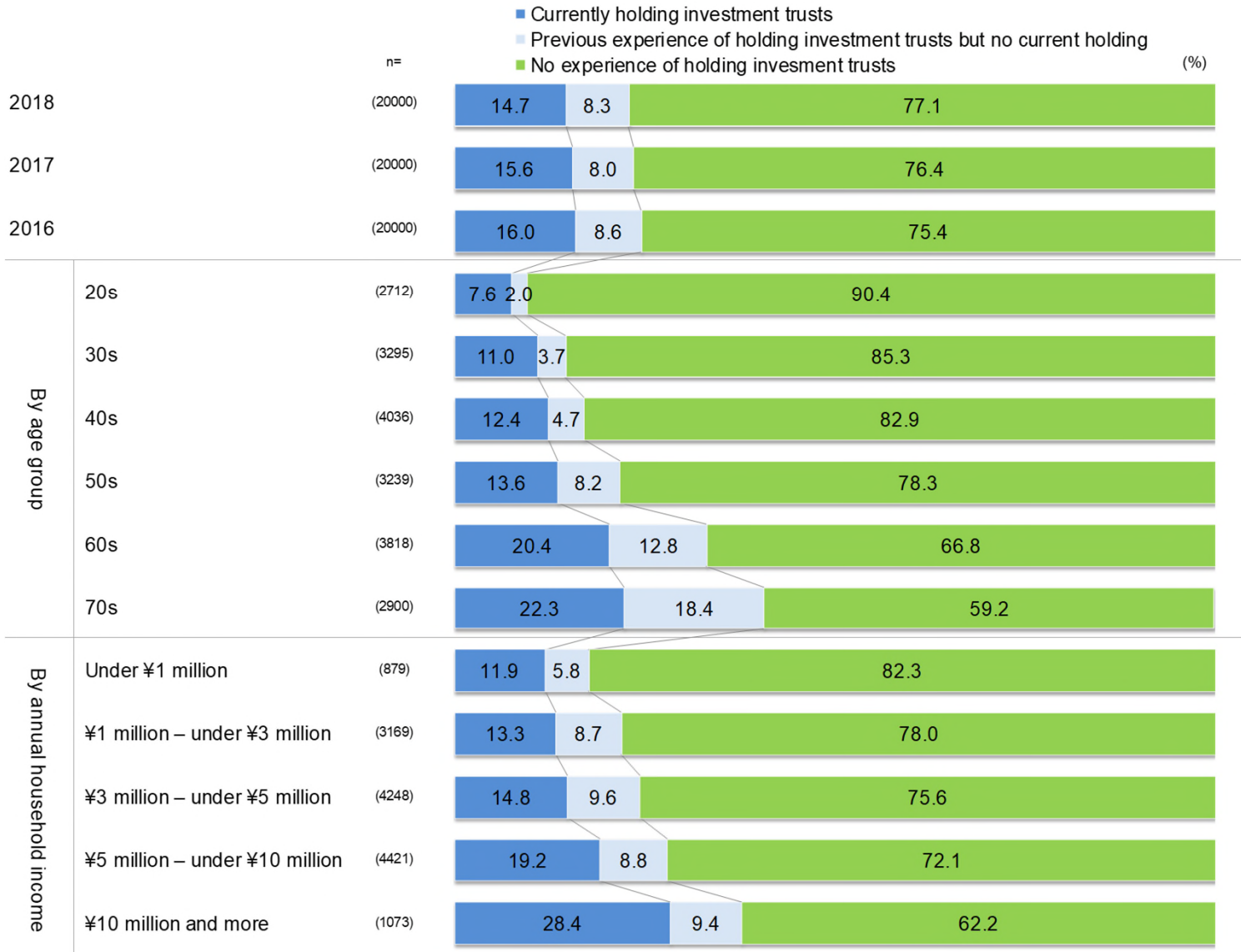
Japan Investment Trusts Association

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 their investment trust holdings, their recognition of the characteristics of investment trusts, their satisfaction levels regarding investment trusts, their recognition of installment investment plans, etc., (2) to identify challenges in promoting the flow from “household savings to household asset formation” by confirming with the “Segment with no experience of holding investment trusts” the reasons for not purchasing investment trusts and what motivates them to consider purchasing investment trusts, (3) and 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: INTAGE Internet monitors) * 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.																																																																																													
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 sex, age group and location was implemented (the allocation was based on the Basic Resident Register as of January 1, 2017). • Exclusion by occupational conditions was not implemented. <p><Details of the numbers of collected questionnaire answers by sex, age group and location></p> <table border="1" data-bbox="384 722 1937 1115"> <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="3">Male</td> <td>Tokyo Metropolitan area</td> <td>436</td> <td>536</td> <td>654</td> <td>480</td> <td>481</td> <td>362</td> <td>2,949</td> </tr> <tr> <td>Hanshin area</td> <td>200</td> <td>230</td> <td>298</td> <td>225</td> <td>257</td> <td>198</td> <td>1,408</td> </tr> <tr> <td>Other regions</td> <td>756</td> <td>913</td> <td>1,095</td> <td>918</td> <td>1,128</td> <td>762</td> <td>5,572</td> </tr> <tr> <td colspan="2">Total: Male</td> <td>1,392</td> <td>1,679</td> <td>2,047</td> <td>1,623</td> <td>1,866</td> <td>1,322</td> <td>9,929</td> </tr> <tr> <td rowspan="3">Female</td> <td>Tokyo Metropolitan area</td> <td>412</td> <td>504</td> <td>614</td> <td>450</td> <td>493</td> <td>420</td> <td>2,893</td> </tr> <tr> <td>Hanshin area</td> <td>198</td> <td>234</td> <td>303</td> <td>233</td> <td>279</td> <td>240</td> <td>1,487</td> </tr> <tr> <td>Other regions</td> <td>710</td> <td>878</td> <td>1,072</td> <td>933</td> <td>1,180</td> <td>918</td> <td>5,691</td> </tr> <tr> <td colspan="2">Total: Female</td> <td>1,320</td> <td>1,616</td> <td>1,989</td> <td>1,616</td> <td>1,952</td> <td>1,578</td> <td>10,071</td> </tr> <tr> <td colspan="2">TOTAL</td> <td>2,712</td> <td>3,295</td> <td>4,036</td> <td>3,239</td> <td>3,818</td> <td>2,900</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 5,842 samples [Hanshin area] Osaka, Kyoto, Hyogo, Nara / total of 2,895 samples [Other regions] Prefectures other than the above / total of 11,263 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	436	536	654	480	481	362	2,949	Hanshin area	200	230	298	225	257	198	1,408	Other regions	756	913	1,095	918	1,128	762	5,572	Total: Male		1,392	1,679	2,047	1,623	1,866	1,322	9,929	Female	Tokyo Metropolitan area	412	504	614	450	493	420	2,893	Hanshin area	198	234	303	233	279	240	1,487	Other regions	710	878	1,072	933	1,180	918	5,691	Total: Female		1,320	1,616	1,989	1,616	1,952	1,578	10,071	TOTAL		2,712	3,295	4,036	3,239	3,818	2,900	20,000
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Survey period	December 7 (Friday)–December 14 (Friday), 2018																																																																																													
Organization responsible for the survey	Japan Investment Trusts Association																																																																																													
Entity that conducted the survey	INTAGE Inc.																																																																																													

2. Status of Investment Trust Holdings (1)

Status of investment trust holdings (Q2)



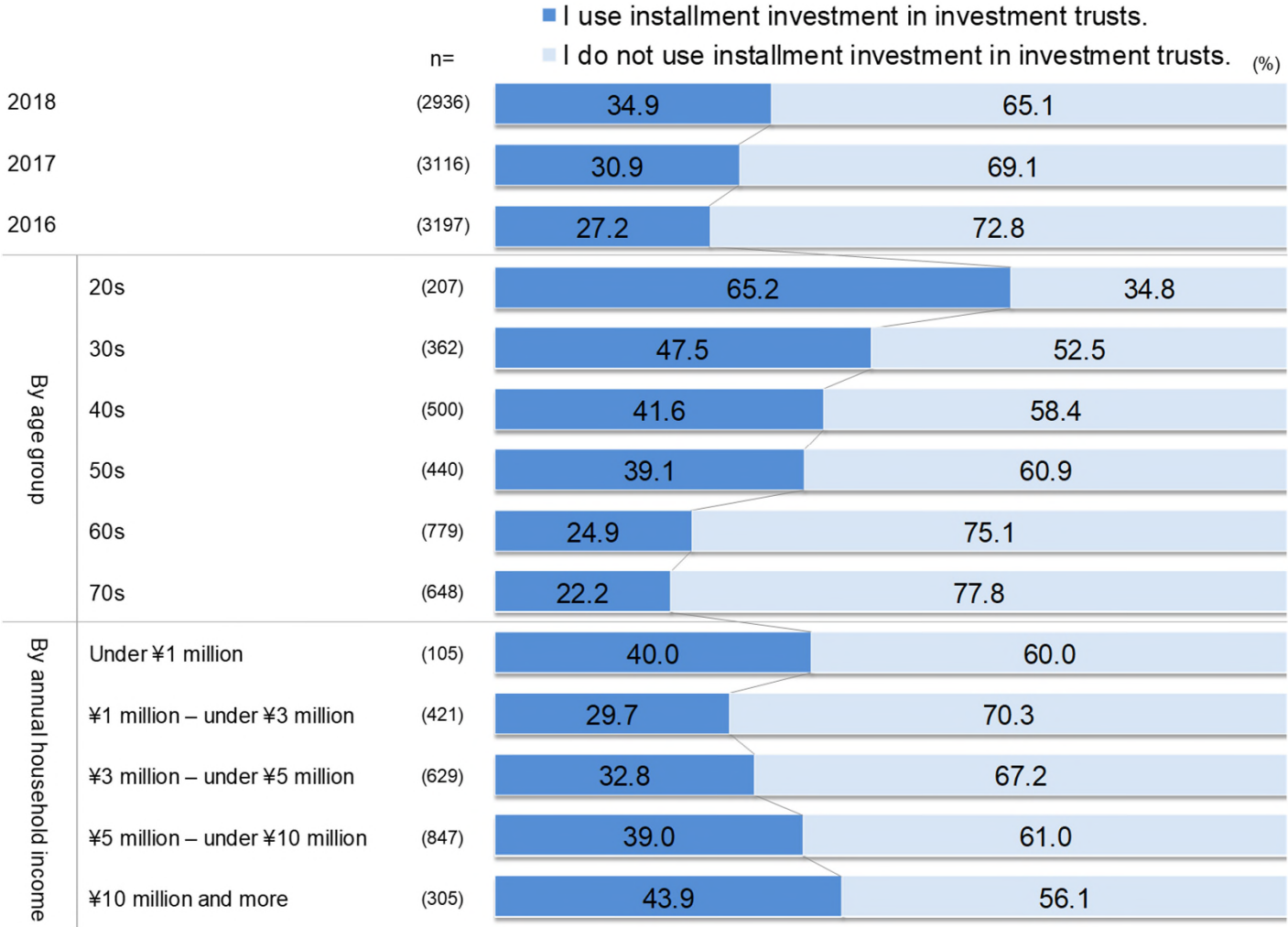
- The segment with current investment trust holdings in the breakdown of the status of investment trust holdings was 14.7%, which is the same level as in the previous survey (15.6%).
- The percentage ratios of both “segment with current investment trust holdings” and “segment with previous experience of holding investment trusts” become larger as the respondents’ age group and annual household income increase.

4. Status of Recognition/Use of Installment Investment in Investment Trusts (4)

Status of use of installment investment plans for investment trusts

(Q17)

(On a "Segment with current investment trust holdings" basis)



- The percentage ratio of respondents in the "segment with current investment trust holdings" who use installment investment plans is 34.9%. This is an increase of 4.0 percentage points from the result in the previous survey (30.9%).
- By age group, younger adult segments show higher utilization rates. In their 20s, approximately 2 out of 3 persons use installment investment at 65.2%, up 13.3 percentage points from 2016.
- By household annual income, respondents with higher annual income tend to show higher utilization rates. However, respondents with an annual household income under ¥1 million also shows a high utilization rate of 40.0%.

8. Reasons for Interest in/Purchase of Investment Trusts

Reasons for interest in/purchase of investment trusts (Multiple answers) (Q8)

(On a "Segment with current investment trust holdings" basis)

		Solicited by financial institution personnel	Am able to afford them financially	Browsed and undertook research on the Internet	Heard about them from my family or friends	Since the tax-free small-lot investment program started	Looked at the economy and market conditions	Looked at ads for investment trusts	Read a book about investment trusts	Read articles on investment trusts in newspapers and magazines	Selected an investment trust in the Defined Contribution Pension Plan and took an interest	Looked at DM about them on the phone	Heard a lecture on them or attended a seminar on them	It was good that I selected investment trusts in the Defined Contribution Pension Plan	Other
2018	n= (4588)	52.5	13.7	12.5	11.6	9.9	8.2	7.3	7.2	6.2	6.1	5.6	4.7	1.8	3.4
Sex	Male (2526)	44.5	14.3	17.3	8.4	11.0	10.2	9.2	9.7	8.0	9.1	6.9	5.8	2.5	3.3
	Female (2062)	62.3	12.9	6.7	15.5	8.7	5.7	5.0	4.1	4.0	2.4	4.0	3.4	0.9	3.5
By age group	20s (260)	30.8	12.3	28.5	14.6	17.7	8.8	10.4	21.2	9.2	13.1	10.0	9.6	5.4	3.1
	30s (483)	30.0	13.7	25.3	13.3	14.9	8.1	8.3	14.7	7.7	11.2	6.8	5.4	2.7	4.8
	40s (691)	39.1	10.3	18.8	12.0	10.1	7.7	6.4	8.4	6.5	11.3	6.2	3.3	2.9	3.5
	50s (704)	48.4	13.6	10.7	12.1	8.1	8.2	7.5	7.1	6.7	7.2	4.1	3.4	1.1	4.5
	60s (1268)	60.6	15.9	8.0	10.1	8.6	7.9	8.8	3.6	5.3	3.5	4.8	4.2	1.1	3.2
	70s (1182)	68.2	13.6	6.2	11.3	8.6	8.5	5.2	4.1	5.6	1.4	5.6	5.6	1.1	2.4
	By annual household income	Under ¥1 million (156)	54.5	12.2	9.6	12.8	5.8	7.7	5.8	8.3	3.8	0.6	2.6	2.6	2.6
¥1 million – under ¥3 million (697)		64.0	11.9	7.9	9.8	9.9	6.3	7.6	5.6	4.6	2.7	4.3	5.3	0.7	2.6
¥3 million – under ¥5 million (1038)		56.6	13.2	11.3	11.7	10.8	8.2	7.7	6.4	6.0	5.5	6.2	4.2	1.3	3.5
¥5 million – under ¥10 million (1234)		45.9	14.2	16.9	12.2	11.7	9.0	7.9	9.5	8.0	9.5	6.8	5.3	2.8	3.3
¥10 million and more (406)		41.9	15.8	19.7	8.4	7.6	11.3	10.3	8.4	8.6	9.1	7.4	5.4	2.7	4.7
By status of investment trust holding	Segment with investment trust holdings/ previous experience of holding investment trusts (2936)	52.4	12.5	13.9	10.6	12.6	7.3	6.6	8.3	6.0	7.7	5.7	5.2	2.0	3.1
	Segment with current investment trust holdings (1652)	52.8	15.7	10.2	13.3	5.1	9.7	8.7	5.2	6.6	3.1	5.6	3.9	1.4	3.9
By type of investment trust currently held	Segment holding investment trust to invest in equities (1702)	49.3	12.9	17.6	10.5	13.9	8.0	8.3	10.6	7.8	9.0	7.2	6.9	2.7	3.1
	Segment holding other investment trusts (773)	59.4	11.8	10.1	10.1	11.1	6.2	5.6	6.5	5.0	6.0	4.0	3.8	0.9	2.2

- In terms of reasons for an interest in/purchase of investment trusts, the most common is "Solicited by financial institution personnel" (52.5%) followed by "Am able to afford them financially" (13.7%), "Browsed and undertook research on the Internet" (12.5%), and "Heard about them from my family or friends" (11.6%). All other reasons are below 10%.
- The percentage ratio of the reasons "Since the tax-free small-lot investment program started" and "Selected an investment trust in the Defined Contribution Pension Plan and took an interest, and it was good" tend to rise as the respondents' age group becomes younger.
- Compared to the segment with previous experience of holding investment trusts, "Since the tax-free small-lot investment program started" cited by the segment with current investment trust holdings is high.