Market Report (JSDA):
--- challenges lying ahead

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* This presentation represents the presenter’s own views, and not necessarily those of the JSDA.
Statistics showing demographic changes in Japan from 1920 to 2115

- **Child population**
  - In 1955: 90 mil.
  - In 2010: 128 mil.
  - In 2065: 88 mil.
  - In 2100: 59 mil.
  - Child population: 13.1% (2010) 5.3% (1955) 33.5% (2065) 10.2% (2100)

- **Working-age population**
  - In 1955: 51.4%
  - In 2010: 63.8%
  - In 2065: 38.4%
  - Working-age population: 61.3% (1955) 23.0% (2010) 51.4% (2065)

- **Aging population**
  - In 2010: 23.0%
  - In 2065: 10.2%
  - Aging population: 6.3% (2010) 5.3% (2065)

Note: The graph illustrates the projected changes in Japan's population composition from 1920 to 2115.
Promoting measures to support individuals’ asset building

Nippon (Japan) Individual Saving Account (NISA): a scheme to exempt tax (20% levy on income from dividends and capital gains) for small investments

- **NISA** (launched in January 2014)
  - All individuals at least 20 years old who live in Japan can open a NISA account.
  - Maximum investment amount is ¥1.2 million (US$10,700) a year, up to ¥6 million (US$53,600) for 5 years.

- **Junior NISA** (launched in April 2016)
  - Minors under 20 years old living in Japan can open a Junior NISA account.
  - Maximum investment amount is ¥800,000 (US$7,100) a year, up to ¥4 million (US$35,700) for 5 years.

- **Installment-type NISA** (to be introduced in January 2018)
  - Maximum investment amount is ¥400,000 (US$3,600) a year, up to ¥8 million (US$71,400) for 20 years.
  - Only for investing in ETFs and stock investment trusts.

Individual-type Defined Contribution pension plan (iDeCo): a private-pension plan available to individuals 20 to 59 years old
The establishment of a sustainable and fair society has been put on the global agenda. The United Nations announced the Sustainable Development Goals (SDGs) consisting of 17 goals and 169 targets, with the aim of achieving the goals by 2030. Based on these goals, every UN member country seeks to alleviate poverty, combat inequality and address climate change. In Japan as well, the government and industries are working toward achieving the goals.

The JSDA and the entire Japanese securities industry are making a concerted effort to contribute to this global initiative led by the UN and supported by the Japanese Government as measures for social challenges.
Establishment of Council and Sub-committees for Promoting SDGs

**Objective**

In order to actively tackle the social challenges raised by the SDGs, the Council for Promoting the SDGs in the Securities Industry has been established as an advisory body to the JSDA Chairperson.

**Council for Promoting the SDGs in the Securities Industry**

Chair: JSDA Chairperson, Members: JSDA member firms and external experts

1. **Sub-committee on ending poverty/starvation and protecting the global environment**
   - examines impact/ESG investments (e.g. originating and distributing vaccine bonds, water bonds and green bonds), and
   - seeks further possibilities for contribution.

2. **Sub-committee on promoting decent work conditions and women’s participation in society**
   - examines initiatives for increasing productivity, promoting decent work conditions, encouraging the employment of women, cultivating female directors and managers, etc., and
   - considers measures to achieve productive employment and decent work conditions in the industry.

3. **Sub-committee on supporting education for the socially vulnerable**
   - examines education support including donating funds and providing voluntary work for motherless/fatherless families and orphans, and
   - considers further specific support activities