
Regulatory Reform Provokes a Wave of New Entrants to Japan's Securities Markets

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Japan's "Big Bang" regulatory reforms have opened the gates to a wealth of new entrants to the securities markets since 1997, while the complete liberalization of brokerage commission on 1st October 1999 has added further impetus to the pace of restructuring. This report will examine how the market has changed since 1997, focusing on the wave of new brokerage start-ups.

1. New Developments in the Securities Markets

From April 1997 to 18th October 1999 a total of 57 companies received licences or registered to operate as securities brokers, while 27 of these new brokers appeared after the previous licence-based system was replaced with a registration system in December 1998 (Table 1). Considering that there have been practically no new brokers (except for bank brokerages) set up between this time and the adoption of the licencing system in the wake of the so-called market crisis of 1968, the sudden burst of new players over the past 2 years has been quite remarkable.

Obviously the single most important factor behind the recent upsurge in broker start-ups has been the wave of financial sector deregulation measures collectively termed the Japanese "Big Bang." This has not only increased the number of new entrants, but has also forced existing brokers to implement drastic reforms to their own operations. As a result, Japan's securities markets are now undergoing a period of dynamic change with a mixture of old and new firms locked in competition with each other.

There have been several distinctive trends over recent years. Firstly, a sudden rise in the number of entrants from other business sectors with an eye on the business opportunities available in the securities markets. As can be seen from Table 1, the new entrants hail from a wide variety of backgrounds - among those receiving licences or registering for new brokerage start-ups, in addition to foreign and bank brokerages, are trading companies, life and non-life insurers, electronics manufacturers, trust bank and investment advisory firms, money market brokers, credit card companies and venture capital companies. There have also been cases of non-broking and foreign firms acquiring some of Japan's traditional brokers. These new brokers, with parent firms outside the broking profession, have used their commercial background to develop a business portfolio that extends outside the range of what could be termed "traditional" broking with services such as securitization and private-equity.

Table 1 New Brokerage Start-ups Since Fiscal Year 1997

Company	Licence / Registr-ation date	JASD membership date	TSE Member	Capital at time of entry (¥ million)	On-line brokerage service	Remarks
Start-ups in fiscal 1997						
Solomon Bros. Asia Securities, Tokyo branch (*)	4/25	6/1		11,000		
Hyundai Securities, Tokyo (*)	6/27	7/16		17,360		Part of the Korean Hyundai industrial group
Fidelity Securities, Tokyo (*)	6/27	7/16		660		
Tokyo Forex Securities	7/29	7/31		400		Subsidiary of foreign exchange brokers, Tokyo Forex
Nittan Brokers Securities	7/29	7/31		400		Subsidiary of Nittan Exco
D. Brain Securities	8/19	8/22		180		Child company of same-name management consultancy
Ueda Tanshi Securities	10/24	10/27		300		Subsidiary of Ueda Harlow
CCF Elysee Securities, Tokyo (*)	12/26	1/21		1,135		
Yagi International Securities	2/10	2/18		400		Subsidiary of Yagi Euro
Angel Securities	2/10	2/18		180		
Axes (Japan) Securities	2/10	2/18		300		
Bridge Securities, Tokyo (*)	3/20	3/27		372		
Chase Securities, Tokyo (*)	3/20	4/1		10,000		
Start-ups in fiscal 1998						
TD Securities, Tokyo (*)	4/28	5/20		13,035		
CDC Marche Securities, Tokyo (*)	5/7	8/3		Note 3		
LTCB Warburg Securities, Tokyo Kamiya branch (*)	5/18	6/1		30,000		
Merrill Lynch Japan Securities	5/26	6/3	○	5,000		
Sparks Securities	6/18	6/24		165		Owned by Sparks Investment Advisor
Nissho Iwai Securities	6/18	6/24		1,000		Owned by Nissho Iwai
Japan Investors Securities	8/14	8/20		625		Joint venture: parents include Jardine Fleming Investments / Investment Advisors and Marubeni.
Core Pacific – Yamaichi Securities	8/31	9/1		500		Parent was previously the Hong Kong branch of Yamaichi Securities, before being bought out by the Core Pacific Group.
ITM Securities	8/31	9/1		100		
Nakaizumi Securities	11/24	11/30		100		Securities company with strong regional ties to Iwata in Shizuoka prefecture.
Mirai Securities	11/24	11/30		400		Wholly owned by major venture capital firm Japan Asia Investments
Prebon Yamane Securities	11/24	11/30		400		Joint venture between Prebon Yamane and Yamane
20-20 Securities	11/27	12/7		200		
Japan Electronic Securities	11/27	12/7		490		
Itochu Capital Securities	11/27	12/7		1,000		Parent Itochu Corp.
Privee Zurich Securities	11/27	12/7		323		
Rabobank – Asian Securities, Tokyo (*)	11/30	12/7		5,019		Securities subsidiary of the Dutch Rabobank
Hitachi Credit Securities	1/19	1/20		1,000		Wholly owned by Hitachi Credit
First Chicago Tokio Marine Securities, Tokyo (*)	1/28	3/1		9,180		Half owned by U.S. Bank One Corporation and half by Tokyo Marine & Fire Insurance
American Express Financial Advisors, Tokyo (*)	1/29	2/7		132		Sub-subsiary of American Express
Nomura FundNet Securities	2/26	3/17		5,000	○	Wholly-owned subsidiary of Nomura Securities

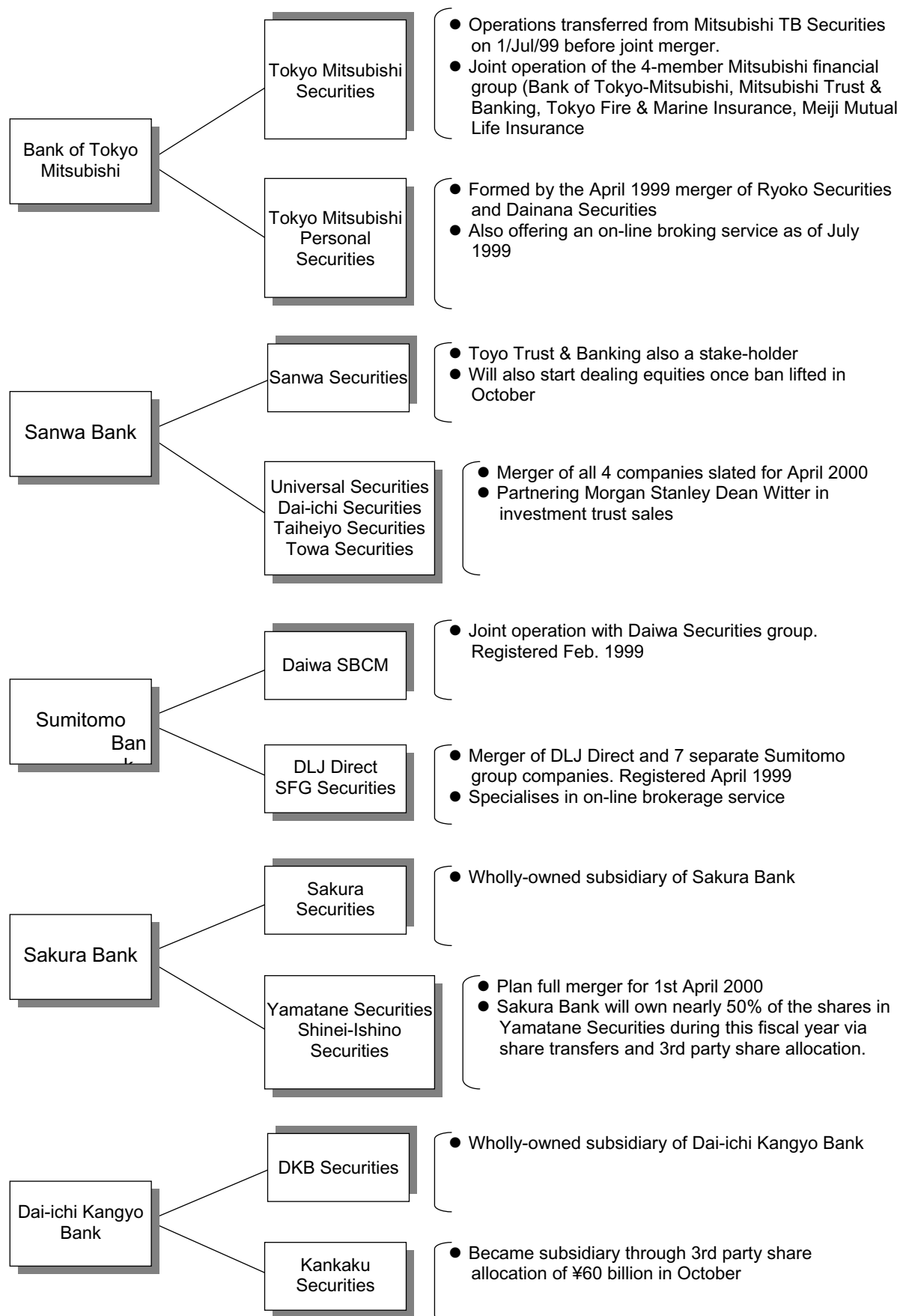
Daiwa Securities Retail Company (transitional Daiwa Securities)	2/26	3/17	○	3,000	○	
Daiwa SB Capital Markets	2/26	3/17	○	3,000		
IBJ Nomura Financial Products (UK) Securities (*) (Note 4)	3/5	3/17	○	9,999		Joint operation of Nomura Securities and IBJ
Start-ups in fiscal 1999						
Japan TPP Securities	4/7	4/21		200		95% owned by Partners Asset Management
Mitsubishi Corporation Capital Ltd	4/7	4/21		5,000		Set up by Mitsubishi Corp.
Get Securities	4/28	5/20		124		
DLJ Direct SFG Securities	4/28	5/20		100	○	Joint venture between U.S. DLJdirect and 7 Sumitomo group companies
Bloomberg Tradebook Japan Securities	4/30	5/10		100		
AdvisorTech Securities	5/19	5/26		100		Subsidiary of AdvisorTech of the U.S.
Panta Lhei Securities	6/1	6/16		150		
PSI Securities	6/2	6/16		200		
Commonwealth Securities, Tokyo (*)	7/5	7/22		304		Securities subsidiary of the Commonwealth Bank of Australia
Star Futures Securities	7/28	8/9		1,843		International Trading, commodity futures broker, registered to operate as securities brokers and changed name.
Monex Securities	7/30	8/9		200	○	Joint venture between Sony, JP Morgan and others.
Nikko Beans Securities	8/5	8/23		2,500	○	100% subsidiary of Nikko Securities
AFD Securities, Tokyo (*)	8/30	10/1		478		
Mitsubishi Trust International Securities, Tokyo (*)	9/1	9/14		6,089		
William Blair Securities, Tokyo (*)	9/3	planned		120		
Schwab Tokio Marine Securities	9/8	planned		450	○	Joint venture, with partners lead by U.S. Charles Schwab and Tokio Marine & Fire Insurance
KBC Financial Products Securities, Tokyo (*)	9/14	planned		244		
Japan On-line Securities	9/16	9/24		800	○	Joint venture between Itochu Corp., DKB, Asahi Mutual Life Insurance and others.
Sazare Securities	9/16	9/24		100		
Yasuda Kasai CIGNA Securities	9/16	9/24		5,000		Joint venture between Yasuda Fire & Marine Insurance and CIGNA

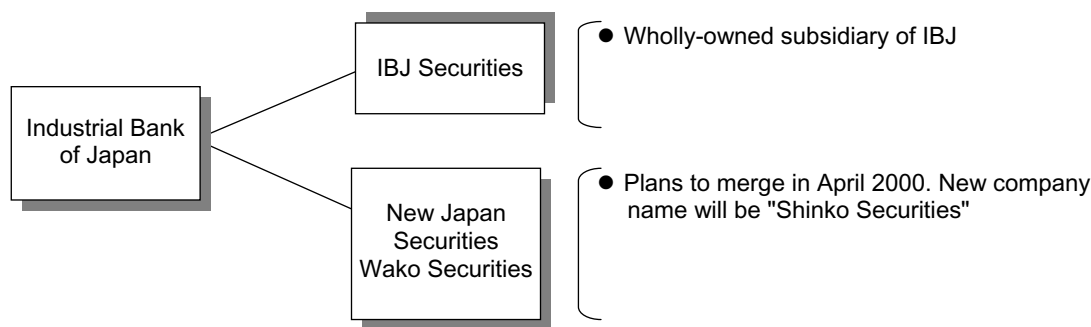
- Notes: 1. Registration system introduced in December 1998
2. Data as at 18th October 1999
3. CDC Marche Securities, Tokyo possesses equity capital of 3 billion French francs
4. IBJ Nomura Financial Products (UK) suspended operations on 22nd July 1999, and was replaced by IBJ Nomura Financial Products Securities (Tokyo), which started trading on the same day.
5. * indicates non-Japanese.

Source: NRI, from materials published by the Japan Securities Dealers Association and Ministry of Finance

Figure 1 Recent Regroupings Among Major Bank Brokerages

(companies towards the top tend towards wholesale, those towards the bottom towards retail business)





Notes: IBJ, Fuji and DKB agreed to merge securities subsidiaries IBJ Securities, DKB Securities and Fuji Securities before setting up the joint holding company in autumn 2000, according to the 20 August 1999 of their tie-up. There is also the possibility that they will integrate their retail brokerage operations - New Japan Securities and Wako Securities (IBJ), and Kankaku Securities (DKB).
 Meanwhile after the 14th October 1999 announcement of the Sakura Bank and Sumitomo Bank comprehensive alliance, Sakura Securities (a subsidiary of Sakura Bank) and Daiwa SBCM are considering whether to integrate their operations.
 Further, Bank of Tokyo-Mitsubishi agreed on 7th October 1999 to the purchase of 12% of the outstanding stock issuance of Kokusai Securities from Nomura Securities Group in order to beef up its retail broking operations, and at the same time agreed on business cooperation.

Source: NRI, from media reports and press releases as appearing on company web sites.

A second trend is the more central role that securities brokers are now taking in these restructured financial groupings. The major banks are restructuring their own brokerages, or specialist brokerage subsidiaries established as a result of regulatory reform, so that they combine both wholesale and retail operations (Figure 1). As the trend towards direct financing through the markets rather than indirect financing through banks gathers pace, Japan's financial groups are finding the securities company taking on an ever more central role in their overall business strategy.

Third, retail broking has seen a number of new entrants where on-line brokerage services over the Internet are a central part of their business strategy. Quite a number of broker start-ups, attracted by the relatively low costs of business as an on-line broker, have specialised almost exclusively on this business area.

2. Trends in Retail Broking

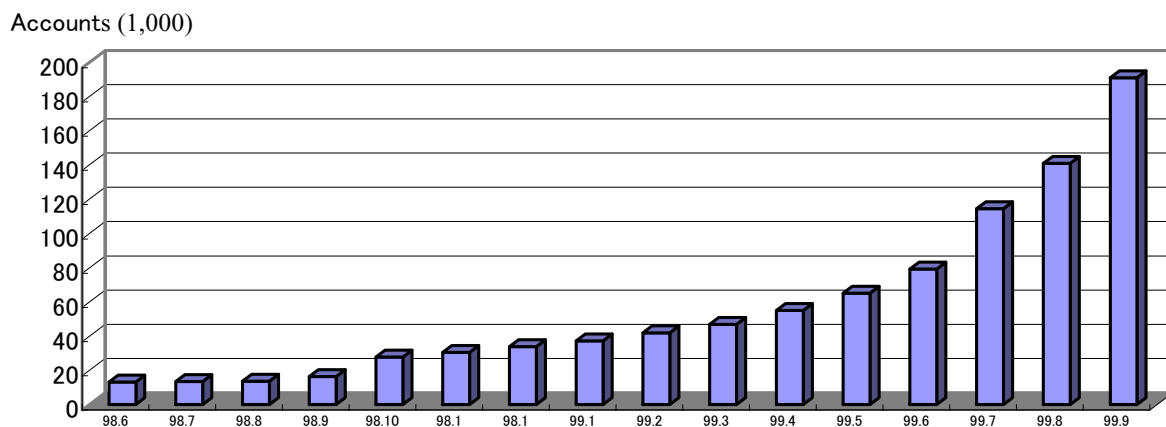
There are 2 major new trends emerging in the field of retail broking in Japan, both somewhat at odds with each other: one is low-cost and convenient internet-based services, very undemanding in terms of human resources; the other carries on the tradition of face-to-face customer contact, based on the expertise and product knowledge of the sales-person. The latter is perhaps closer to an asset-management type service.

1) On-line Trading

(1) Overview

According to a Bloomberg News survey the number of on-line trading accounts in Japan grew to about 190,000 as at end September 1999, and is set to break 200,000 by end October. The rise in on-line trading accounts has been particularly steep over recent months (Figure 2). Though still small by U.S. standards, where the number of accounts at end June stood at 9.7 million, this figure is expected to grow. Plus the growth in new entrants whose main offering is on-line trading, and the number of older brokers planning to start up such a service, will have received a strong impetus from the October 1st liberalization of brokerage commissions.

Figure 2 Number of On-line Trading Accounts in Japan



Source: NRI, from a Bloomberg News survey

Table 2 New Entrants Specialising in the Provision of On-line Trading Services

Company	Activities
Joint ventures with U.S. Discount Brokers	
DLJ Direct SFG Securities	<ul style="list-style-type: none"> ● Joint venture between DLJ Direct and 7 Sumitomo group companies, including Sumitomo Bank. ● Started trading in June 1999. ● Agreement with PC wholesaler Bartekslink to loan out free PCs (called its "Muryo-Pa" service). ● Clients can, for a fee, hire a dedicated mobile trading terminal through which they can transmit equity trading orders.
E*Trade Securities	<ul style="list-style-type: none"> ● Subsidiary of E*Trade Limited, which in turn is a joint venture between E*Trade of the U.S. and Japan's Softbank. Acquired the small broker Otaku Securities in October 1998. ● Uses credit rating information supplied by Morning Star, an investment trust rating firm set up by Softbank. ● Started on-line trading service in October 1999.
Schwab Tokio Marine Securities	<ul style="list-style-type: none"> ● Joint venture between Charles Schwab, Tokio Marine & Fire Insurance and 3 Mitsubishi group financial companies. Plans to start trading at the end of 1999, and also to open a branch office.
DOMESTIC OPERATIONS	
Monex Securities	<ul style="list-style-type: none"> ● Joint venture between an ex-Goldman Sachs partner and Sony. Started trading on 1st October 1999.
Nikko Beans Securities	<ul style="list-style-type: none"> ● On-line trading specialist of the Nikko group. Started trading in October 1999.
Internet Trading Securities (provisional name)	<ul style="list-style-type: none"> ● Planned joint venture between Nikko Securities and Fujitsu, to be established in January 2000. ● Will promote and offer product advice, take trading orders etc. "introductory" services only, to subscribers to Fujitsu's ISP "@nifty." ● Trading / execution will be carried out on its behalf by Nikko Beans.
Wit Capital Japan Securities	<ul style="list-style-type: none"> ● Joint venture between Wit Capital of the U.S., Mitsubishi Corp. and the Sanwa Bank group. To start trading in January 2000. ● Plans extensive offering of IPOs.
Kabu.com (Japan On-line Securities)	<ul style="list-style-type: none"> ● Joint venture between Itochui Corp., Dai-ichi Kangyo Bank, Asahi Mutual Life Insurance, Yasuda Fire & Marine Insurance and Microsoft. ● To start trading in November 1999. ● Developed back-office systems in-house.
HIS Kyoritsu Securities	<ul style="list-style-type: none"> ● Result of the January 1999 purchase of Kyoritsu Securities (affiliated company of ex-Yamaichi Securities) by HIS. ● Plans internet based trading to start January 2000. ● Also plans integrated offerings of group company products such as HIS's discount travel tickets and Skymark's flight tickets.

Source: NRI, from media articles and company websites.

It is not only the new start-ups that are offering on-line trading services. Japan's older brokers, starting with Daiwa Securities who set up Japan's first internet trading service in April 1996, have also been eager to get on board the internet bandwagon from the outset. Table 3 details the on-line brokerage services being offered by Japan's other 44 securities houses.

Japan's securities markets differ from the U.S. in that internet broking services are not offered solely by discount brokers, but have instead seen the involvement of traditional large brokers such as Nomura Securities from the outset.

The strategies of Japan's internet brokers have developed in two directions in response to the complete liberalization of stock brokerage commissions in October. The first approach has been to make steep cuts in commission rates - the "discount broker" approach - with operations being entirely or mainly reliant on internet trading. This line has been taken by the new domestic-foreign start-ups, or by medium-size brokers who view the internet as a life-line for their own struggling operations. The other approach has been that of the larger and mid-to-large brokers, who see the internet as another service to offer their clients, and couple this with human-resource intensive investment advice - what could be called the "non-discount broker" approach.

(2) Liberalization of brokerage commission and commission strategies of the various brokers

On 1st October 1999 all regulations regarding the setting of stock-brokerage commission were finally abolished by Japan's financial authorities. Prior to this all of Japan's brokers announced what strategy they would adopt once full liberalization was in place. The so-called "discount broker" types took the opportunity to make steep cuts in their internet trading commission rates (Table 4).

Monex Securities for example became the cheapest broker, charging only ¥1,000 per market-order trade for traded amounts up to ¥1 million. Meanwhile DLJ Direct SFG Securities is charging ¥2,500 per limit-order trade for traded amounts up to ¥10 million, or ¥1,900 for market orders. Matsui Securities on the other hand announced in August it was changing its tariffs, previously announced in May, to a new scheme where the commission charged depends on a combination of total traded amount and number of trades completed per day, what it terms a "box-rate system." Aizawa Securities, which started its on-line service in October, is charging a straight ¥1,500 for any traded amount up to ¥30 million.

Table 4 On-line Trading Commission Rates from 1st October 1999

Traded Amount	Old commission rate	Aizawa	Imagawa-Misawaya	Iwai	Orix	DLJ Direct	Nikko Beans	Matsui	Monex
¥200,000	2,500	1,500	2,000	1,500	1,800	1,900	1,000	3,000	1,000
¥500,000	5,750	1,500	2,000	1,500	1,800	1,900	1,800	3,000	1,000
¥1 million	11,500	1,500	3,000	1,500	1,800	1,900	3,600	3,000	1,000
¥2 million	20,500	1,500	6,000	2,000	2,000	1,900	7,200	6,000	2,000
¥5 million	47,500	1,500	15,000	5,000	5,000	1,900	18,000	15,000	5,000
¥10 million	82,500	1,500	30,000	10,000	10,000	1,900	24,000	30,000	10,000
¥30 million	197,500	1,500	30,000	20,000	20,000	2,900	72,000	90,000	30,000
¥50 million	272,500	-	30,000	20,000	20,000	3,900	100,000	100,000	50,000
Calculation method	straight ¥1,500 charge up to ¥30 million trade	0.3% of traded amount (min. ¥2,000 max. ¥30,000)	0.1% of traded amount (min ¥1,500 max. ¥20,000)	0.1% of traded amount (min ¥1,800 max ¥20,000)	Flat rate up to ¥10 million, then ¥50 per ¥1 million extra	Different commission rate added to the trade depending on size of assets under management (min ¥1,000, max ¥100,000)	0.3% of traded amount (min. ¥3,000 max. ¥100,000)	Flat rate up to ¥1 million. After that, 0.1% of traded amount	

- Note: 1. Rates shown are based on one market order trade per day.
2. Nikko Beans' rates are based on a client with assets under management of between ¥5 million and ¥10 million for a trade up to ¥5 million, or a client with assets under management of between ¥30 - ¥100 million for trades above ¥10 million.
3. Rates as at 29th September 1999.

Source: NRI, from company web-sites.

These rates are fairly low on the international scale when compared to the largest U.S. discount brokers Charles Schwab (US\$ 29.95 per trade), and the cheapest U.K. discount broker (GBP 20.00, around ¥3,600). However, unlike Japan, there has already been 2 years of price competition since the inception of internet broking in the U.S. If Japan's brokers are setting their post-liberalization commission rates so low, it leaves little room for any future price cuts.

2) Individual Client Services

(1) Financial Planners

An FP (Financial Planner) is a financial specialist giving advice to clients on their financial, securities, insurance / pension, loans, real-estate and tax etc. investments, based on an extensive knowledge of financial matters. Several securities brokers, not having a sales office themselves, are employing FPs as salespeople, or even specialising in offering services to FPs (Table 5).

Table 5 New Brokerages Using Or Planning To Use Financial Planners

Company	Outline
Nippon Investors Securities	<ul style="list-style-type: none"> ● Securities broker set up as a joint venture between Jardine Fleming Investments, Yasuda Life Insurance and Marubeni, and specializing in the sale of investment trusts. ● Its employees salaries are based on client assets under management. With this system where the client's interests are not opposed to the profit interest of the firm, it aims to ally itself with the client and take a longer-term view of investments.
American Express Financial Advisers, Japan	<ul style="list-style-type: none"> ● Sub-subsidiary of American Express (Amex). ● To start with it plans to handle sales by telephone / post only, though later it also plans to use FPs ● For its card holders it offers an investment service for which customers receive points according to the amount invested. As well as regular gifts, the accumulated points can also be converted into air-miles for 7 different airlines including ANA and Air France.
AdvisorTech Securities	<ul style="list-style-type: none"> ● Subsidiary of Advisortech of the U.S., offering an internet-based FP service. ● Headed by ex-Charles Schwab Chief Operating Officer Timothy F. McCarthy. ● Web-based financial and systems technology services to financial intermediaries (such as FPs)
LPL Japan Securities (provisional name)	<ul style="list-style-type: none"> ● Major U.S. investment trust seller LPL Financial Services' Japan incorporated branch currently applying for a registration. ● Plans to sell investment trusts through contracted FPs.

Source: NRI, from various media sources and company web-sites

(2) Alternative funds

Several new entrants are aiming at the specialist market of alternative funds, such as hedge funds and private-equity funds, packaged and sold as private investment trusts to wealthy investors (Table 6). These companies are generally small and are often staffed with ex-employees of major securities houses, or specialists lured away from foreign brokerages. They provide an elite service through the provision of financial products tailored to the requirements of their wealthy clientele dissatisfied with regular products, and help them manage their investments over the longer term.

Table 6 New Brokerages Offering Alternative Funds

Company	Outline
Sparks Securities	<ul style="list-style-type: none"> ● Wholly owned subsidiary of the independent firm Sparks Investment Advisors ● Specializes in the sale of derivative based high-return funds. It sets up investment trusts with investments diversified across various hedge funds, which it sells to wealthy private investors and quasi-government "special legal entities."
ITM Securities	<ul style="list-style-type: none"> ● Set up by ex-Yamaichi employees. ● Sales of mainly private investment trusts.
Privee Zurich Securities	<ul style="list-style-type: none"> ● Develops and sells funds that invest directly in promising Taiwanese and Asian companies.

Source: NRI, from various media reports and company web-sites.

3. Wholesale Securities

1) Asset-backed Securities

Some of the non-financial sector new entrants backed by large corporate groups are also planning to offer securitization services. Hitachi Credit Securities for example, the first new brokerage after the licencing system was replaced with a registration system, is making the selling of asset backed securities backed by the assets of its parent company one of its core businesses. This also represents one of the main business areas of the new securities off-shoots of Japan's major trading houses, such as Nissho Iwai Securities, Itochu Capital Securities and Mitsubishi Corporation Capital Ltd, who will be securitizing trade receivables held by their trading house parent or group subsidiaries, or debt from overseas project financing.

2) Derivatives

Reforms to the Securities and Exchange Act brought in as part of the Financial System Reform Law in December 1998 lifted the ban on the trading of OTC derivatives, and some of the new brokerages have elected to make this a central part of their business (Table 7). The UK based IBJ Nomura Financial Products, for example, has gathered together professionals from the legal, accounting and tax professions to provide order-made financial products tailored to its clients' particular requirements.

Table 7 New brokerages specializing in derivatives

Company	Outline
Prebon Yamane Securities	<ul style="list-style-type: none">● Main business is OTC derivatives broking.● With a branch incorporated in Hong Kong, it targets an international client base.
Japan Electronic Securities	<ul style="list-style-type: none">● Dealing and market-making in Nikkei Index futures / options, industrial sector share index futures/options, and individual stock options listed on the Osaka Stock Exchange.● Strong links with the OSE.
First Chicago Tokio Marine Securities	<ul style="list-style-type: none">● Joint venture with equal ownership by the 4th biggest U.S. bank holding company Bank One Corporation, and Tokio Fire and Marine Insurance.● Main products traded are interest-rate swaps and currency swaps.
IBJ Nomura Financial Products (UK)	<ul style="list-style-type: none">● Joint venture between IBJ and Nomura Securities, based in the UK.● Development of tailor-made derivative products.

Source: NRI, from various media reports and company web-sites.

3) Private-equity

There are also several new brokerages dealing in private-equity investments in unlisted (either exchange or OTC) stocks and overseas funds. Three new brokerages have sprung up in response to the lifting of the prohibition on dealing in unlisted stocks in July 1997, which allowed brokerages to offer investment services in companies who have reached certain disclosure standards and passed an inspection, requiring only the filing of a report with the Japan Securities Dealers Association for their stock to be recognized as OTC traded securities

(Table 8). As well as public offerings the brokerages also handle private placements of shares to a small number of targeted investors.

Securities brokerage off-shoots of the major trading companies on the other hand are leveraging their strong overseas networks to offer overseas investment funds. Mitsubishi Corp. Capital Ltd. for example is teaming up with a U.S. private-equity firm to offer such products in Japan.

Table 8 New Brokerages Specializing In Unlisted Company Shares

Company Name	Outline
D. Brain Securities	<ul style="list-style-type: none"> ● Set up by parent management consulting company D. Brain. ● Membership of its on-line unlisted stock trading service "VIMEX" has tripled to over 1,000 now that D.Brain has waived joining and annual membership fees.
Angel Securities	<ul style="list-style-type: none"> ● Offers M&A or business partnership advice, and consultation services to growth companies.
Mirai Securities	<ul style="list-style-type: none"> ● Wholly owned by Japan Asia Investments, a major venture-capital firm. ● First brokerage to set up as a limited cooperative channeling its investors funds into venture companies.

Source: NRI, from various media reports and company web-sites.

4) Fixed-Income Brokers

Between 1997 and 1998 several money market brokers, trading in inter-bank money and currency markets, set up brokerage subsidiaries which have now expanded into inter-bank or inter-broker bond brokerage operations (Table 9). Though starting off concentrating on corporate and government bond trading, they have all gradually expanded to cover both individual stock options and equity derivatives. The trend to diversify their business portfolios has continued with Nittan Brokers expanding into emerging-market bonds, and Tokyo Forex's foray this year into broking Eurobonds.

Table 9 New Brokerages Specializing In Bond Trading

Company	Outline
Tokyo Forex Securities	<ul style="list-style-type: none"> ● Securities subsidiary of currency broker Tokyo Forex, part of the Tokyo Tanshi money-market broker group.
Nittan Brokers Securities	<ul style="list-style-type: none"> ● Securities subsidiary of Nihon Tanshi.
Ueda Tanshi Securities	<ul style="list-style-type: none"> ● Securities subsidiary of Ueda Tanshi.
Yagi International Securities	<ul style="list-style-type: none"> ● Securities subsidiary of Yagi Tanshi.

Source: NRI, from various media reports and company web-sites.

APPENDIX: Market Strategies Of Japan's New Securities Brokerages

