

Financial Services Agency Newsletter

月号

2020

NOVEMBER

Monthly
magazine

Access FSA



Contents

Seminars & Conferences (P1 -)

P1 Video Message from Minister Aso at the National Securities Industry Convention

Policy Commentary Corner (P3 -)

P3 Progress Report on the Efficiency of Financial Intermediation

UKITA Hiroaki, Assistant Director,
TOMIKAWA Ryo, Assistant Director,
MORI Akiko, Officer,

Regional Financial Planning Office, Banking Business Division II, Supervision Bureau

Notices (P5 -)

P5 Pay Attention to Illegal Withdrawals from Bank Accounts through Unknown Cashless Payment Services!

P6 Message to the Market (October 26, 2020)

P7 Regional Dialogue: Opening Ceremony for the "Fukushima External Human Resources Utilization Council"

Kasumigaseki Dialogue to be Held!

P8 Online *Tsumitate* NISA Meetups Held

FSA's Major Activities in October (P9)



⇐ Access the online version here

<https://www.fsa.go.jp/en/newsletter/index.html>

Video Message from Minister Aso at the National Securities Industry Convention

On Monday, October 5, 2020, the Japan Securities Dealers Association held the National Securities Industry Convention 2020 and Minister Aso stated as follows in his video message.

The Convention can be viewed on the JSDA's website.

Introduction

Thank you for inviting me to the National Securities Industry Convention. This is the first time for the convention to be held online, and I am joining in the form of a video message. I think this is one of the new patterns of social behavior, and that it represents a change and device for a society living with COVID-19. I would like to congratulate you on the successful meeting and extend a word of greeting.

On September 16, the Suga administration was inaugurated and I was reappointed as Deputy Prime Minister, Minister of Finance and Minister of State for Financial Services. I appreciate your cooperation and support in the field of financial administration, and I look forward to further cooperation.

Internationalization of the Japanese market

Looking at the international balance of payments, the significance of the balance on income from Japan's overseas investments, patents and dividends, etc. has been increasing and Japan is now shifting from a conventional trading nation to a financial nation. Under such circumstances, it has become more and more important to gather further advanced financial experts and know-how into Japan. In this context, I consider it very significant for Japan to achieve the status of an international financial center so that it can become an international financial hub for Asia and the whole world.

Japan becoming an international financial hub will bring about the diversification of financial arrangements, which will lead to enhancing companies' growth potential, the sophistication of investments, which will facilitate people's asset building, and the promotion of financial innovation. Furthermore, it will lead to the solution of the various problems that Japan is currently facing. Amid the intensification of geopolitical risks, such efforts may also enable the Japanese market to contribute to dispersing international risks. It is therefore crucial for the Japanese market to strengthen its role in Asia and the whole world and further develop it in a manner to contribute to the world as a whole.

For that purpose, we need to take advantage of Japan's strengths as a safe and secure base backed by established democracy and democracy and to develop the Japanese market into an international financial hub also open to overseas professionals in close public-private collaboration.

At present, the government of Japan is making an all-out effort to broadly discuss measures to be taken to achieve that goal. The FSA is also working on developing a system to enable all procedures, from initial registration to monitoring, to be undertaken in English to facilitate market entries of foreign-affiliated asset management companies that possess advanced experts.

We are also intending to make a mechanism wherein entries of so-called buy-side financial experts from overseas will increase human resources on the sell-side, who offer services to buy-side personnel, as well as other human resources, who offer services to those financial experts.

To achieve this, your efforts for promoting the internationalization of the Japanese market are indispensable. We appreciate your cooperation.

TSE system failure

On October 1, 2020, a system glitch happened at the Tokyo Stock Exchange, disabling trading for the rest of the day. All the trading was suspended despite orders having been received before the market opening, and a number



Video message from Minister Aso

* JSDA's website

National Securities Industry Convention 2020; <https://www.jsda.or.jp/about/gyouji/20130919203231.html>

of customers of securities companies were unable to sell or buy stocks. As no bids were made for Japanese stocks, purchase and redemption of investment trusts of Japanese stocks were also suspended.

Dear all who work at the TSE, securities companies, and asset management companies. It is required to thoroughly investigate the causes of the failure and take measures to prevent recurrences in order to ensure the reliability of the Japanese capital market as an international financial hub. It is important for these parties to enhance their capability for crisis management to resume transactions as early as possible after confirming safety even in the event of a system failure and thereby minimize the impact on customers.

The FSA will also make great efforts to deal with those issues through close cooperation with you.

Financial intermediation functions amid and after the COVID-19 pandemic

I have so far talked about the internationalization of the Japanese market, but at present, the spread of the COVID-19 infection is exerting an impact broadly on the economy, society, international politics, and economic order, as well as people's behavior, awareness and sense of value, not only on people's lives and day-to-day living. In particular, the impact on businesses is tremendous and many industries, including tourism, restaurant, and transport businesses, are facing difficulties. However, on the other hand, there are some companies in the fields of video streaming services and teleworking-related services, for example, that are doing well under the current circumstances where people's behavior, awareness and sense of value are changing, such as preferring to stay home or avoiding face-to-face meetings. Those companies take such circumstances as a business chance. As seen in stock prices that vary by industry type, gaps may increase between companies that have resolved problems before the spread of COVID-19 and companies that have left their problems unresolved, even among the same types of businesses.

A long time ago, I worked in the cement industry and was a company's president. At the time of the first oil shock, when cement businesses, including my company, were suffering significant deficits, I dared to introduce the latest facilities and this decision led to a profit increase in later days.

I think that there are many things that the securities industry can do to support companies facing challenges amid the current COVID-19 disaster.

Deposit-taking financial institutions are endeavoring to support companies by providing loans in a supportive manner. However, defensive cash flow support tends to only encourages people to merely endure until the situation changes for the better. From the perspective of assisting with positive business operations amid changes in the industrial structure and business restructuring caused by the COVID-19 crisis, equities (securities) are considered to play a larger role than loans, and the efforts of securities companies in particular are greatly expected.

By the way, have you heard of a securities company called "Tokyo Central Securities"? It is a company in a popular Japanese TV drama, Hanzawa Naoki. In the drama, there was some problematic conduct, such as hiding data upon an on-site inspection by the Securities and Exchange Surveillance Commission, if I may point out. However, the drama described securities salespersons working hard for their customers. The belief of Hanzawa Naoki that securities companies and banks exist for the benefit of society and their customers was very suggestive.

People's asset building

Last year, Japan took the initiative in compiling the G20 recommendations on financial services in the era of population aging, titled "G20 Fukuoka Policy Priorities on Aging and Financial Inclusion." The recommendations emphasize the significance of financial planning amid population aging. Salespersons should review their conventional business style of selling financial instruments organized in line with respective companies' sales goals and should shift to a new business style to give useful advice about asset building on a mid- to long-term basis based on customers' individual life plans.

However, out of Japan's household financial assets totaling 1,900 trillion yen, 1,000 trillion yen remains in the form of cash and deposits, and the affluent financial assets in Japan have not been fully utilized. This is often pointed out as one of the causes to have hindered Japan from becoming a more attractive international financial hub.

In order to ensure households' stable asset building, efforts need to be made for enhancing asset management in a comprehensive manner by considering the flow of the development of not only securities companies in charge of selling financial instruments, but also pension and other asset owners, asset management companies, financial and capital markets, and investment target companies, as a whole as an investment chain.

The FSA will continue promoting the following cooperatively with you:

- Introduction and expansion of Tsumitate NISA (tax exemption scheme for investment by individuals) and promotion of financial education;
- Talks with asset management companies for strengthening their operational capabilities;
- Promotion of customer-oriented business conduct; and
- Strengthening of initiatives concerning corporate governance and stewardship.

Conclusion

Lastly, I wish you good health and hope for the further development of the securities industry. Thank you.

Progress Report on the Efficiency of Financial Intermediation

UKITA Hiroaki, Assistant Director,
TOMIKAWA Ryo, Assistant Director,
MORI Akiko, Officer,

Regional Financial Planning Office, Banking Business Division II, Supervision Bureau

(*The opinions expressed in this piece are the personal views of the author and do not necessarily reflect the views of the organizations with which the author is affiliated.)

On October 14, 2020, the FSA published "Progress Report on the Efficiency of Financial Intermediation."* An outline of the report follows.

Introduction

Amid a severe business environment with further depopulation and population aging as well as a continued low-interest rate environment, each financial institution is required to create a sustainable business model depending on its environment, in response to diversifying customers' needs.

Accordingly, the FSA has been making efforts for (i) exploration-type dialogues with financial institutions concerning problems and resolutions for the creation of sustainable business models, (ii) accumulation of information and knowledge for qualitative improvements of dialogues, such as through a corporate survey, and inspection of relevant systems, and (iii) formation of regional economic ecosystems so that financial institutions can exert their originality and ingenuity in creating their sustainable business models based on their own corporate vision and business environment.

The published Progress Report compiles these efforts concerning dialogues and initiatives in the 2019 administrative year.

Exploration-type dialogues

The FSA and Local Finance Bureaus explored a diverse range of good practices and conducted trial and error continuously, in the same manner as in the previous administrative year, so as to contribute to regional financial institutions' creation of sustainable business models, while endeavoring to ensure psychological safety.

As it is considered necessary for each regional financial institution to have fully disseminated and shared its corporate vision internally in order to create a sustainable business model, the FSA and Local Finance Bureaus engaged in open-minded dialogues with each level of bank personnel (CEO, executives, staff of the headquarters, branch managers, sales staff members) and external directors, while giving due consideration to psychological safety. As a result, we have recognized various points, such as the significance of first ascertaining the level of internal dissemination of the corporate vision and the level of the corporate culture to voluntarily explore and share ways to respond to changes (see Fig. 1) in order to have in-depth dialogues with respective financial institutions.

Additionally, before having dialogues with regional financial institutions that constitute a holding company group, we first ascertain the corporate vision, strategy and business model of the relevant group by sharing information among the FSA and Local Finance Bureaus. In this manner, we will further make efforts for qualitative improvements of dialogues with financial institutions to help them create their sustainable business models.

The questionnaire survey on financial institutions' intermediary services offered to their corporate clients

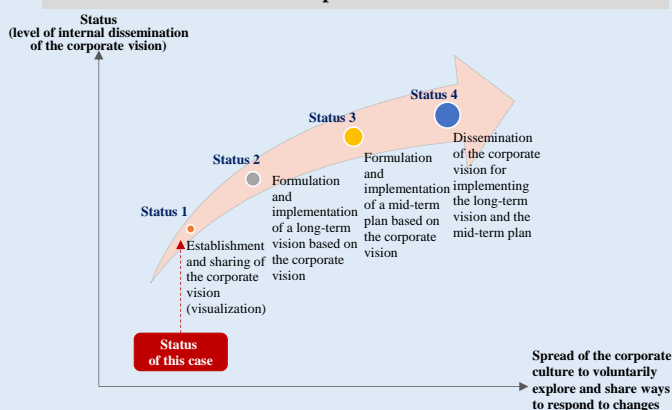
In order to improve these dialogues qualitatively, the FSA and Local Finance Bureaus need to deepen knowledge on regional financial institutions' business models and collect and accumulate such information as an organization.

In the 2019 administrative year as well, the FSA carried out various measures for regional financial institutions, such as confirming companies' evaluations of regional banks through a corporate survey, checking the utilization status of the benchmarks for financial intermediation functions, ascertaining regional financial institutions' initiatives concerning the recruitment business and regional trading companies, and offering support for their digitalization.

In the latest corporate survey, in addition to initiatives by main banks, which have been surveyed since the first corporate survey in the 2015 administrative year, the FSA checked customers' evaluations of initiatives by other banks with the aim of ascertaining the whole picture of financial institutions' intermediation functions more specifically.

Out of the surveyed companies answering that their main banks (regional financial institutions) are conducting convincing analyses and taking satisfying actions for their management challenges (approximately 50% of the total), 80%

Fig. 1 Picture describing the relationship between the level of internal dissemination of the corporate vision and the spread of the corporate culture



* "Progress Report on the Efficiency of Financial Intermediation" published on October 14, 2020:

<https://www.fsa.go.jp/news/r2/ginkou/20201014-1/20201014-1.html>

showed their intention to continue transactions with those financial institutions. This suggests the possibility that financial institutions can secure a more stable customer base by presenting proposals on convincing loans and services and developing a common understanding based on shared awareness with respective companies (see Fig. 2).

Regarding financial instruments and services offered by financial institutions that were helpful for improving companies' profit and loss, business improvement support services were found to be highly evaluated in the same manner as the provision of loans (see Fig. 3).

The survey also suggested that companies are eager to continue transactions with their main banks and expect other banks to perform a complementary role mainly in relation to loans, as seen in high percentages of answers referring to "borrowings from multiple banks" and "interest conditions for loans."

On the other hand, companies that are not necessarily eager to continue transactions with their main banks showed higher expectations for other banks' functions other than the provision of loans, such as the offering of business improvement support services and better understanding of their own companies (see Fig. 4).

Regional Solutions Support Office and Team

For the growth of regional economies or the restoration of regional economies after COVID-19, in particular, it is preferable that various stakeholders supporting regional economies create a network and offer support cooperatively, with which regional economies achieve sustainable growth.

The FSA is also greatly interested in such virtuous cycle (formation of regional economic ecosystems) and considers it necessary to ascertain the status of regional economic ecosystems when having exploration-type dialogues with regional financial institutions. The FSA has also been carrying out activities for that purpose.

As part of those activities, the Regional Solutions Support Team commenced activities under the framework of the FSA personnel's voluntary policy proposals (Policy Open Laboratory), and the FSA set up the Regional Solutions Support Office with the aim of supporting the Team's activities as an organization.

The Regional Solutions Support Office has worked together with regional stakeholders for resolving regional problems collected via the network of the Local Finance Meeting, which consists of financial personnel and government workers on a voluntary basis, through having discussions and planning and presenting concrete resolution measures.

One example of the outcomes of such discussions was an online event for matching up specialists with experience of working for large companies in the capital area and local SMEs (Management Mentor Meetup 2.0). In this event, the percentage of successful matching was over 70% (32 out of 43 participating companies succeeded in matching).

Conclusion

The FSA will continue all these activities in the 2020 administrative year as well and will further accelerate its initiatives for supporting regional financial institutions' creation of sustainable business models, together with efforts for ascertaining and analyzing the current status of regional economies (intelligence), assisting with the capacity building of personnel of regional financial institutions, and achieving qualitative improvements of dialogues with them.

Fig. 2 Possibility of securing a more stable customer base by developing a common understanding of problems with respective companies

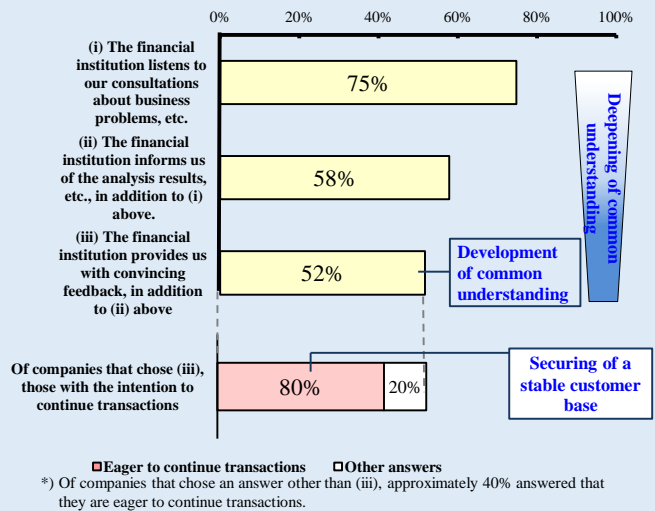


Fig. 3 Financial instruments and services offered by financial institutions that were evaluated by companies as being helpful for improving their profit and loss

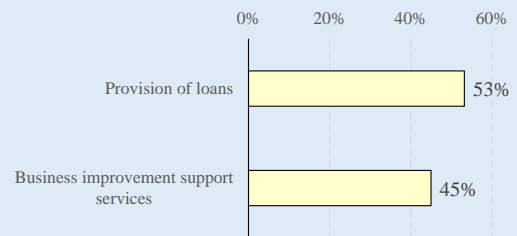
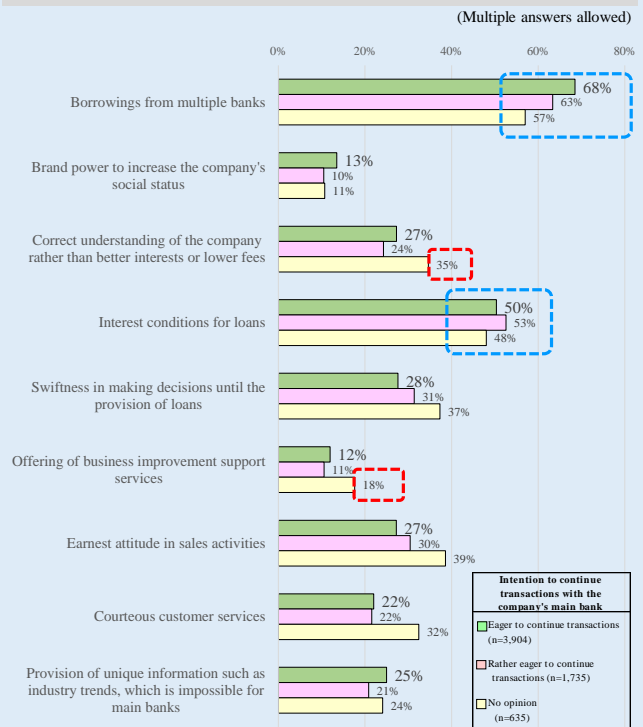


Fig. 4 Roles and significance expected for banks other than main banks



Look Out for Illegal Withdrawals from Bank Accounts through Unknown Cashless Payment Services!

Against the backdrop of the advancement of information and communications technologies and dissemination of smartphones, cashless payments using e-money or QR codes are spreading year by year.

Recently, there were multiple criminal cases where money was withdrawn illegally from bank accounts through cashless payment services provided by funds transfer service providers (such as XX-Pay, etc.).

More specifically, these are cases where an offender, who has illegally obtained information on a depositor's bank account, opens an account at a funds transfer service provider under the name of the depositor, makes a link with the depositor's bank account, and charges money to the account opened at the funds transfer service provider from the bank account, thereby making illegal withdrawals from the bank account.

What should be most noted regarding these criminal cases is the fact that persons who had never used cashless payment services by the relevant funds transfer service providers were victimized. Those who had never used internet banking services were also victimized. This means that anyone may become crime victims irrespective of whether having used cashless payment services or not.

Accordingly, the FSA prepared a leaflet to call attention (right) together with the National Police Agency, Consumer Affairs Agency, Japanese Bankers Association, and Japan Payment Service Association, and is broadly alerting depositors to such illegal withdrawals.

身に覚えのないキャッシュレス決済サービスを通じた銀行口座からの不正な出金にご注意ください！

犯罪者が、不正に入手したお客様の口座情報等をもとに、キャッシュレス決済サービス(○○ペイ、○○Payなど)のアカウントを開設するとともに銀行口座と連携したうえで、預金を不正に引き出す事案が多数発生しています。

！ ご注意いただきたいポイント

- こうした不正出金は、キャッシュレス決済サービスをご利用されていないお客様のほか、インターネットバンキングを利用されていない方も被害に遭われています。
- ご自身の銀行口座に不審な取引がないか、お取引先の銀行口座のご利用明細(インターネットバンキングの出入金明細や通帳など)を今一度ご確認ください、口座情報の管理にご注意願います。
- 銀行口座に身に覚えのない取引があった場合には、お取引先銀行またはご利用明細に記載されているキャッシュレス決済サービスを提供する事業者にご相談ください。
- 銀行およびキャッシュレス決済サービス事業者は、このような悪意のある第三者による不正な出金による被害について、連携のうえ全額補償を行っています。
- こうした事案に便乗した詐欺にもご注意ください。

●本件について質問・ご相談がある場合、下記の相談窓口までお問い合わせください。

金融庁 金融サービス 利用者相談室	電話番号: 0570-016811, 受付時間: 平日10:00~17:00
警察庁	不正出金の被害が確認された際には、最寄りの警察署等にご相談ください。
消費者ホットライン	電話番号: 188(決裁の機械音声相談室に繋がります)
全国銀行協会 相談室	電話番号: 0570-017109, 03-5252-3772 受付日: 月~金(決裁) 受付時間: 9:00~17:00
日本現金決済協会 お客さま相談室	電話番号: 03-3556-6261, 受付時間: 平日10:00~17:00

!Points for attention!

- ✓ **People who have never used cashless payment services and people who have never used internet banking services** have also been victimized by these illegal withdrawals.
- ✓ Pay attention to carefully manage information on your bank accounts and **check your account settlements again** to confirm that there have been no unknown transactions in your bank accounts.
- ✓ If you find any unknown transaction in your bank account, consult with the bank or the cashless payment service provider indicated on the account statement.
- ✓ Banks and cashless payment service providers **jointly compensate customers for the entire damage caused by such illegal withdrawals by a third party** with malicious intent.
- ✓ Also be careful about **fraud taking advantage** of these criminal cases.

● Make inquiries with the following organizations if you have any related question or require a consultation.

Counseling Office for Financial Services Users, FSA	Tel: 0570-016811 From 10:00 to 17:00 on weekdays
National Police Agency	When you have found any illegal withdrawal, consult with the nearest police station, etc.
Consumer Hotline	Tel: 188 (The nearest consultation office for consumer affairs is introduced.)
Customer Relations Center, Japanese Bankers Association	Tel: 0570-017109, 03-5252-3772 From 9:00 to 17:00 from Monday to Friday (excluding holidays and non-business days)
Customer Consultation Office, Japan Payment Service Association	Tel: 03-3556-6261 From 10:00 to 17:00 on weekdays

Message to the Market (October 26, 2020)

The Securities and Exchange Surveillance Commission (SESC) posts explanations on recommendations it has given on its website as an article titled "Message to the Market."

The "Message to the Market" posted on October 26, 2020, is summarized below.

* The whole Japanese text is available on the SESC website:
<https://www.fsa.go.jp/sesc/message/index.htm>



Recommendation for administrative monetary penalty payment orders against two offenders who committed insider trading related to shares of KITAGAWA INDUSTRIES CO., LTD.*¹

[Outline of the case]

This is a case of insider trading upon a tender offer for shares of KITAGAWA INDUSTRIES CO., LTD. (Kitagawa Industries) by NITTO KOGYO CORPORATION (Nitto Kogyo), which was publicized on November 5, 2018.

Recommendations for administrative monetary penalty payment orders were issued with regard to two offenders.

➤ Offender 1

Offender 1 is a person who received insider information from an officer of a tender offeror, Nitto Kogyo.

Offender 1 was informed by the officer of Nitto Kogyo of the fact, which the officer had learned in the course of duty, to the effect that the organ responsible for making decisions about the execution of operations of Nitto Kogyo had decided to implement a tender offer for shares of Kitagawa Industries, and purchased shares of Kitagawa Industries on her own account prior to the public disclosure of that fact (violation of the insider trading regulations).

➤ Offender 2

Offender 2 is a person who received insider information from a contractor of a tender offeror, Nitto Kogyo.

Offender 2 was informed by a person working for Company A, a contractor of Nitto Kogyo, of the fact, which the person had learned upon concluding the contract, to the effect that the organ responsible for making decisions about the execution of operations of Nitto Kogyo had decided to implement a tender offer for shares of Kitagawa Industries, and purchased shares of Kitagawa Industries on his own account prior to the public disclosure of that fact (violation of the insider trading regulations).

[Characteristics of the case]

This is also an insider trading violation based on information on a tender offer, one of similar cases for which the SESC has issued many recommendations so far.

Regarding trends in the number of insider trading violations using information on tender offers, see the "Cases of Administrative Monetary Penalties under the Financial Instruments and Exchange Act – Market Misconduct—" *² published on June 24, 2020 (at p.10 and p.17).

A tender offer generally involves various stakeholders, including consulting firms and financial institutions, in addition to the tender offeror and the company subject to the tender offer, and considerable time is required from the commencement of negotiations among parties to the final agreement on and the public disclosure thereof. These factors are often pointed out as easily triggering insider trading. All people involved in a tender offer are strongly requested to make efforts to strictly manage information.

*¹ "Recommendation for administrative monetary penalty payment orders against two offenders who committed insider trading related to shares of KITAGAWA INDUSTRIES CO., LTD." published on September 11, 2020:
https://www.fsa.go.jp/sesc/news/c_2020/2020/20200911-1.htm

*² "Cases of Administrative Monetary Penalties under the Financial Instruments and Exchange Act – Market Misconduct—" published on June 24, 2020: <https://www.fsa.go.jp/sesc/jirei/torichou/20200624.htm>

Regional Dialogue: Opening Ceremony for the "Fukushima External Human Resources Utilization Council"

The Local Finance Meeting, an exchange meeting consisting of personnel working for financial institutions and government workers who participate on a voluntary basis, was held in Fukushima in November 2019. Participants had discussions on the utilization of external human resources as one of the agenda. Thereafter, the Regional Solutions Support Team has held Regional Dialogue sessions together with volunteers of Fukushima.

In April 2020, Fukushima prefecture commenced a program to utilize human resources for side work and extra work. For further facilitating the utilization of human resources, the FSA and the Tohoku Local Finance Bureau co-hosted a Seminar for Utilizing Human Resources for Side Work and Extra Work in June 2020. Through this seminar, financial institutions recognized their challenges concerning the improvement of their understanding of the importance of utilizing external human resources and the strengthening of cooperation among organizations offering business support, and they have had online dialogues to discuss solutions to those challenges.

In October 2020, a private NPO, which is a member of the Regional Dialogue, took the initiative and established the Fukushima External Human Resources Utilization Council with the participation of various organizations offering business support, including 15 financial institutions in Fukushima. Deputy Director-General Horimoto of the FSA participated in the Opening Ceremony on October 30 as the representative of the Reconstruction Agency and explained the significance of this initiative to participants from Fukushima. This Council is scheduled to be held until February 2021 while fostering personnel who will play responsible roles in the utilization of external human resources and strengthening cooperation among organizations in the region.



〔 Opening Ceremony 〕

Kasumigaseki Dialogue to be Held!

The Regional Solutions Support Team will hold Kasumigaseki Dialogue* in November 2020. Following the online dialogue held in August 2020, the coming dialogue will also be held online for two days. In addition to measures introduced so far by central government ministries and agencies, characteristic initiatives by financial institutions for regional revitalization will be introduced jointly with the Secretariat of the Headquarters for Overcoming Population Decline and Vitalizing Local Economy in Japan.

On the first day, measures for supporting regional revitalization will be introduced as examples of characteristic initiatives under the themes of "support for securing human resources," "formation of ecosystems for business startups," "coordinators for collaboration among the industry, universities and financial institutions," and "public-private collaboration community." The themes for the second day are "support for SMEs' digitalization," "hometown taxation for companies," "support for producers of agricultural, forestry, and fishery products," and "utilization of capital loans" (100 people for each day; on a first-come-first-served basis).

Group discussions with motivated working-level officials will be held in the same manner as before. We are looking forward to your participation!

地方創生応援企画！ **ちいきん会** スピンオフ **棒読み厳禁！**

霞が関ダイアログ ONLINE 2 Days

Day 1 11/11 (水) 各日18:30~20:00

Day 2 11/18 (水) 参加無料

定員 各日 **100名** (先着順) ※事前にzoomのインストールをお願いします

対象 **熱い想いを持つ有志職員** (地域金融機関、公務員等)

参加方法 事前申込の上、zoomにて参加

申込方法 peatixにて募集いたします

▼申込はコチラ▼ <https://dialog-kasumigaseki-202011.peatix.com/>

各グループに分かれての意見交換も実施します！
熱意ある有志同士でディスカッションしましょう！

熱いディスカッション@ちいきん会

Day2終了後、議長様おめでとうございます！

司会：和田協金室長、菅野

■協力：Day 1 金融機関の有志職員
Day 2 まち・ひと・しごと創生本部事務局
農林水産省、中小企業庁、中小機構、
日本政策金融公庫、金融庁

お問合せ

☎ 03-3506-6000 (内線5382)
✉ chiiki-kadai@fsa.go.jp
金融庁 地域課題解決支援チーム 菅野・栗山

* "Kasumigaseki Dialogue"

An initiative for networking led by the Regional Solutions Support Team, aiming to deepen and facilitate understanding on regional revitalization measures taken by central government ministries and agencies through bilateral dialogue linking financial institutions and personnel of local communities and working-level officials of central government ministries and agencies

Online *Tsumitate* NISA Meetups Held

The FSA has held a total of 33 Meetups on *Tsumitate* NISA, a tax exempt scheme for monthly-installment investments, (called *Tsumippu*) nationwide to hear individuals' opinions on their asset building and promote asset building through *Tsumitate* NISA. Since this May, the FSA has held Meetups online three times in order to prevent the spread of the COVID-19 infection.

For the Meetup in May, we invited Mr. Yamazaki Hajime, an economic analyst, and Mr. Mushitorikozo and Mr. Tsurao, investment bloggers, to exchange opinions on asset building during times of high market volatility. These three guests have continued investments since before the Lehman Shock and experienced significant stock market declines. It is inevitable to face market declines when committing to a long-term investment. They said that it is important to continue investing without changing one's original investment policies.

In September, we held an online *Tsumippu* for investment beginners in their 20s and 30s by inviting Ms. Takekawa Minako, a financial journalist. She suggested that the participants consider asset building as their own matter, first create a mechanism to separate funds for asset building from the rest of monthly income, and make long-term diverse investments using a tax-exempt account, and emphasized the importance of continuing investments.

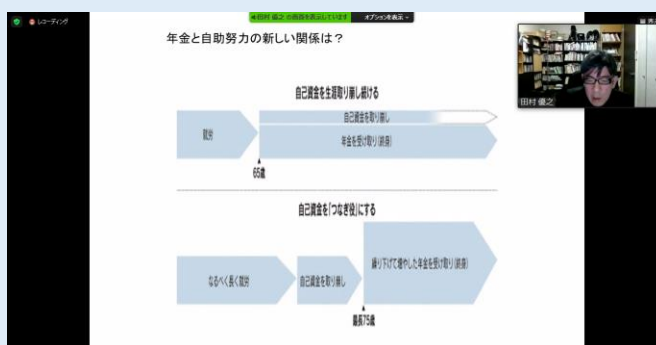
In October, during the World Investor Week promoted by the International Organization of Securities Commissions (IOSCO), we held an online *Tsumippu* for investment beginners in their 40s by inviting Mr. Tamura Masayuki from Nikkei Newspaper. Mr. Tamura said that pensions serve as insurance in preparation for risks in longevity and can be increased by working longer, and that better asset building can be achieved by additionally utilizing NISA and iDeCo (individual-type Defined Contribution pension plan).

Many participants pointed out the advantages of online *Tsumippu*, stating that “it was easier to participate as there is no need to travel” and that “people in rural areas could also easily participate.” Actually, people from Hokkaido to Okinawa participated in the Meetups. In addition, as we asked participants to post questions and opinions in a chat box, a positive comment was posted on interactive communications, stating that “my questions were promptly answered!”

Summary of the *Tsumippu* in May and materials and videos of the *Tsumippu* in September and October are now available on the website dedicated for NISA.*



〔 *Tsumippu* with Ms. Takekawa Minako 〕



〔 *Tsumippu* with Mr. Tamura Masayuki 〕

* Dedicated website "*Tsumitate* NISA Meetup": <https://www.fsa.go.jp/policy/nisa2/opinion/index.html>

JFSA's Major Activities in October

(October 1 to October 31, 2020)



- [Updated statistics of money lending business \(October 30, 2020\)](#)
- [FSA publishes English translation of monthly magazine, Access FSA No.206 \(October 29, 2020\)](#)
- [Update on Progress toward Further Efficiency and Transparency in the Screening Procedures for Licensing and Registration of Financial Businesses \(October 27, 2020\)](#)
- [Keynote speech: Preparing for a strong post-COVID growth- by Himino Ryozi, commissioner of the JFSA, at the 2020 IIF \(Institute of International Finance\) Annual Membership Meeting \(October 16, 2020\)](#)
- [The Advisory Council on the Economic Value-based Solvency Framework \(October 16, 2020\)](#)
- [List of members of the Council of Experts Concerning the Follow-up of Japan's Stewardship Code and Japan's Corporate Governance Code \(October 15, 2020\)](#)
- [FSA official is appointed as the Chair of the IOSCO Committee on Issuer Accounting, Audit and Disclosure \(Committee 1\) \(October 14, 2020\)](#)
- [Thirteenth Meeting of the "Council for Cooperation on Financial Stability" \(October 13, 2020\)](#)
- [International Forum of Independent Audit Regulators published Information Paper \(October 9, 2020\)](#)
- [Publication of "Progress Report on Enhancing the Asset Management Business 2020" \(October 7, 2020\)](#)
- [FSA publishes English translation of monthly magazine, Access FSA No.205 \(October 1, 2020\)](#)

- FSA Weekly Review
<https://www.fsa.go.jp/en/newsletter/index.html>
- JFSA's official English Twitter account
https://twitter.com/JFSA_en



We are promoting
information
dissemination using
Twitter!

Editorial Postscript

October started with a system failure at the Tokyo Stock Exchange and we received many questions and requests for an interview. This October issue covers such matters that attracted people's attention as broadly as possible: an international financial city, regional finance, people's asset building, illegal withdrawals from bank accounts, ... and Hanzawa Naoki.

I am a fan of the original novel. I bought "*Rosujene no Gyakushuu* (Counterattack by a person in the lost generation)," when it came out in book form, and got it autographed by the author, Mr. Ikeido Jun. I would like to stay passionate about making the world better with the power of finance as a person involved in the financial industry.

SAKAI Yoshitaka, Director,
Public Relations Office, FSA