Daiwa's View

BOJ to defer deepening negative rates

- ECB decision did not lead to euro appreciation

Fixed Income Research Section
FICC Research Dept.

Chief Strategist
Eiichiro Tani, CFA
(81) 3 5555-8780
eiichiro.tani@daiwa.co.jp

Daiwa Securities Co. Ltd.

BOJ to defer deepening negative rates

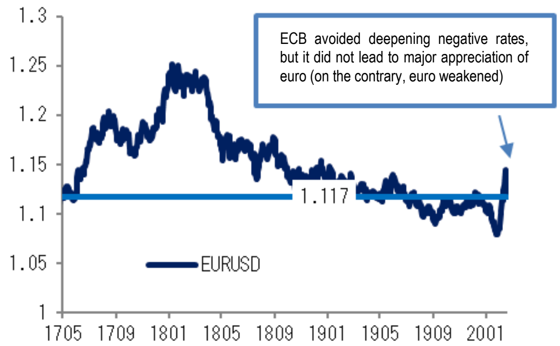
ECB decision did not lead to euro appreciation

At yesterday's Governing Council meeting, the ECB announced that it would expand TLTRO (TLTRO III) and QE (worth €120bn), keep the policy rates unchanged, and ease the standards on capital imposition at financial institutions. There are two notable points—one is the decision to keep the policy interest rates unchanged and the other is the formulation of mutually linked/multi-layered measures that are focusing on corporate credit support in order to abate damage at companies/regions suffering from the COVID-19 outbreak, similar to those at the BOE on the previous day. It can be said that the ECB has adopted a policy targeting the fields in need of support, regarding the outbreak as a temporary shock, albeit serious.

The noteworthy point is that the euro did not strengthen substantially in the currency market, although the ECB Governing Council deferred reduction in rates in negative territory. The OIS market (EONIA) had factored in rate-cut expectations before the meeting, but rates were unchanged. Nevertheless, the fact that currency appreciation did not occur is likely to give a major implication for the BOJ, which is to hold the Monetary Policy Meeting (MPM) on 18-19 March.

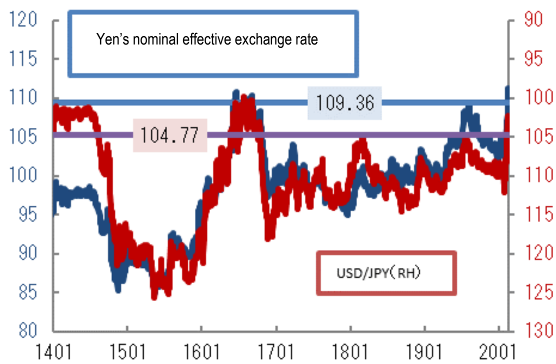
Yesterday, the media reported news on the BOJ's MPM based on a "source familiar with the matter." The points are "an increase in the ETF purchase amount, funding support for SMEs, a cautious stance for deeper negative rates, and watching the ECB." In this respect, we think that the movements in the currency market after yesterday's ECB decision had a sufficient impact on the BOJ with respect to (1) deferring of a further reduction in negative rates and (2) the adoption of a policy focusing on the fields in need of support. Deepening negative rates is not a panacea, and it is probably not a necessary move in the market.

Chart: EUR/USD



Source: Bloomberg; compiled by Daiwa Securities.

Chart: USD/JPY, Yen's Nominal Effective Exchange Rate



Source: Bloomberg; compiled by Daiwa Securities.

Yesterday, the NY Fed announced a release which includes additional measures to support the supply of liquidity, taking further responses to meet needs among market participants. The offering of three-month operations on very short notice was a straightforward surprise. However, the results of yesterday's two-week and one-month operations show that the amount submitted was substantially higher than the supply amount. This highlights the quite strong need for liquidity among market participants. It appears that the liquidity is still depleted despite the increase in the size of operations to such a high level.

In yesterday's release, there is another surprising point—the NY Fed has embarked on expansion of the maturity of target assets with respect to monthly asset purchases worth $60bn. While asset purchases have been generally evaluated as "hidden QE," the authorities announced that they would "conduct purchases across a range of maturities to roughly match the maturity composition of Treasury securities outstanding." It can be said that the announcement will emphasize this operation's feature as "hidden QE."

Although the market temporarily favored these measures, it was eventually defeated by the overall market concerns and moves to secure liquidity. That said, yesterday's market actions showed that (1) one issue in the current market is the lack of liquidity and (2) to cope with this, a large-scale supply of dollar funds by the NY Fed is important. Although this issue is serious, we think that the time frame until resolution may not be that long, given the stance of the NY Fed.

◆ NY Fed (12 Mar 2020)

Statement Regarding Treasury Reserve Management Purchases and Repurchase Operations

The Open Market Trading Desk (the Desk) at the Federal Reserve Bank of New York has released a new monthly schedule of Treasury securities operations and has updated the current monthly schedule of repurchase agreement (repo) operations. Pursuant to instruction from the Chair in consultation with the FOMC, adjustments have been made to these schedules to address temporary disruptions in Treasury financing markets. The Treasury securities operation schedule includes a change in the maturity composition of purchases to support functioning in the market for U.S. Treasury securities. Term repo operations in large size have been added to enhance functioning of secured U.S. dollar funding markets.

•As a part of its $60 billion reserve management purchases for the monthly period beginning March 13, 2020 and continuing through April 13, 2020, the Desk will conduct purchases across a range of maturities to roughly match the maturity composition of Treasury securities outstanding. Specifically, the Desk plans to distribute reserve management purchases across eleven sectors, including nominal coupons, bills, Treasury Inflation-Protected Securities, and Floating Rate Notes. The distribution of purchases across sectors will be the same distribution as the Desk uses to reinvest principal payments from the Federal Reserve's holdings of agency debt and agency MBS in Treasury securities. The first such purchases will begin tomorrow, March 13, 2020.

•Today, March 12, 2020, the Desk will offer $500 billion in a three-month repo operation at 1:30 pm ET that will settle on March 13, 2020. Tomorrow, the Desk will further offer $500 billion in a three-month repo operation and $500 billion in a one-month repo operation for same day settlement. Three-month and one-month repo operations for $500 billion will be offered on a weekly basis for the remainder of the monthly schedule. The Desk will continue to offer at least $175 billion in daily overnight repo operations and at least $45 billion in two-week term repo operations twice per week over this period.

These changes are being made to address highly unusual disruptions in Treasury financing markets associated with the coronavirus outbreak. Reserve management purchases into the second quarter will continue to be conducted with this maturity allocation. The terms of operations will be adjusted as needed to foster smooth Treasury market functioning and efficient and effective policy implementation.

Detailed information on the schedule of Treasury purchases is provided on the Treasury Securities Operational Details page. Detailed information on the schedule and parameters of term and overnight repo operations are provided on the Repurchase Agreement Operational Details page.

◆ ECB (12 Mar 2020)

Monetary policy decisions

At today's meeting the Governing Council decided on a comprehensive package of monetary policy measures:

(1) Additional longer-term refinancing operations (LTROs) will be conducted, temporarily, to provide immediate liquidity support to the euro area financial system. Although the Governing Council does not see material signs of strains in money markets or liquidity shortages in the banking system, these operations will provide an effective backstop in case of need. They will be carried out through a fixed rate tender procedure with full allotment, with an interest rate that is equal to the average rate on the deposit facility. The LTROs will provide liquidity at favourable terms to bridge the period until the TLTRO III operation in June 2020.

(2) In TLTRO III, considerably more favourable terms will be applied during the period from June 2020 to June 2021 to all TLTRO III operations outstanding during that same time. These operations will support bank lending to those affected most by the spread of the coronavirus, in particular small and medium-sized enterprises. Throughout this period, the interest rate on these TLTRO III operations will be 25 basis points below the average rate applied in the Eurosystem's main refinancing operations. For counterparties that maintain their levels of credit provision, the rate applied in these operations will be lower, and, over the period ending in June 2021, can be as low as 25 basis points below the average interest rate on the deposit facility. Moreover, the maximum total amount that counterparties will henceforth be entitled to borrow in TLTRO III operations is raised to 50% of their stock of eligible loans as at 28 February 2019. In this context, the Governing Council will mandate the Eurosystem committees to investigate collateral easing measures to ensure that counterparties continue to be able to make full use of the funding support.

(3) A temporary envelope of <u>additional net asset purchases of €120 billion will be added until the end of the year</u>, ensuring a strong contribution from the private sector purchase programmes. In combination with the existing asset purchase programme (APP), this will support favourable financing conditions for the real economy in times of heightened uncertainty.

The Governing Council continues to expect net asset purchases to run for as long as necessary to reinforce the accommodative impact of its policy rates, and to end shortly before it starts raising the key ECB interest rates.

(4) <u>The interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00%, 0.25% and -0.50% respectively</u>. The Governing Council expects the key ECB interest rates to remain at their present or lower levels until it has seen the inflation outlook robustly converge to a level sufficiently close to, but below, 2% within its projection horizon, and such convergence has been consistently reflected in underlying inflation dynamics.

(5) Reinvestments of the principal payments from maturing securities purchased under the APP will continue, in full, for an extended period of time past the date when the Governing Council starts raising the key ECB interest rates, and in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation.

◆**ECB (12 Mar 2020)**

<u>ECB Banking Supervision provides temporary capital and operational relief in reaction to coronavirus</u>

Banks can fully use capital and liquidity buffers, including Pillar 2 Guidance
Banks will benefit from relief in the composition of capital for Pillar 2 Requirements
ECB to consider operational flexibility in the implementation of bank-specific supervisory measures

The European Central Bank (ECB) today announced a number of measures to ensure that its directly supervised banks can continue to fulfil their role in funding the real economy as the economic effects of the coronavirus (COVID-19) become apparent.

"The coronavirus is proving to be a significant shock to our economies. Banks need to be in a position to continue financing households and corporates experiencing temporary difficulties. The supervisory measures agreed today aim to support banks in serving the economy and addressing operational challenges, including the pressure on their staff," said Andrea Enria, Chair of the ECB Supervisory Board.

Capital and liquidity buffers have been designed with a view to allowing banks to withstand stressed situations like the current one. The European banking sector has built up a significant amount of these buffers. The ECB will allow banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G), the capital conservation buffer (CCB) and the liquidity coverage ratio (LCR). The ECB considers that these temporary measures will be enhanced by the appropriate relaxation of the countercyclical capital buffer (CCyB) by the national macroprudential authorities.

Banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 (CET1) capital, for example Additional Tier 1 or Tier 2 instruments, to meet the Pillar 2 Requirements (P2R). This brings forward a measure that was initially scheduled to come into effect in January 2021, as part of the latest revision of the Capital Requirements Directive (CRD V).

The above measures provide significant capital relief to banks in support of the economy. Banks are expected to use the positive effects coming from these measures to support the economy and not to increase dividend distributions or variable remuneration.

In addition, the ECB is discussing with banks individual measures, such as adjusting timetables, processes and deadlines. For example, the ECB will consider rescheduling on-site inspections and extending deadlines for the implementation of remediation actions stemming from recent on-site inspections and internal model investigations, while ensuring the overall prudential soundness of the supervised banks. In this context, the ECB Guidance to banks on non-performing loans also provides supervisors with sufficient flexibility to adjust to bank-specific circumstances. Extending deadlines for certain non-critical supervisory measures and data requests will also be considered. In the light of the operational pressure on banks, the ECB supports the decision by the European Banking Authority to postpone the 2020 EBA EU-wide stress test and will extend the postponement to all banks subject to the 2020 stress test.

Banks should continue to apply sound underwriting standards, pursue adequate policies regarding the recognition and coverage of non-performing exposures, and conduct solid capital and liquidity planning and robust risk management.

These actions follow a letter sent on 3 March 2020 to all significant banks to remind them of the critical need to consider and address the risk of a pandemic in their contingency strategies. Banks were asked to review their business continuity plans and consider what actions could be taken to enhance preparedness to minimise the potential adverse effects of the spread of the coronavirus. ECB Banking Supervision will engage with banks to ensure the continuity of their critical functions. The ECB Supervisory Board is monitoring developments; these measures will be revised as necessary.

Notes

- Banks need to have own funds in sufficient quantity and quality on the liabilities side of their balance sheet to be able to absorb losses.
- European banking law defines three elements of own funds. Common Equity Tier 1 capital (CET1) is the highest quality of own funds and is mainly composed of shares and retained earnings from previous years. Additional Tier 1 capital (AT1) and Tier 2 capital can be equity or liability instruments and are of lower quality.
- Pillar 2 capital consists of two parts. One is the Pillar 2 Requirement or P2R, covering risks which are underestimated or not sufficiently covered by Pillar 1. The other is the Pillar 2 Guidance or P2G, which indicates to banks the adequate level of capital to be maintained in order to have sufficient capital as a buffer to withstand stressed situations, in particular as assessed on the basis of the adverse scenario in the supervisory stress tests.
- Under the new Capital Requirements Directive V (CRDV) banks can fulfil Pillar 2 Requirements with a minimum 56.25% CET1 as a general principle. The remaining P2R can be filled with Additional Tier 1 and Tier 2 instruments. This law was initially scheduled to come into effect in January 2021 as part of the latest revision of the CRDV.
- There are also capital buffers mitigating specific risks, such as the capital conservation buffer (CCB) and the countercyclical capital buffer (CCyB) (the latter being set by the national macroprudential authorities). These capital buffers are designed to absorb losses in times of stress.
- In case of banks' capital falling below the combined buffer requirement (CCB, CCyB and systemic buffers), banks can make distributions only within the limits of the maximum distributable amount (MDA) as defined by EU law.

Explanatory Document of Unregistered Credit Ratings

In order to ensure the fairness and transparency in the markets, Credit Rating Agencies became subject to the Credit Rating Agencies' registration system based on the Financial Instruments and Exchange Act. In accordance with this Act, in soliciting customers, Financial Instruments Business Operators, etc. shall not use the credit ratings provided by unregistered Credit Rating Agencies without informing customers of the fact that those Credit Rating Agencies are not registered, and shall also inform customers of the significance and limitations of credit ratings, etc.

■ The Significance of Registration

Registered Credit Rating Agencies are subject to the following regulations:
1) Duty of good faith.
2) Establishment of control systems (fairness of the rating process, and prevention of conflicts of interest, etc.).
3) Prohibition of the ratings in cases where Credit Rating Agencies have a close relationship with the issuers of the financial instruments to be rated, etc.
4) Duty to disclose information (preparation and publication of rating policies, etc. and public disclosure of explanatory documents).

In addition to the above, Registered Credit Rating Agencies are subject to the supervision of the Financial Services Agency ("FSA"), and as such may be ordered to produce reports, be subject to on-site inspection, and be ordered to improve business operations, whereas unregistered Credit Rating Agencies are free from such regulations and supervision.

■ Credit Rating Agencies

[Standard & Poor's]

The Name of the Credit Rating Agencies group, etc

The name of the Credit Rating Agencies group: S&P Global Ratings ("Standard & Poor's")
The name and registration number of the Registered Credit Rating Agency in the group: S&P Global Ratings Japan Inc. (FSA commissioner (Rating) No.5)

How to acquire information related to an outline of the rating policies and methods adopted by the person who determines Credit Ratings

The information is posted under "Unregistered Rating Information" (http://www.standardandpoors.co.jp/unregistered) in the "Library and Regulations" section on the website of S&P Global Ratings Japan Inc. (http://www.standardandpoors.co.jp)

Assumptions, Significance and Limitations of Credit Ratings

Credit ratings assigned by Standard & Poor's are statements of opinion on the future credit quality of specific issuers or issues as of the date they are expressed and they are not indexes which show the probability of the occurrence of the failure to pay by the issuer or a specific debt and do not guarantee creditworthiness. Credit ratings are not a recommendation to purchase, sell or hold any securities, or a statement of market liquidity or prices in the secondary market of any issues.

Credit ratings may change depending on various factors, including issuers' performance, changes in external environment, performance of underlying assets, creditworthiness of counterparties and others. Standard & Poor's conducts rating analysis based on information it believes to be provided by the reliable source and assigns credit ratings only when it believes there is enough information in terms of quality and quantity to make a conclusion. However, Standard & Poor's does not perform an audit, due diligence or independent verification of any information it receives from the issuer or a third party, or guarantee its accuracy, completeness or timeliness of the results by using the information. Moreover, it needs to be noted that it may incur a potential risk due to the limitation of the historical data that are available for use depending on the rating.

This information is based on information Daiwa Securities Co. Ltd. has received from sources it believes to be reliable as of March 7th, 2017, but it does not guarantee accuracy or completeness of this information. For details, please refer to the website of S&P Global Ratings Japan Inc. (http://www.standardandpoors.co.jp)

[Moody's]

The Name of the Credit Rating Agencies Group, etc

The name of the Credit Rating Agencies group: Moody's Investors Service ("MIS")
The name and registration number of the Registered Credit Rating Agency in the group: Moody's Japan K.K. (FSA commissioner (Rating) No.2)

How to acquire information related to an outline of the rating policies and methods adopted by the person who determines Credit Ratings

The information is posted under "Unregistered Rating explanation" in the section on "The use of Ratings of Unregistered Agencies" on the website of Moody's Japan K.K. (The website can be viewed after clicking on "Credit Rating Business" on the Japanese version of Moody's website (https://www.moodys.com/pages/default_ja.aspx)

Assumptions, Significance and Limitations of Credit Ratings

Credit ratings are Moody's Investors Service's ("MIS") current opinions of the relative future credit risk of entities, credit commitments, or debt or debt-like securities. MIS defines credit risk as the risk that an entity may not meet its contractual, financial obligations as they come due and any estimated financial loss in the event of default. Credit ratings do not address any other risk, including but not limited to: liquidity risk, market value risk, or price volatility. Credit ratings do not constitute investment or financial advice, and credit ratings are not recommendations to purchase, sell, or hold particular securities. No warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such rating or other opinion or information, is given or made by MIS in any form or manner whatsoever.

Based on the information received from issuers or from public sources, the credit risks of the issuers or obligations are assessed. MIS adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MIS considers to be reliable. However, MIS is not an auditor and cannot in every instance independently verify or validate information received in the rating process.

This information is based on information Daiwa Securities Co. Ltd. has received from sources it believes to be reliable as of April 16th, 2018, but it does not guarantee accuracy or completeness of this information. For details, please refer to the website of Moody's Japan K.K. (https://www.moodys.com/pages/default_ja.aspx)

[Fitch]

The Name of the Credit Rating Agencies group, etc

The name of the Credit Rating Agencies group: Fitch Ratings ("Fitch")
The name and registration number of the Registered Credit Rating Agency in the group: Fitch Ratings Japan Limited (FSA commissioner (Rating) No.7)

How to acquire information related to an outline of the rating policies and methods adopted by the person who determines Credit Ratings

The information is posted under "Outline of Rating Policies" in the section of "Regulatory Affairs" on the website of Fitch Ratings Japan Limited (https://www.fitchratings.com/site/japan)

Assumptions, Significance and Limitations of Credit Ratings

Ratings assigned by Fitch are opinions based on established criteria and methodologies. Ratings are not facts, and therefore cannot be described as being "accurate" or "inaccurate". Credit ratings do not directly address any risk other than credit risk. Credit ratings do not comment on the adequacy of market price or market liquidity for rated instruments. Ratings are relative measures of risk; as a result, the assignment of ratings in the same category to entities and obligations may not fully reflect small differences in the degrees of risk. Credit ratings, as opinions on relative ranking of vulnerability to default, do not imply or convey a specific statistical probability of default.

In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The assignment of a rating to any issuer or any security should not be viewed as a guarantee of the accuracy, completeness, or timeliness of the information relied on in connection with the rating or the results obtained from the use of such information. If any such information should turn out to contain misrepresentations or to be otherwise misleading, the rating associated with that information may not be appropriate. Despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

For the details of assumption, purpose and restriction of credit ratings, please refer to "Definitions of ratings and other forms of opinion" on the website of Fitch Rating Japan Limited.

This information is based on information Daiwa Securities Co. Ltd. has received from sources it believes to be reliable as of September 27th, 2019, but it does not guarantee accuracy or completeness of this information. For details, please refer to the website of Fitch Rating Japan Limited (https://www.fitchratings.com/site/japan)

February 2020

IMPORTANT

This report is provided as a reference for making investment decisions and is not intended to be a solicitation for investment. Investment decisions should be made at your own discretion and risk. Content herein is based on information available at the time the report was prepared and may be amended or otherwise changed in the future without notice. We make no representations as to the accuracy or completeness. Daiwa Securities Co. Ltd. retains all rights related to the content of this report, which may not be redistributed or otherwise transmitted without prior consent.

Conflicts of Interest: Daiwa Securities Co. Ltd. may currently provide or may intend to provide investment banking services or other services to the company referred to in this report. In such cases, said services could give rise to conflicts of interest for Daiwa Securities Co. Ltd.

Daiwa Securities Co. Ltd. and Daiwa Securities Group Inc.: Daiwa Securities Co. Ltd. is a subsidiary of Daiwa Securities Group Inc.

Other Disclosures Concerning Individual Issues:
1) As of 26 April 2016, Daiwa Securities Co. Ltd., its parent company Daiwa Securities Group Inc., GMO Financial Holdings, Inc., and its subsidiary GMO CLICK Securities, Inc. concluded a basic agreement for the establishment of a business alliance between the four companies.
As of end-December 2017, Daiwa Securities Group Inc. owned shares in GMO Financial Holdings, Inc. equivalent to approximately 9.3% of the latter's outstanding shares. Given future developments in and benefits from the prospective business alliance, Daiwa Securities Group Inc. could boost its stake in GMO Financial Holdings, Inc. to up to 20% of outstanding shares.

2) Daiwa Real Estate Asset Management is a subsidiary of Daiwa Securities Group Inc. and serves as the asset management company for the following J-REITS: Daiwa Office Investment Corporation (8976), Nippon Healthcare Investment Corporation (3308), Japan Rental Housing Investments (8986).

3) Samty Residential Investment became a consolidated subsidiary of Daiwa Securities Group Inc. effective 10 September 2019.

4) On 30 May 2019, Daiwa Securities Group Inc. formalized an equity/business alliance with Samty, and as of 14 June 2019 it owned 16.95% of shares outstanding in Samty along with convertible bonds with a par value of Y10bn. Conversion of all of said convertible bonds into common shares would bring the stake of Daiwa Securities Group Inc. in Samty to 27.28%.

5) Daiwa Securities Group Inc. and Credit Saison Co., Ltd. entered into a capital and business alliance, effective 5 September 2019. In line with this alliance, Daiwa Securities Group Inc. is to acquire up to 5.01% of Credit Saison's total common shares outstanding (excl. treasury shares; as of 31 Jul 2019).

6) NEC (6701): NOTICE REGARDING U.S. PERSONS: This report is not intended for distribution to or use by any person in the United States. Securities issued by NEC Corporation have been suspended from registration in the U.S. and are subject to an order of the U.S. Securities and Exchange Commission dated June 17, 2008, pursuant to Section 12(j) of the Securities Exchange Act of 1934. This document is not a recommendation or inducement of any purchase or sale of such securities by any person or entity located in the U.S. Daiwa Securities Co. Ltd. disclaims any responsibility to any such person with respect to the content of this document. Any U.S. person receiving a copy of this report should disregard it.

Notification items pursuant to Article 37 of the Financial Instruments and Exchange Law
(This Notification is only applicable to where report is distributed by Daiwa Securities Co. Ltd.)
If you decide to enter into a business arrangement with our company based on the information described in this report, we ask you to pay close attention to the following items.

- In addition to the purchase price of a financial instrument, our company will collect a trading commission* for each transaction as agreed beforehand with you. Since commissions may be included in the purchase price or may not be charged for certain transactions, we recommend that you confirm the commission for each transaction. In some cases, our company also may charge a maximum of ¥2 million per year as a standing proxy fee for our deposit of your securities, if you are a non-resident.
- For derivative and margin transactions etc., our company may require collateral or margin requirements in accordance with an agreement made beforehand with you. Ordinarily in such cases, the amount of the transaction will be in excess of the required collateral or margin requirements**.
- There is a risk that you will incur losses on your transactions due to changes in the market price of financial instruments based on fluctuations in interest rates, exchange rates, stock prices, real estate prices, commodity prices, and others. In addition, depending on the content of the transaction, the loss could exceed the amount of the collateral or margin requirements.
- There may be a difference between bid price etc. and ask price etc. of OTC derivatives handled by our company.
- Before engaging in any trading, please thoroughly confirm accounting and tax treatments regarding your trading in financial instruments with such experts as certified public accountants.

* The amount of the trading commission cannot be stated here in advance because it will be determined between our company and you based on current market conditions and the content of each transaction etc.
** The ratio of margin requirements etc. to the amount of the transaction cannot be stated here in advance because it will be determined between our company and you based on current market conditions and the content of each transaction etc.

When making an actual transaction, please be sure to carefully read the materials presented to you prior to the execution of agreement, and to take responsibility for your own decisions regarding the signing of the agreement with our company.

Corporate Name: Daiwa Securities Co. Ltd.
Registered: Financial Instruments Business Operator, Chief of Kanto Local Finance Bureau (Kin-sho) No.108
Memberships: Japan Securities Dealers Association, The Financial Futures Association of Japan, Japan Investment Advisers Association, Type II Financial Instruments Firms Association