

Monex Global Retail Investor Survey

December 2022

Executive Summary

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We are pleased to bring you the results of our thirtieth Monex Global Retail Investor Survey.

2022 was a very difficult year for the stock markets. Both the Nikkei Stock Average and the Dow Jones showed yearly falls, dropping 9.4% and 8.8% respectively. The Mothers Index and the NASDAQ Composite Index also both registered sharp declines, falling 26% and 33.1% respectively.

These very disappointing performances are largely attributable to the FRB's implementation of monetary tightening at a historically fast pace. It has been suggested that the U.S. might fall into recession in the coming months and the stock markets are likely to remain unpredictable throughout 2023. However, all of us at Monex, Inc., led by our team of analysts, will continue working together to provide information on the latest developments that will serve as a useful reference for retail investors.

With your assistance, we have been able to compile and analyze extremely valuable data. We greatly appreciate your cooperation. We hope that this survey will aid your investment decisions.

Written as of January 10, 2023

Summary

1. Global Survey Results: Survey of Retail Investors in Japan, U.S. and China (H.K.)

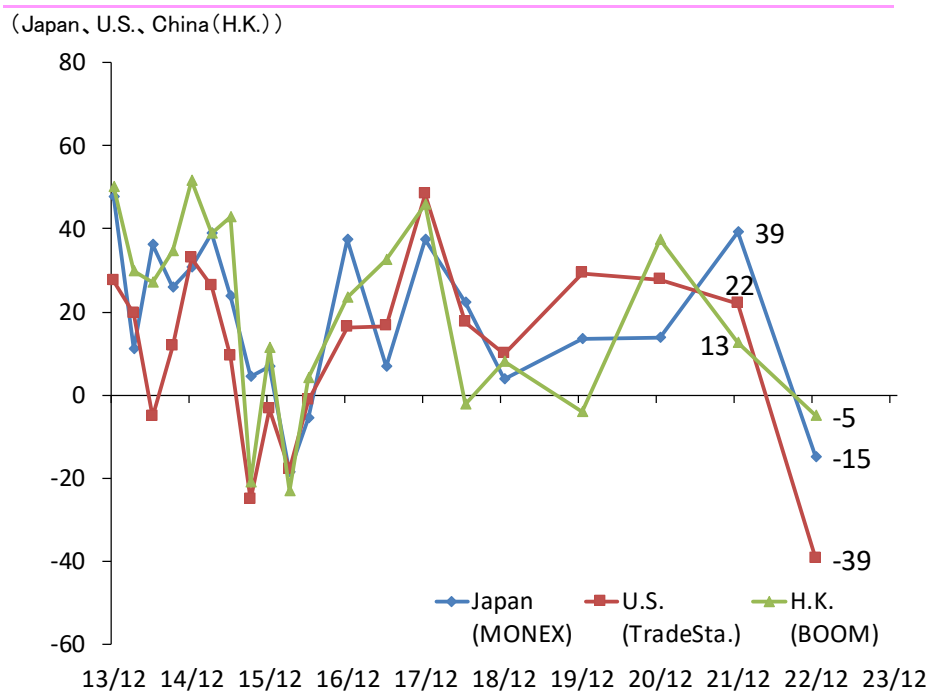
(1-1) The forecast DI (*) for world stock markets fell sharply among retail investors in all three regions.

We asked retail investors in each region about their views on the world stock market for the coming three months. Among retail investors in Japan, the U.S., and China (Hong Kong), the DI fell sharply from the previous survey (conducted in December 2021), turning negative across the board. Especially among retail investors in the U.S., the DI worsened significantly, plunging 61 points.

【Forecast DI for world stock markets】

[Japan]	Dec. 2021: 39 →	Dec. 2022: -15 (-54 points)
[U.S.]	Dec. 2021: 22 →	Dec. 2022: -39 (-61 points)
[China (H.K.)]	Dec. 2021: 13 →	Dec. 2022: -5 (-18 points)

Figure1 : Outlook on Stocks Globally for the Next 3 Months



Source: Monex, Inc.

* DI (diffusion index): The percentage of respondents who answered, “will rise or improve” minus the percentage of respondents who answered “will fall or deteriorate.”

(1-2) Expectations for U.S. stocks were highest among retail investors in the U.S.

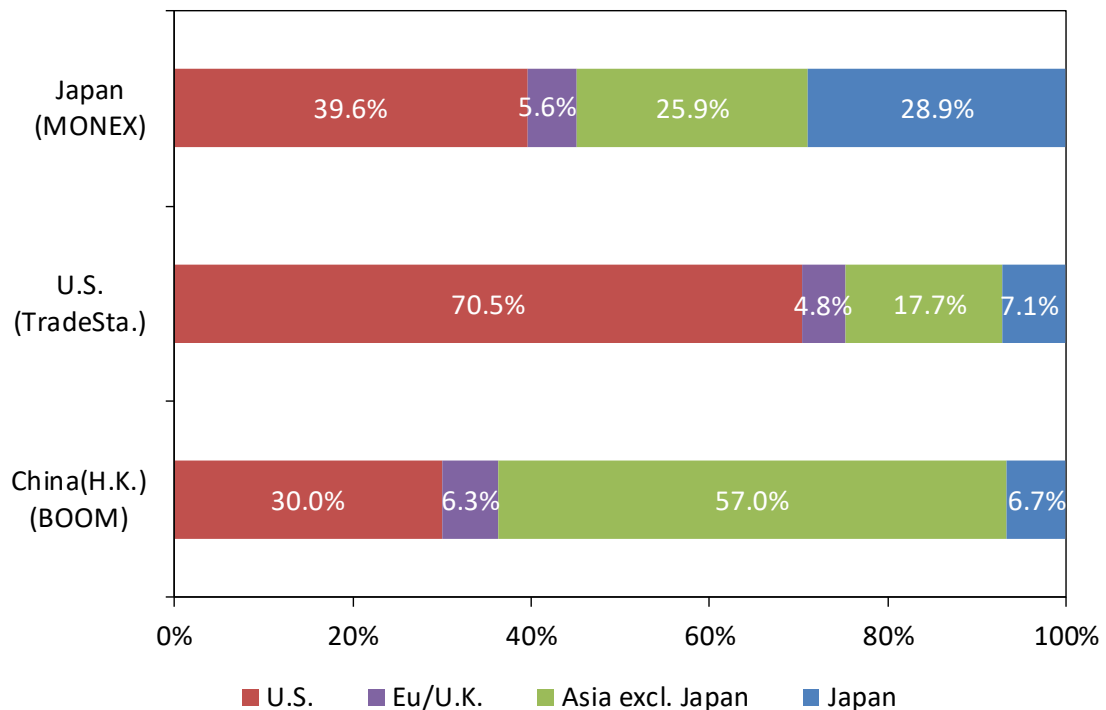
We asked retail investors to name the region with the greatest likelihood of stock price appreciation in the coming three months. Among retail investors in the U.S. and Japan, the percentage answering the “U.S.” was highest, whilst among retail investors in China (Hong Kong), “Asia excl. Japan” was the most popular answer.

【Expectations for stock markets in the coming three months】

[Japan]	U.S.: 39.6%	Eu/U.K.: 5.6%	Asia excl. Japan: 25.9%	Japan: 28.9%
[U.S.]	U.S.: 70.5%	Eu/U.K.: 4.8%	Asia excl. Japan: 17.7%	Japan: 7.1%
[China (H.K.)]	U.S.: 30.0%	Eu/U.K.: 6.3%	Asia excl. Japan: 57.0%	Japan: 6.7%

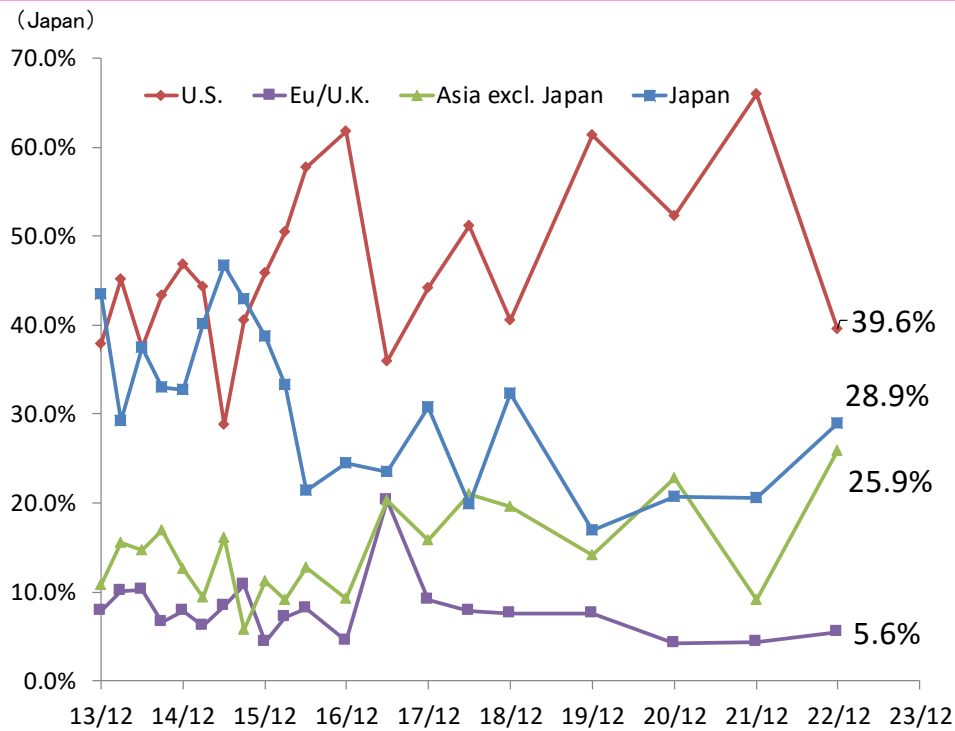
Figure2-1: Expectation for Areas of Best Equity Performance for the Next 3 Months

(Japan, U.S., China (H.K.))



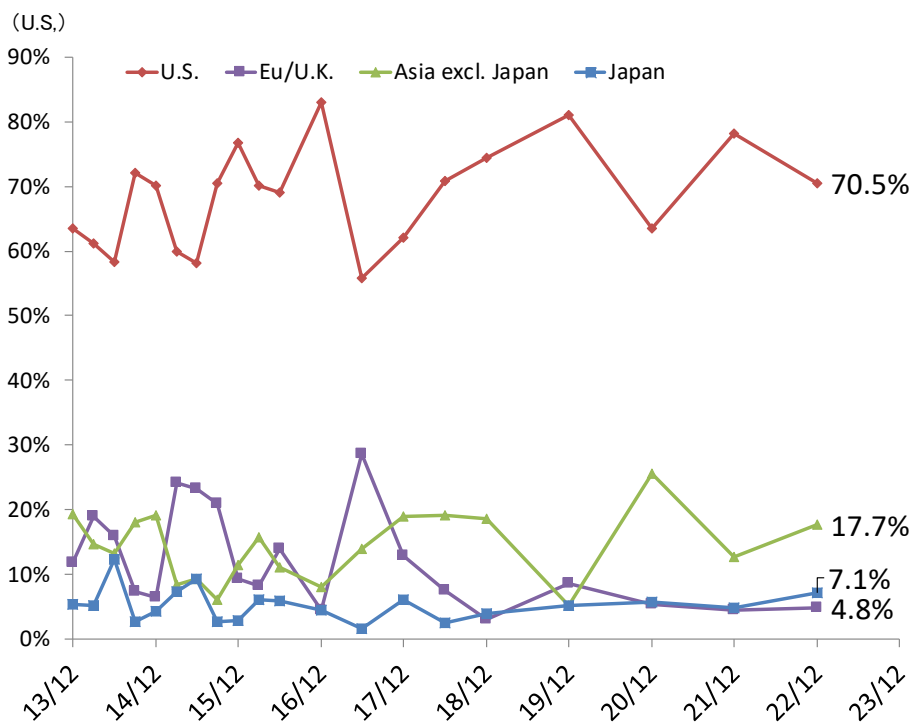
Source: Monex, Inc.

Figure2-2: Expectation for Areas of Best Equity Performance for the Next 3 Months



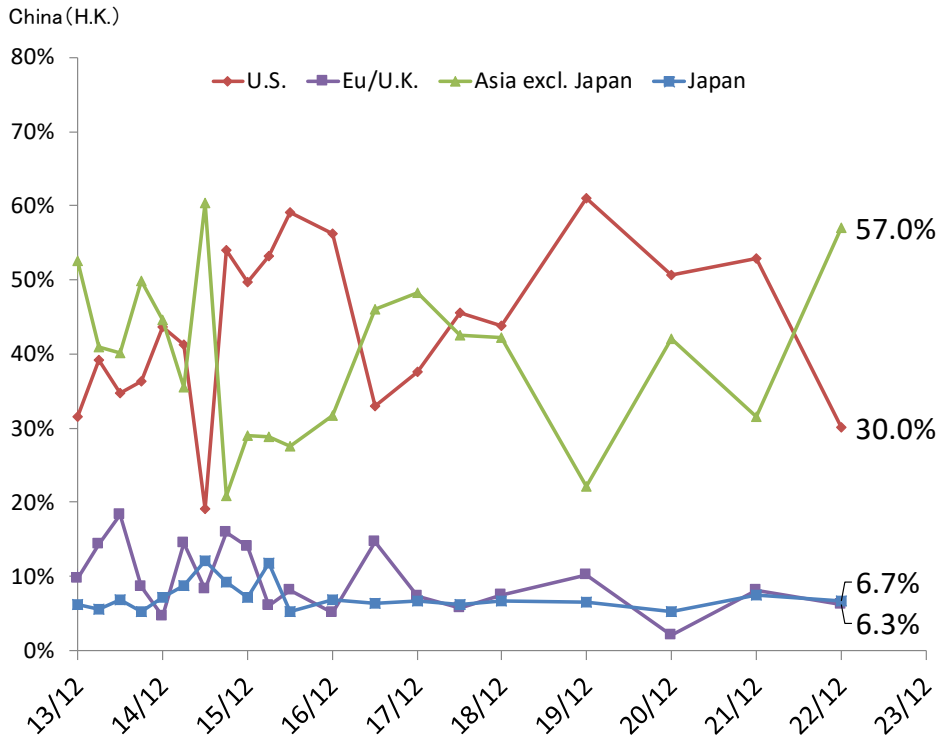
Source: Monex, Inc.

Figure2-3: Expectation for areas of Best Equity Performance for the Next 3 Months



Source: Monex, Inc.

Figure2-4: Expectation for areas of Best Equity Performance for the Next 3 Months



Source: Monex, Inc.

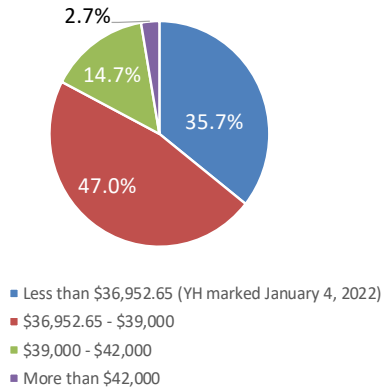
(1-3) The 2023 U.S. market outlook according to retail investors in all three regions

We asked retail investors in all three regions about their expectations for the Dow Jones high and low in 2023. Most retail investors in Japan answered that they expect the 2023 high will be between 36,952.65 (the 2022 high) and 39,000. Meanwhile, most retail investors in the U.S. and China (Hong Kong) answered that the 2023 high will be less than 36,952.65 (the 2022 high). When asked about the low, retail investors in the three regions were divided, with those in Japan answering “higher than 28,715.85 (the 2022 low),”, those in the U.S. answering between 26,000 and 28,715.85 (the 2022 low)” and those in China (Hong Kong) answering “between 23,000 and 26,000.”

【Retail investors in Japan】

Figure3-1 :Dow Jones Industrial Average High price forecast

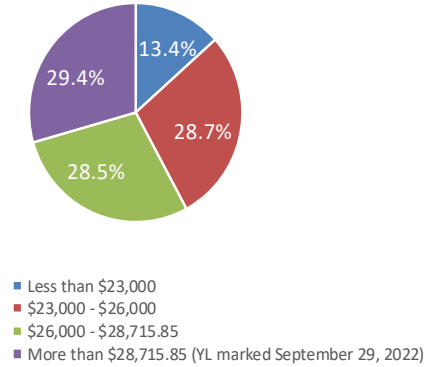
Japan



Source: Monex, Inc.

Figure3-2 :Dow Jones Industrial Average Low price forecast

Japan

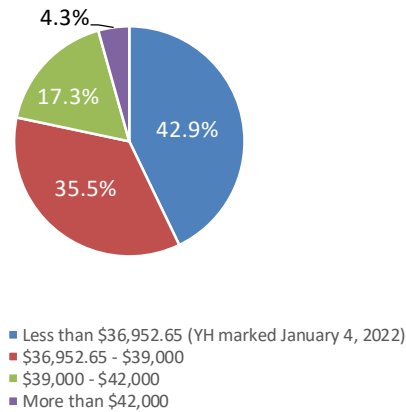


Source: Monex, Inc.

【Retail investors in the U.S.】

Figure3-3 :Dow Jones Industrial Average High price forecast

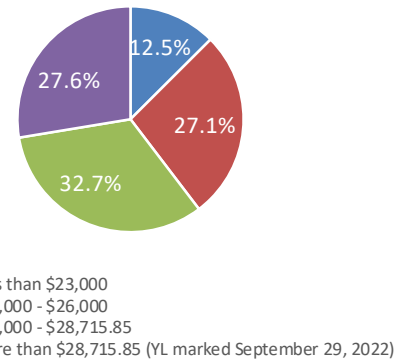
U.S.



Source: Monex, Inc.

Figure3-4 :Dow Jones Industrial Average Low price forecast

U.S.

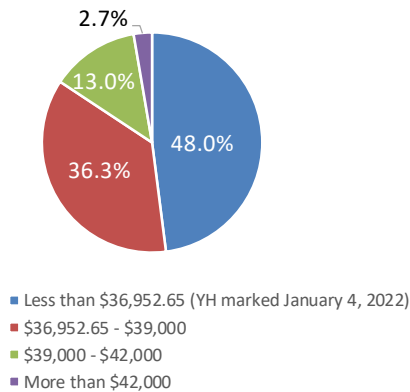


Source: Monex, Inc.

【Retail investors in China (Hong Kong)】

Figure3-3 :Dow Jones Industrial Average High price forecast

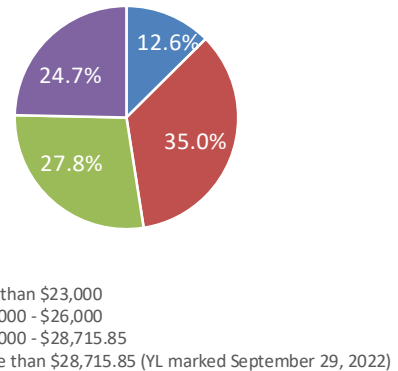
China(H.K.)



Source: Monex, Inc.

Figure3-4 :Dow Jones Industrial Average Low price forecast

China(H.K.)



Source: Monex, Inc.

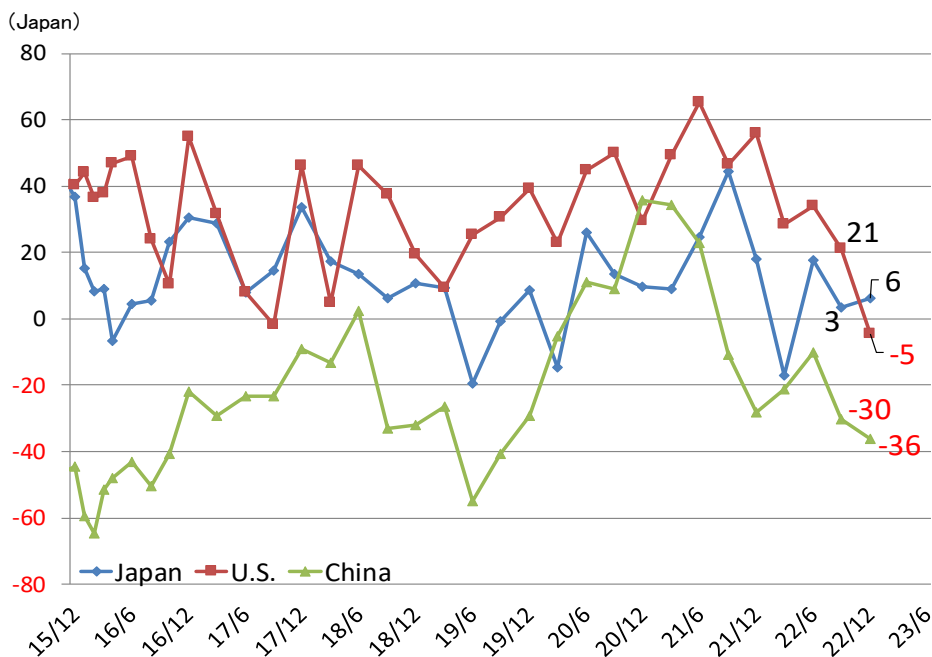
2. Japan Specific Quarterly Survey Results: Survey of Retail Investors in Japan

(2-1) Only the Japanese stock DI rose

In the Japanese retail investors’ outlook (DI) for the stock of each country (Japan, the U.S. and China) for the coming three months, only the Japanese stock DI rose, up 3 points from the previous survey, while the DI for U.S. stocks and the DI for Chinese stocks fell, both entering negative territory.

[Japanese Stocks DI]	Sep. 2022:	3	→	Dec. 2022:	6	(+3 points)
[U.S. Stocks DI]	Sep. 2022:	21	→	Dec. 2022:	-5	(-26 points)
[China stocks DI]	Sep. 2022:	-30	→	Dec. 2022:	-36	(-6 points)

Figure5-1: Outlook on Stocks for the Next 3 Months

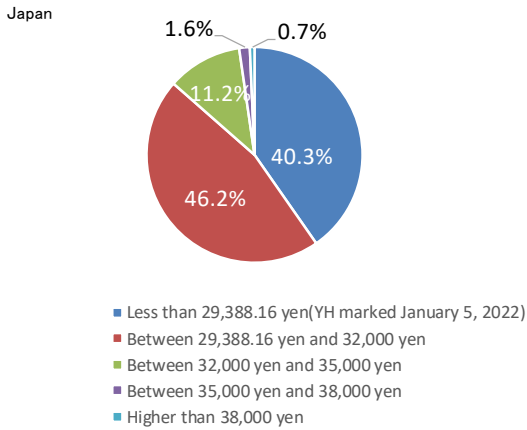


Source: Monex, Inc.

(2-2) The percentage forecasting that the 2023 high of the Nikkei Stock Average would be between 29,388.16 and 32,000 was highest, at 46.2%.

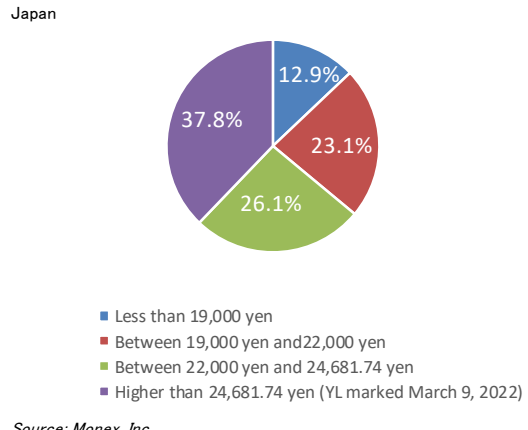
We asked Japanese retail investors about their forecast for the 2023 high and low of the Nikkei Stock Average. The percentage forecasting that the 2023 high of the Nikkei Stock Average would be between 29,388.16 and 32,000 was highest, at 46.2%. The percentage forecasting that the 2023 low would be “higher than 24,681.74 (the 2022 low)” was highest, at 37.8%.

Figure6-1: Nikkei Average High price forecast



Source: Monex, Inc.

Figure6-2: Nikkei Average Low price forecast



Source: Monex, Inc.

Outline of Survey & Characteristics of Respondents

(Japan)

Method: Online survey
 Respondents: Customers of Monex, Inc.
 # of Responses: 1,007
 Period: Dec. 16 to Dec. 23, 2022

[Gender]

Male	Female	No response
81.2%	17.5%	1.3%

[Age]

10s	20s	30s	40s	50s	60s	70s	80s or over
0.2%	2.1%	9.6%	22.9%	33.5%	22.2%	7.7%	1.7%

[Financial assets]

Under JPY 5 million	JPY 5 ~10 million	JPY 10 ~ 20 million	JPY 20 ~ 50 million	JPY 50 ~ 100 million	Over JPY 100 million
16.2%	17.0%	19.4%	25.1%	14.9%	7.4%

[Frequency of trading]

Day trading	Several times a week	Several times a month	Once every few months	Fewer than that
3.9%	14.0%	31.6%	26.8%	23.7%

[Experience of stock investment]

Less than a year	1 ~ 5 years	5 ~ 10 years	Over 10 years
6.5%	19.9%	18.9%	54.8%

(United States)

Method: Online survey
 Respondents: Customers of TradeStation Securities, Inc.
 # of Responses: 623
 Period: Dec. 14 to Dec. 27, 2022

(Hong Kong)

Method: Online survey
 Respondents: Customers of Monex BOOM Securities (H.K.) Limited
 # of Responses: 223
 Period: Dec. 16 to Dec. 23, 2022

The Monex Global Retail Investor Survey measures customer sentiment based upon answers to specific questions received from a random sampling of customers of Monex, Inc., TradeStation Securities, Inc. and Monex Boom Securities (H.K.) Limited. Details of the methodology used to conduct the survey are available upon request. Accuracy and completeness of the data derived from the survey are not guaranteed.

The Monex Retail Investor Survey has been published since October 2009, and the Monex Global Retail Investor Survey since June 2011.

***About the survey**

- Monex Global Retail Investor Surveys were conducted every quarter from June 2011 to June 2016, every six months from December 2016, and every year from 2019.
- Retail investor surveys limited to Japan were conducted every month from October 2009 to April 2016, every two months from June 2016 to December 2016, and every quarter from March 2017 to the present.

The information contained herein should not be construed as investment research or an offer or solicitation to buy or sell securities, securities derivatives, or futures products or services. Investor sentiment derived from the survey responses is no guarantee of future performance or success.