

Survey of Financial Behavior IV (Survey on Individual Investors' Awareness)

Date of implementation: February 2012

* This survey was conducted with “a Promotion Project for Joint Research between the Humanities and Social Sciences from the Ministry of Education, Culture, Sports, Science and Technology (MEXT), FY2011.

Preliminary Survey

Q1 Do you have an account at a financial institution?

1. Yes
2. No

Q2 Would you like to invest in any of the following products in the future? Tick (X) the most applicable box for each item.

	Yes, aggressively	Yes, to some extent	Hard to say	Not really	Not at all
Foreign currency savings					
Japanese Government Bonds					
Foreign bonds					
Government bonds and corporate debentures (e.g. MMF, MRF, midterm					

government bond funds, etc.)					
Other types of mutual funds (e.g. stock mutual funds, balance funds, etc.)					
Stocks					
Foreign exchange margin transactions (FX)					
Commodity futures trading					

Q3 Do you invest in something other than bank savings?

1. Yes
2. No

Q4 If your answer to the previous question was “(1) Yes,” do you invest in any of the following products? Tick (X) the most applicable box for each item.

	Brokers	Telephone	The Internet	Not investing
Foreign currency savings				
Japanese government bonds				
Foreign bonds				
Government bonds and corporate debentures (e.g. MMF, MRF,				

midterm government bond fund, etc.)				
Other types of mutual funds (e.g. stock mutual funds, balance funds, etc.)				
Stocks				
Foreign exchange margin transactions (FX)				
Commodity futures trading				
Other product				

Q5 The main survey contains questions of a personal nature. Such questions pertain to sensitive information, including:

- Your level of education
- Your deposits
- Your annual salary
- Your household's deposits
- Your household's annual salary

Do you wish to proceed to the main survey?

1. Having understood the nature of the survey as described above, I wish to proceed.
2. I do not wish to proceed --> End
3. I don't know --> End

Main Survey

Q1 How much experience do you have investing in each of the following products? Tick (X) the most applicable box for each item.

	Less than 1 year	1-3 years	3-5 years	5-10 years	More than 10 years
Foreign currency savings					
Japanese government bonds					
Foreign bonds					
Other types of mutual funds (e.g. stock mutual funds, balance funds, etc.)					
Stocks					
Foreign exchange margin transactions (FX)					
Commodity futures trading					
Other product (Specify:)					

Q2 How familiar are you with each of the following subjects? Tick (X) the most applicable box for each subject.

	Very familiar	Familiar	Hard to say	Not familiar	Not familiar at all
Financial/ economic system					
Financial products					
Deposits and savings					

Securities investment (e.g. stock investment, bond investment)					
Insurance and pension					
Taxation on financial products					
Various kinds of risks associated with investments (e.g. exchange risk that comes with foreign currency financial products like foreign currency savings)					
User, consumer protection such as deposit insurance system, Financial Instruments Sales Law, and Financial Instruments and exchange Act					

Q3 In which of the following stock-related products do you invest?

1. Individual stocks with a cash account
2. Individual stocks with a margin account
3. Stock mutual funds (e.g. exchange traded fund (ETF, ETN), real-estate investment fund (REIT), etc.)
4. Futures trading
5. Other product (Specify: _____)

Q4 How do you fund your stock portfolio?

1. Self-funded
2. Bank loans
3. Loans from another financial institution
4. Loans from friends or relatives
5. Other source (Specify: _____)

Q5 What is the allocation of your asset portfolio? Write a zero (0) if applicable.

	(%)
Savings	[]
Foreign currency savings	[]
Japanese government bonds	[]
Foreign bonds	[]
Government bonds and corporate debentures (e.g. MMF, MRF, midterm government bond fund, etc.)	[]
Other types of mutual funds (e.g. stock mutual funds, balance funds, etc.)	[]
Stocks	[]
Foreign exchange margin transactions (FX)	[]
Commodity futures trading	[]
Other asset (Specify: _____)	[]
	100%

Q6 How much do you usually set aside for stock investment?

1. Less than ¥100,000
2. ¥100,000 to ¥499,999
3. ¥500,000 to ¥999,999
4. ¥1,000,000 to ¥4,999,999
5. ¥ 5,000,000 to ¥999,999,999

6. ¥ 1,000,000,000 or more
7. I don't have a set number.

Q7 If you lose some money in the stock market, at what point do you intend to sell your stocks?

1. I don't have a set point.
2. I will sell as soon as there is a loss.
3. I will sell if I lose 10% of the investment.
4. I will sell if I lose 20% of the investment.
5. I will sell if I lose 30% of the investment.
6. I will sell if I lose over 40% of the investment.
7. I don't intend to sell because I like following my original plan.

Q8 If your answer to the previous questions was "(1) I don't have a set point," what is the reason for not setting a point?

()

Q9 How do you usually buy or sell stocks and manage your account?

1. Go to a brokerage firm etc.
2. Have a broker come over
3. Over the phone
4. On the Internet
5. By mail
6. Other method (Specify:)

Q10 How often do you buy or sell stocks on average?

1. More than once a day
2. About once a day
3. About once a week
4. About once a month
5. About once in six months
6. About once a year
7. About once every few years

Q11 How would you like to receive your earnings from stock investment?

1. I want to receive earnings every month even if I end up getting less in the end.
2. I want to receive earnings every six months even if I end up getting less in the end.
3. I want to receive earnings every year even if I end up getting less in the end.
4. I don't need to get paid until the end of the investment because I want to maximize my overall earnings.

Q12 Which of the following sources of information do you value the most in stock investment?

1. Information released by companies such as financial statements
 2. Ratings
 3. Stock market
 4. Recommendation from a broker, etc.
 5. Stock analysis
- Information from your friends
6. Public index
 7. Other method (Specify: _____)

Q13 Which of the following trends in the market average index (e.g. Nikkei index), or in the stock price of the company you are going to invest in, do you think shows a good time to start investing in stocks?

1. The stock price has gone up by 20% in the last week.
2. The stock price has gone up by 10% in the last week.
3. The stock price hasn't fluctuated much in the last week.
4. The stock price has gone down by 10% in the last week.
5. The stock price has gone down by 20% in the last week.

Q14 Which of the following trends in the market average index (e.g. Nikkei index), or in the stock price of the company you are going to invest in, do you think shows a good time to sell your stocks?

1. The stock price has gone up by 20% in the last week.
2. The stock price has gone up by 10% in the last week.
3. The stock price hasn't fluctuated much in the last week.
4. The stock price has gone down by 10% in the last week.
5. The stock price has gone down by 20% in the last week.

Q15 Which of the following taxation methods would you choose on your capital gains from the sale of listed stocks, etc.?

1. Managed account (with tax withholding)
2. Managed account (no tax withholding)
3. Self-managed account
4. Other account (Specify: _____)

Q16 Have you cut your losses for the purpose of reducing your capital gains tax at the end of the year when you traded stocks or publicly-offered investment trusts?

Note: "Cutting losses" means "selling your stocks, etc., at a loss and confirming your capital loss."

1. I have never tried to lower taxes on my capital gains.
2. I have cut my losses, and thus lowered the total taxable capital gains and the capital gains tax.
3. I have cut my losses so that the losses would offset my capital gains. Since the capital gains were zero or negative, I did not pay the capital gains tax.
4. I was going to lower my capital gains tax, but because my capital gains were zero or negative, I didn't have to worry about it.
5. Other answer (Specify: _____)

Q17 How would you assess your knowledge on finance or economy?

1. A lot more than average
2. A little more than average
3. Right around average
4. A little below average
5. Far below average

Q18 Suppose a friend of yours asked you to manage her ¥1,000,000. How well do you think you could take care of it?

1. Very poorly
2. Somewhat poorly
3. Hard to say
4. Somewhat well
5. Very well

Q19 Suppose you had an account with an annual interest of 2%. If the inflation rate was 2%, how much would you be able to buy with the money in this account?

1. More than today
2. Less than today

3. Exactly the same
4. I don't know.

Q20 Which of the following best describes the concept of diversification?

1. One should own both bonds and stocks in his/her portfolio.
2. One should not invest in the same financial products for too long.
3. One should invest in as many financial products as possible.
4. One should invest in a variety of financial products to reduce the risk inherent in one product.
5. One should avoid products with overly high risk.
6. I don't know.

Q21 Which one of the following is the best example of a diversified portfolio?

1. 70% in short-term government bonds, 15% in Japanese stock funds, and 15% in 2-3 brands of Japanese stocks
2. 70% in short-term government bonds and 30% in Japanese stock funds
3. 70% in short-term government bonds and 30% in 2-3 brands of Japanese stocks
4. 70% in short-term government bonds and 30% in stocks of a brand that one knows well
5. I don't know.

Q22 Suppose you knew that the interest rate would definitely go up in 6 months. Do you think it's a good time to buy a fixed-rate bond?

1. Yes
2. No
3. I don't know.

Q23 How much risk do you think is involved in investing in each of the following financial products? Tick (X) the most applicable box for each item.

	No risk	Low risk	Some risk	High risk	Very high risk
Corporate bonds					
Savings					
Stocks					

Government bonds					
Stock mutual funds					
Bond mutual funds					
Real estate					

Q24 By what percentages do you think the consumer price index (excluding food) increases year-on-year?

1. More than +3%
2. +2% - +3%
3. +1% - +2%
4. 0% - +1%
5. -1% - 0%
6. Less than -1%
7. I don't have a clear idea.

Q25 If your answer to the previous question was "(7) I don't have a clear idea," what is the reason?

1. Our economic future is largely unknown.
2. Even if the consumer price index fluctuates, it doesn't really affect the markets.
3. Other reason (Specify: _____)

Q26 By what percentages do you think the consumer price index (excluding food) increases in 3 years?

1. More than +3%
2. +2% - +3%
3. +1% - +2%
4. 0% - +1%
5. -1% - 0%
6. Less than -1%
7. I don't have a clear idea.

Q27 If your answer to the previous question was “(7) I don’t have a clear idea,” what is the reason?

1. Our economic future is largely unknown.
2. Even if the consumer price index fluctuates, it doesn’t really affect the markets.
3. Other reason (Specify: _____)

Q28 By what percentages do you think the consumer price index (excluding food) increases in 5 years?

1. More than +3%
2. +2% - +3%
3. +1% - +2%
4. 0% - +1%
5. -1% - 0%
6. Less than -1%
7. I don’t have a clear idea.

Q29 If your answer to the previous question was “(7) I don’t have a clear idea,” what is the reason?

1. Our economic future is largely unknown.
2. Even if the consumer price index fluctuates, it doesn’t really affect the markets.
3. Other reason (Specify: _____)

Q30 At which financial institution do you have the largest balance?

The name of the financial institution which you ave the largest balance:
(_____)

Q31 How long ago did you open an account at the financial institution you use the most?

About [_____] years and [_____] months ago

Q32 What are some factors you consider when you choose the right financial institution for you?

Select three answers.

1. Nearby branch or an ATM (Automated Teller Machine)
2. Nation-wide network
3. Excellent online services and transactions

4. Wide selection of financial products
5. Financial products with high returns
6. Lower fees compared to other financial institutions
7. Excellent financial consultation services
8. Healthy and credible management
9. Earnest sales people
10. Good TV commercials, posters, character goods, etc.
11. Long hours and weekend operation
12. Wide range of loans for individual consumers
13. Other factor (Specify: _____)

Q33 Upon hearing that a financial institution in which you had savings had one of the following percentage chances of going bankrupt, would you or would you not withdraw your deposits? For each of the following percentage chances of bankruptcy, what action would you take?

Percentage chance of financial institution going bankrupt		Withdraw no deposits	Immediately withdraw deposits
1/1000	0.1%		
1/200	0.5%		
1/100	1%		
1/50	2%		
1/20	5%		
1/10	10%		
1/5	20%		
1/3	approx. 30%		
1/2	50%		
99/100	99%		

Q34 If you answered "Withdraw no deposits" or "Immediately withdraw deposits" for all of the percentage chances in the previous question, please give reasons for your answer.

()

Q35 Were you aware that the upper limit of the Japanese deposit insurance system (the system guaranteeing withdrawals of bank deposits) is 10 million yen per an account? Furthermore, did you take this into consideration when answering above questions?

1. I had heard of the Japanese deposit insurance system, and took it into consideration when answering
2. I had heard of the Japanese deposit insurance system, but did not take it into consideration when answering
3. I had not heard of the Japanese deposit insurance system

Q36 Have you done anything to secure your savings? Select all that apply.

1. I have collected information on the security of financial products.
2. I have switched to a financial institution that seems healthier and more credible.
3. I have switched to a financial product that is eligible for deposit insurance coverage.
4. I have diversified my savings among different financial institutions so that the balance at each institution will not exceed ¥10,000,000.
5. I switched the amount that exceeded ¥10,000,000 in a time deposit, etc., at a financial institution, to a current account, etc., which guarantees full coverage.
6. I purchased another asset (e.g. government bonds, currencies, etc.) with an amount that exceeded ¥10,000,000 at a financial institution.
7. I cashed out my savings.
8. Other things you did (Specify:)
9. I haven't done anything.

Q37 Several financial institutions have gone bankrupt in the last few years. Which of the following statements best describes how you feel about the health of your financial institution?

1. I'm not worried because I'm confident about their financial health.
2. I don't think they will go bankrupt even if their performance might be worsening.
3. I'm concerned because their performance is worsening and they might go bankrupt.

Q38 Have you checked the performance of your financial institution?

1. Yes, I have.
2. No, I haven't. Although I want to, I don't know how.
3. No, I haven't. Although I want to, I don't think there will be enough information.
4. I don't think that's necessary.

Q39 Do you trust the government to guarantee your savings in the event that a financial institution in which you had savings were to go bankrupt?

1. Yes, very much
2. Yes, somewhat
3. Difficult to say
4. No, not really
5. No, not at all

Q40 Suppose there were a lottery with a 50/50 chance of winning or losing in which you would receive 2,000 yen if you won and nothing if you lost. Would you buy a lottery ticket for 200 yen? Please select one of the following options. Furthermore, if the price of the ticket changed, how much would you pay for it?

[Yes]

1. If the cost of the ticket were to increase, up to what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

[No]

2. If the cost of the ticket were to decrease, below what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

Q41 Suppose there were a lottery with a 1/100 chance of winning or losing in which you would receive 100,000 yen if you won and nothing if you lost. Would you buy a lottery ticket for 200 yen?

Please select one of the following options. Furthermore, if the price of the ticket changed, how much would you pay for it?

[Yes]

1. If the cost of the ticket were to increase, up to what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

[No]

2. If the cost of the ticket were to decrease, below what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

Q42 Suppose you knew that there was a 1/10 chance that you were going to be robbed of 20,000 yen. Suppose also that you could purchase, for 2000 yen, insurance that would allow you to recover your money if it were stolen. Would you purchase this insurance? Please select one of the following options. Furthermore, if the price of the insurance changed, how much would you pay for it?

[Yes]

1. If the cost of the insurance were to increase, up to what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

[No]

2. If the cost of the insurance were to decrease, below what amount would you be willing to pay? Please enter the very maximum amount you would pay.

() yen

Q43 Suppose you knew that there was a 1/100 chance that you were going to be robbed of 100,000 yen. Suppose also that you could purchase, for 2000 yen, insurance that would allow you to recover your money if it were stolen. Would you purchase this insurance? Please select one of the following options. Furthermore, if the price of the insurance changed, how much would you pay for it?

[Yes]

1. If the cost of the insurance were to increase, up to what amount would you be willing to pay?
Please enter the very maximum amount you would pay.

() yen

[No]

2. If the cost of the insurance were to decrease, below what amount would you be willing to pay?
Please enter the very maximum amount you would pay.

() yen

Q44 What would the chance of rain have to be before you decide to bring an umbrella on your way out?

Higher than [] %

Q45 What is your attitude to the following opinions? Please select an appropriate response per line.

	Agree completely	Agree somewhat	Difficult to say	Disagree somewhat	Disagree strongly
What the future will be is always in your mind and you are always aware that your daily action/performance affects and links directly to your future.					
You cannot help doing something to attain your goal even though you may get nothing important for many years.					
Since you know "what will be, will be", you will do what you are interested in now.					
You will act according to the results to be					

given in a few days or in several weeks.					
You think that making snap decisions and taking fast action is one of the most important factors.					
You do not want temporary fun and happiness in exchange for future success.					
Even though extreme events never happen for years to come, you think it important to be prepared and alert to the worst outcome.					
You think that taking strategic actions for possible serious events occurring in the far distant future is more important than occasional activities for less serious events occurring in the immediate future.					
You will disregard a sign of problems to occur, because most of the problems are to be solved before reaching risk levels.					
You think that future problems can be taken when they occur and not now.					
You will focus on the current problems/interests rather than the possible problems to occur in the future.					
You will put much emphasis on your daily actions/performance rather than those that need a long period of time.					

Q46 How credible do you consider the financial information (e.g. bankruptcy, scandals, portfolio management, etc.) from each of the following sources? Tick (X) the most applicable box for each source.

	Not credible at all	Not very credible	Neither credible or not credible	Somewhat credible	Very credible
News shows on TV					
Tabloid shows on TV					
Newspaper (except for sports papers)					
Blogs and Twitter					
Web portals (except for 2 channel)					
Websites (except for 2 channel)					
Conversations with neighbors					
Conversations with colleagues					
E-mails and conversations with friends					
Radio shows					
Weekly/ monthly magazines (except for comic magazines)					
Conversations I overheard on the street					

Q47 How often do you come into contact with the following sources of information?

	Every day	5 or 6 days/week	3 or 4 days/week	1 or 2 days/week	Almost never

News shows on TV					
Tabloid shows on TV					
Newspaper (except for sports papers)					
Blogs and Twitter					
Web portals (except for 2 channel)					
Websites (except for 2 channel)					
Conversations with neighbors					
Conversations with colleagues					
E-mails and conversations with friends					
Radio shows					
Weekly/ monthly magazines (except for comic magazines)					
Conversations I overheard on the street					

Q48 Please state the extent to which you agree or disagree with each of the following statements.

	Disagree strongly	Disagree somewhat	Difficult to say	Agree somewhat	Agree completely
Most people are basically honest					
I tend to trust					

people					
Most people are basically good and kind					
Most people trust others					
Most people can be trusted					

Q49 Suppose that you had to choose between [A] receiving a specified amount of money today, or [B] receiving some other amount of money after 1 week. Please select whether you would choose [A] or [B] for the options below.

	[A] Receive money today	[B] Receive money after 1 week	
(A) 1,000,000 yen			(B) 1,000,000 yen
(A) 1,000,000 yen			(B) 1,000,400 yen
(A) 1,000,000 yen			(B) 1,001,200 yen
(A) 1,000,000 yen			(B) 1,001,900 yen
(A) 1,000,000 yen			(B) 1,003,800 yen

Q50 Suppose that you had to choose between [A] receiving a specified amount of money today, or [B] receiving some other amount of money after 1 year. Please select whether you would choose [A] or [B] for the options below.

	[A] Receive money today	[B] Receive money after 1 year	
(A) 1,000,000 yen			(B) 1,000,000 yen
(A) 1,000,000 yen			(B) 1,020,000 yen

(A) 1,000,000 yen			(B) 1,060,000 yen
(A) 1,000,000 yen			(B) 1,100,000 yen
(A) 1,000,000 yen			(B) 1,200,000 yen

Q51 To what extent do you worry about the following life issues?

	Definitely not worried	Not worried	Hardly wo rri ed	Difficult to say	Somewhat worried	Worried	Highly worried
Your own district							
Work/Study at school							
Your own future							
Japan's future							
Japanese economy							
Family life							
Current household economy							
Relationships with friends							
Health condition							

Q52 How would you assess your knowledge on finance or economy?

1. Far below average
2. A little below average
3. Right around average
4. A little more than average
5. A lot more than average

Q53 Do you have a spouse?

1. Yes
2. No

Q54 How many people do you have in your household?

[]

Q55 The following question refers to the format of your employment and that of your spouse. Please select the appropriate responses.

	You	Your spouse
Self-employed		
Company executive		
Family business worker		
Full-time employee		
Part-time worker		
Dispatched employee		
Contract worker		
Contractor		
Casual or seasonal worker		
Not working, but seeking employment		

Neither working nor seeking employment		
Housewife		
Student		
Other		

Q56 The following question refers to your education level and that of your spouse. Please select the appropriate responses.

	You	Your spouse
Elementary/middle school (including regular elementary schools and higher elementary schools)		
High school (including middle schools under the former system, girls' schools, occupational schools, teachers' schools, etc.) (Including those expected to graduate)		
Career college (including those expected to graduate)		
Junior college (including colleges of technology, etc.) (including those expected to graduate)		
University (including high schools and technical schools under the former system) (Including those expected to graduate)		
Graduate school (Including those expected to graduate)		
Other		

Q57 What are the respective pre-tax annual incomes (including bonuses and other miscellaneous income) of you, your spouse and your household? If you are a student, please enter your annual income from part-time work, parental allowances, scholarships and the like. If you receive a pension, please enter the annual value.

	You	Your spouse	Your household
Under 500,000 yen			
500,001 - 1,000,000 yen			
1,000,001 - 2,000,000 yen			
2,000,001 - 3,000,000 yen			
3,000,001 - 5,000,000 yen			
5,000,001 - 7,000,000 yen			
7,000,001 - 10,000,000 yen			
10,000,000 - 15,000,000 yen			
Over 15,000,000 yen			
I do not know	-----		

Q58 What are the total amount of financial assets (deposits, stock etc.) and debts (mortgages, student loans, consumer loans, etc.) of you?

	Deposit	Stock etc	Debt
0 Yen			
1 - 500,000 yen			
500,001 - 1,000,000 yen			
1,000,001 - 2,000,000 yen			
2,000,001 - 3,000,000 yen			
3,000,001 - 5,000,000 yen			
5,000,001 - 7,000,000 yen			

7,000,001 - 10,000,000 yen			
10,000,000 - 15,000,000 yen			
Over 15,000,000 yen			

Q59 What are the total amount of financial assets (deposits, stock etc.) and debts (mortgages, student loans, consumer loans, etc.) of your spouse?

	Deposit	Stock etc	Debt
0 Yen			
1 - 500,000 yen			
500,001 - 1,000,000 yen			
1,000,001 - 2,000,000 yen			
2,000,001 - 3,000,000 yen			
3,000,001 - 5,000,000 yen			
5,000,001 - 7,000,000 yen			
7,000,001 - 10,000,000 yen			
10,000,000 - 15,000,000 yen			
Over 15,000,000 yen			
I do not know			

Q60 What are the total amount of financial assets (deposits, stock etc.) and debts (mortgages, student loans, consumer loans, etc.) of your household?

	Deposit	Stock etc	Debt

0 Yen			
1 - 500,000 yen			
500,001 - 1,000,000 yen			
1,000,001 - 2,000,000 yen			
2,000,001 - 3,000,000 yen			
3,000,001 - 5,000,000 yen			
5,000,001 - 7,000,000 yen			
7,000,001 - 10,000,000 yen			
10,000,000 - 15,000,000 yen			
Over 15,000,000 yen			
I do not know			