

U.S. Investors Far Less Concerned About China Slowdown than Euro Crisis, as Outlook on Global Equities Improves

Monex Global Retail Investor Survey, Vol. 6 – Reveals Client Insight

Tokyo, JAPAN, Plantation, FLORIDA and Hong Kong, CHINA, September 25, 2012 – TradeStation Securities, Inc. ("TradeStation"), a wholly owned subsidiary of Monex Group, Inc. (TSE: 8698), which also includes Monex, Inc. ("Monex") and Monex BOOM Securities, today announced the results of the "Monex Global Retail Investor Survey, Vol. 6," revealing that investors are far less concerned about the slowing Chinese economy causing a serious financial crisis than they were about the European debt crisis just three months ago.

Whereas 74% of TradeStation clients in June 2012 worried that the European debt crisis could cause a serious financial crisis, just one in four investors (24%) expressed similar concern about the slowing Chinese economy in September. More than half of respondents (55%) do not believe the Chinese slowdown will have global financial implications.

The survey revealed investors' gradually improving outlook for global equities. Whereas in June more than half of respondents projected that global equities would be down over the next three months, the percentage predicting a downturn over the next three months fell to 36% in September, with a slightly higher percentage (38%) predicting an upturn in global stock markets. As in the June survey, a strong majority of TradeStation customers (64%) expect the U.S. stock market to outperform stocks in Europe/U.K., Asia (excluding Japan) and Japan.

Monex has been conducting its monthly retail investor survey with its Japanese clients since October 2009. The "Monex Global Retail Investor Survey," covering retail clients in Japan, Hong Kong and the U.S., was launched in June 2011 and is conducted on a quarterly basis.

U.S. investors are clearly focused on this fall's presidential election, with more than half (57%) expecting politics to have a significant impact on global financial markets. Half of TradeStation clients in the U.S. (50%) say that if President Obama is reelected, they will be more bearish, slightly less than the 54% who expressed this sentiment last quarter. U.S. investors have more upbeat expectations if Mitt Romney is elected president, with 49% of respondents saying they will have a more bullish investment outlook should Romney be elected President.

"While our clients clearly have concerns about the upcoming U.S. presidential election and the slowing Chinese economy, this quarter's results suggest they have a gradually improving outlook for global equity markets," said Salomon Sredni, CEO of TradeStation Group, Inc. and COO of Monex Group, Inc. "As always, we remain committed to providing our clients with superior analysis and trading tools to help them take advantage of these changing market conditions."

The report uses the Diffusion Index (DI) – the percentage of positive responses minus the percentage of negative responses – to assess investor sentiment. Other findings from the survey are summarized below. Please refer to the full report for complete results.

Japanese investors' views of the Japanese and U.S. stock markets advanced modestly for a second consecutive month, while their expectations for Chinese stocks declined for the third straight month. Expectations for Japanese stocks improved by 3 points from a DI of 20 points to 23 points, expectations for U.S. stocks rose 5 points from 37 points to 42 points, and expectations for Chinese stocks fell slightly, down 3 points to -34 points.

Hong Kong investors' outlook for global equity markets slid significantly into negative territory while U.S. investors' outlook advanced by 31 points from the June survey to a level above zero. The DI for Hong Kong investors dropped 17 points to -24, the DI for U.S. investors rose by 31 points to 2 points, and the DI for Japanese investors rose 11 points to 6 points.

The survey showed that a growing percentage of Japanese investors expect the Japanese yen to stay unchanged against the dollar. Forty-one percent of investors surveyed expect the yen to remain unchanged against the dollar over the next three months, while 24% foresee appreciation and 35% expect no change.

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., IBFX, Inc., and Monex Boom Securities (H.K.) Ltd. 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 information contained herein should not be construed as investment research or an offer or solicitation to buy or sell securities, securities derivatives, futures or off-exchange foreign currency products or services. Investor sentiment derived from the survey responses is no guarantee of future performance or success.

Active trading regardless of asset class (equities, futures, foreign exchange) carries a high level of risk and may not be suitable for all investors. Relevant risk disclosures are available at www.tradestation.com.

About Monex Group, Inc.

Monex Group Inc. (Tokyo Stock Exchange 1st section: 8698), including its main subsidiary Monex Inc. (Tokyo, Oki Matsumoto, Chairman and CEO), an online securities brokerage, provides advanced and unique financial services to individual investors. Monex Group has been a pioneer among Japanese online securities brokers since the complete liberalization of commissions and fees in stock brokerages in 1999. Monex relentlessly strives to offer its customers in Japan innovative products and services and has established its reputation as a unique independent financial institution group. Its services cover M&A advisory, debt & equity underwriting, asset management focusing on alternative investments, investment education, and other investment banking functions along with an online distribution network to more than 1.2 million individual investors in Japan.

Monex Group aims to globalize its customer base and businesses in addition to enhancing its global product line and services. Specifically, in recent years, Monex has embarked on an ambitious plan to strengthen its products and services globally by focusing its expansion efforts to date on the growing Chinese market, by opening representative offices in Beijing and acquiring Boom Securities (H.K.) Limited and its group companies in Hong Kong. As a core element in the further expansion and global diversification of its businesses, it has been seeking opportunities to expand into the U.S. market, which it saw as the missing pillar in achieving a truly global platform. The acquisition of TradeStation provides Monex with an immediate expansion and strong commercial presence in the U.S. online brokerage market.

About TradeStation Group, Inc.

TradeStation Group, Inc., through its principal operating subsidiaries, TradeStation Securities, Inc. and IBFX, Inc., offers analytical and trading platforms to the active trader and certain institutional trader markets. The TradeStation platform offers electronic order execution and enables clients to design, test, optimize, monitor and automate their own custom equities, options, futures and forex trading strategies. TradeStation Group is a wholly owned subsidiary of Monex Group, one of the largest online financial services providers in Japan.

TradeStation Securities, Inc. (Member NYSE, FINRA, SIPC, NSCC, DTC, OCC & NFA) is a licensed securities broker-dealer and a registered futures commission merchant, and also a member of the Boston Options Exchange, Chicago Board Options Exchange, Chicago Stock Exchange, International Securities Exchange and NASDAQ OMX. Its TradeStation Prime Services division, based in New York, seeks to provide prime brokerage services, including securities lending, to small and mid-sized hedge funds and other firms. IBFX, Inc. (Member NFA) is a Retail Foreign Exchange Dealer (RFED) that provides forex brokerage services directly and through its TradeStation Forex division. The company's technology subsidiary, TradeStation Technologies, Inc., develops and offers strategy trading software tools and subscription services. TradeStation Europe Limited, an FSA-authorized brokerage firm, introduces UK and other European accounts to TradeStation Securities, Inc. and IBFX, Inc.

About Monex Boom Securities (H.K.) Limited

Monex Boom Securities (H.K.) Limited ("BOOM") offers multi-market and multi-currency online securities trading services to investors all around the world. With BOOM's proprietary web-based trading platform, investors can trade equities in all major exchanges and manage different major currencies via one single account. Currently, it offers

access to securities listed on over 17 stock markets in 12 countries. In addition, BOOM also develops trading solutions for other financial institutions.

Being the first company to launch Internet stock trading in Asia/Pacific, BOOM introduced a new pattern of self-directed cross-border investment by applying new technology to traditional equities trading and financial services. BOOM aims to provide retail investors with private, easy-to-use, fast and inexpensive international stock trading services.

BOOM is a licensed Broker/Dealer regulated by the Securities and Futures Commission (SFC) of Hong Kong, founded in 1997 and headquartered in Hong Kong. It is a wholly owned subsidiary of Monex Group, one of the largest online financial services providers in Japan.

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Monex Global Retail Investor Survey

September 2012

Executive Summary

Takashi Hiroki, Chief Strategist, Monex, Inc.

One of the most popular types of questions in entry exams for elementary schools asks what an object would look like from different angles. Suppose there are four people surrounding a table. On the table sits a wooden block. A question would ask the students to draw a picture of how the block would appear to each of the four people. The question demands that the pupils understand how different things look depending on where one sits. They must be able to imagine the view without actually being in position to see it.

In our September survey, Hong Kong investors turned considerably pessimistic on global equities, with their DI plunging by 24 points from June to -17 (chart 3). On the other hand, U.S. investors' outlook turned positive, with their DI rebounding by 31 points to a level above zero. Needless to say, investors in all three regions were asked about the same "global equities," not about their local markets. Although they're all looking at the same "block," it seems the market's appearance from each position is totally different.

The key to answering this question is to ask whether the "block" they were looking at was really one and the same. In the example of the entry exam, what the four people were looking at was the same single block, but in our survey, "global equities" might have taken on multiple interpretations. We can easily imagine that when the question referred to "global equities," only a few respondents actually had a weighted equity index such as MSCI ACWI in their minds. Investors' perception of "global" seems to be strongly affected by their home bias. In other words, U.S. investors' perception of the "global" market is dominated by their view of the U.S. market, and the same goes for Hong Kong and Japanese investors.

Asked in which area stocks will perform best over the next three months (chart 4), the percentage of respondents citing the "Euro Zone" increased significantly in all three regions. Since Euro Zone is outside all three of the regions surveyed, the answers to this question could be free of bias. To put it another way, the block observed and the pictures drawn were pretty much alike.

Home bias means favoring your own country. Occasionally this leads to missing the simple fact that things look different depending on where you are, something even an elementary school student can understand. In foreign diplomacy, you have to take one step further and

understand how you look from the other side. Adding to an international dispute by failing to do so is more than just poor diplomacy. It's also indicates a lack of imagination. Government officials are expected to use greater imagination in order to draw a more accurate picture of what things will look like from the opposite chair.

Summary

(1) DIs for Japan and U.S. gained for a second month while China slipped further

(Japan) Chart 1

[Japan] (August) 20 points --> (September) 23 points (+3 MoM)

[U.S.] (August) 37 points --> (September) 42 points (+5)

[China] (August) -31 point --> (September) -34 points (-3)

DIs for Japan and the U.S. advanced for a second consecutive month, while the DI for China declined for the third straight month. (*DI: difference between the percentage of respondents choosing “stocks will rise” and the percentage choosing “stocks will fall,” in points.)

(2) U.S. investors’ outlook on global equities rebounds to positive

(Japan, U.S. and Hong Kong) Chart 3

H.K. investors’ outlook slid significantly into negative territory while U.S. investors’ outlook advanced by 31 points from the June survey to a level above zero.

(3) Expectation of JPY staying unchanged rebounds

(Japan) Chart 9

Conducted before the September FOMC, the survey showed that a growing percentage of Japanese investors expect JPY to stay unchanged against the dollar.

(4) Topic of interest shifts from Euro Zone to the U.S.

(Japan, U.S. and Hong Kong) Charts 12-14

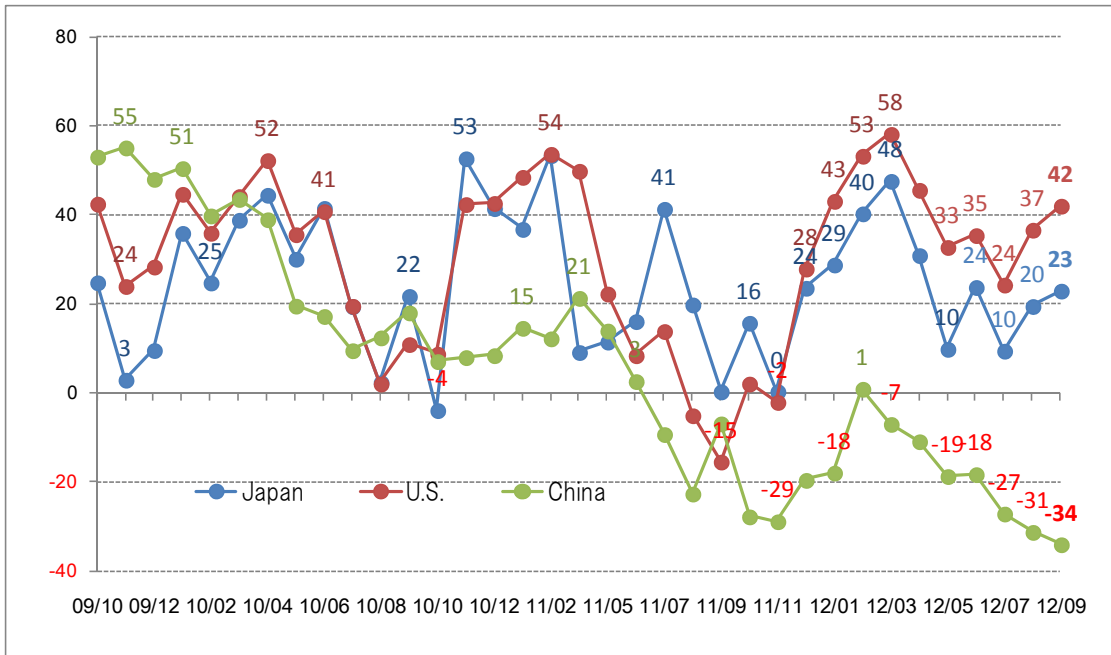
With the U.S. presidential election on the horizon and the U.S. Congress facing a budgetary “fiscal cliff,” politics was the issue of foremost concern among U.S. investors. Regardless of the region surveyed, investors’ concern seems to be shifting away from the Euro Zone.

Results

1 Stocks

[Chart 1] Japanese Investors' Outlook on Japan, U.S. and Chinese stock markets

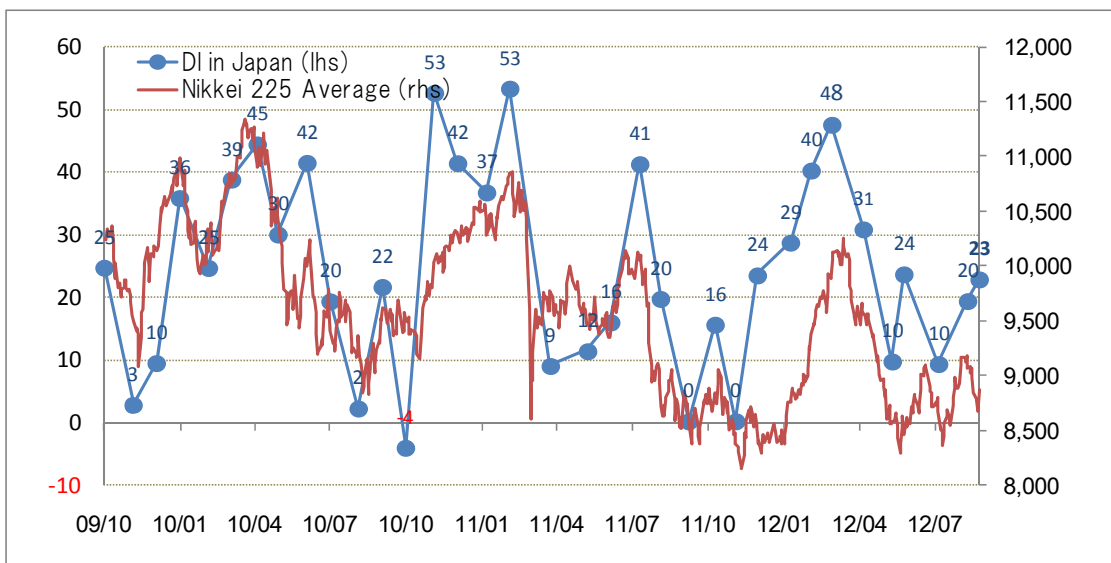
(Surveyed in Japan)



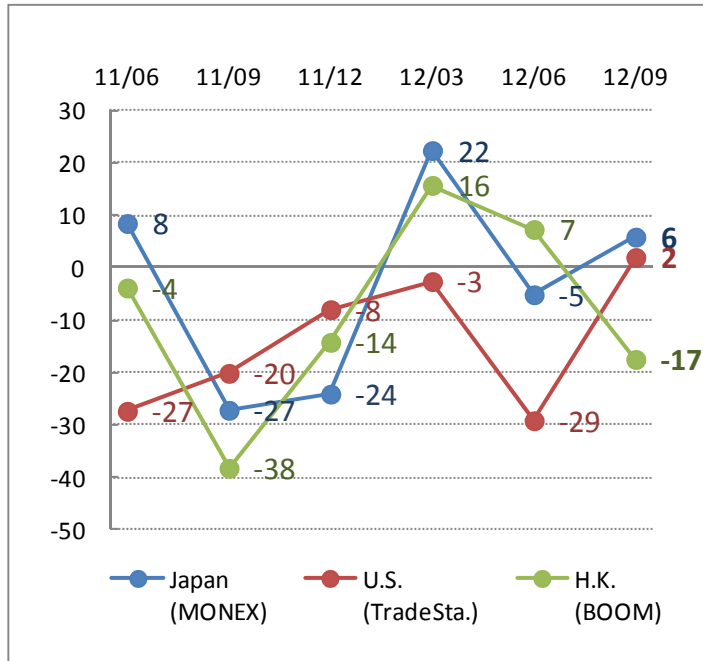
(*DI: difference between the percentage of respondents choosing "stocks will rise" and the percentage choosing "stocks will fall," in points.)

[Chart 2] Japanese investors' DI on Japanese stock vs. Nikkei 225

(Japan)



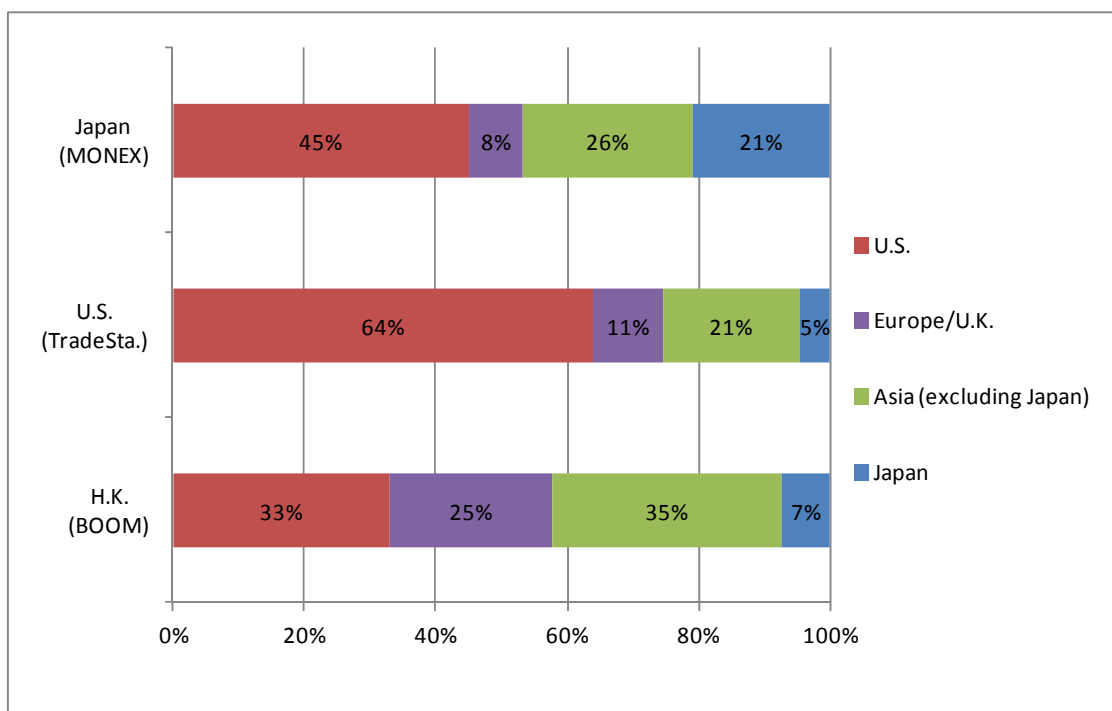
**[Chart 3] Outlook for global stock markets for the next three months
(Japan, U.S. and H.K.)**



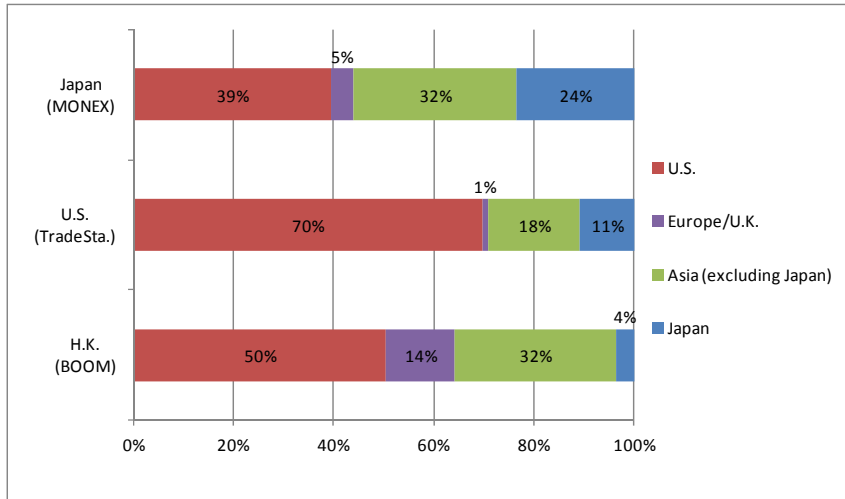
Japan	6 (+11)
U.S.	2 (+31)
H.K.	-17 (-24)

*Figures in () show changes from the previous survey.

**[Chart 4] Geographical area where the stock market will best perform over the next three months
(Japan, U.S. and H.K.)**

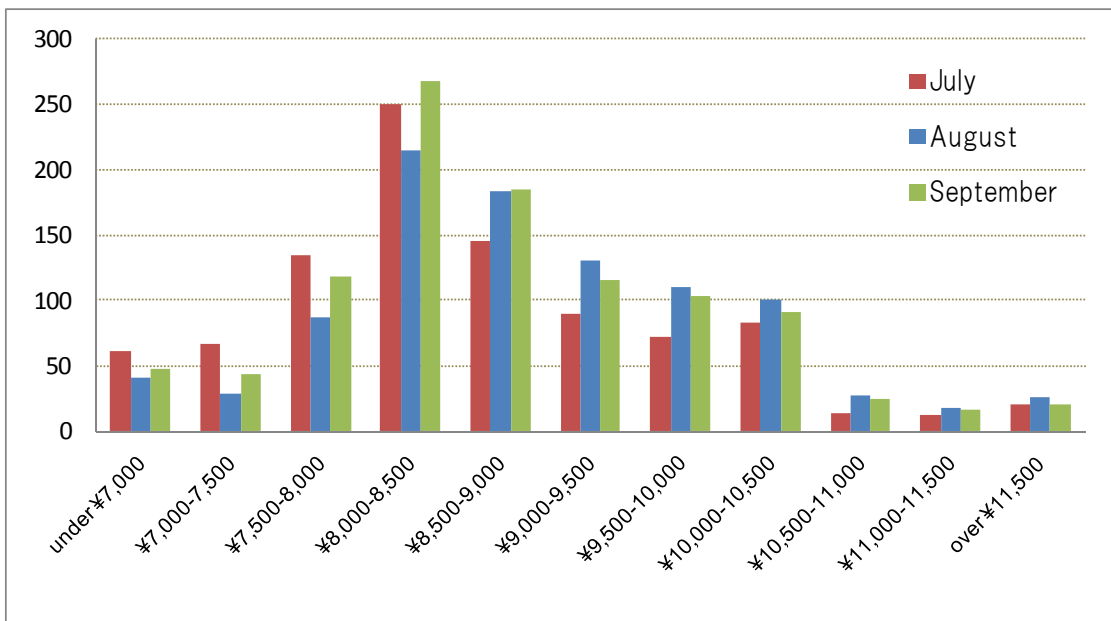


Previous survey (Mar 2012)



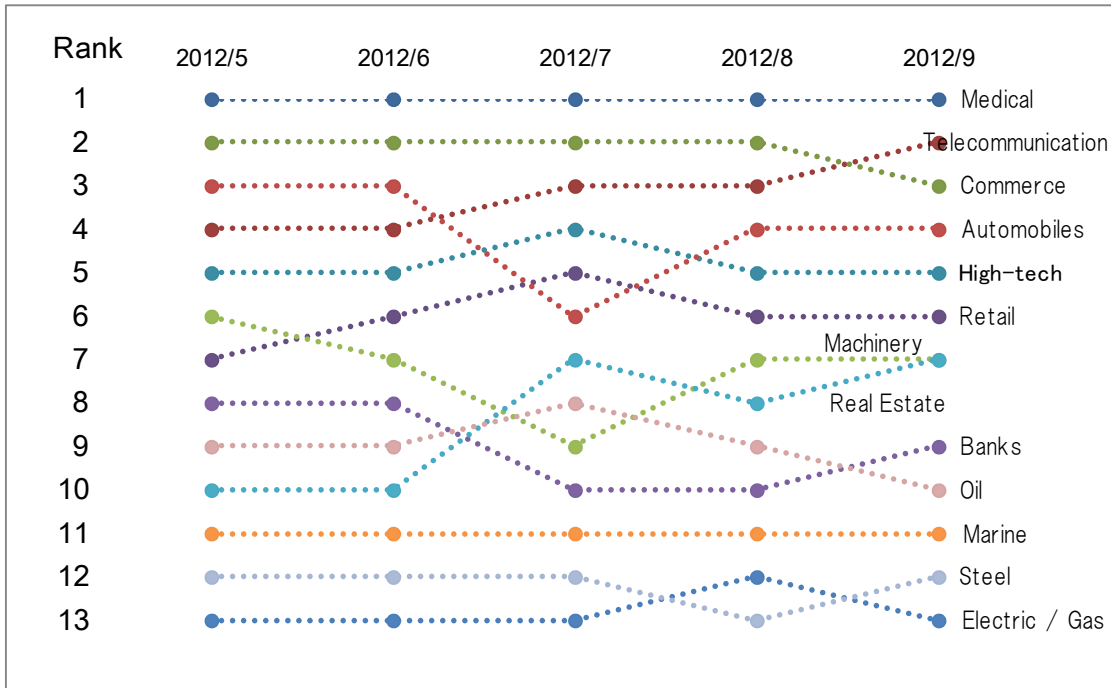
[Chart 5] The Nikkei 225 level at which you would like to buy Japanese stocks

(Japan)



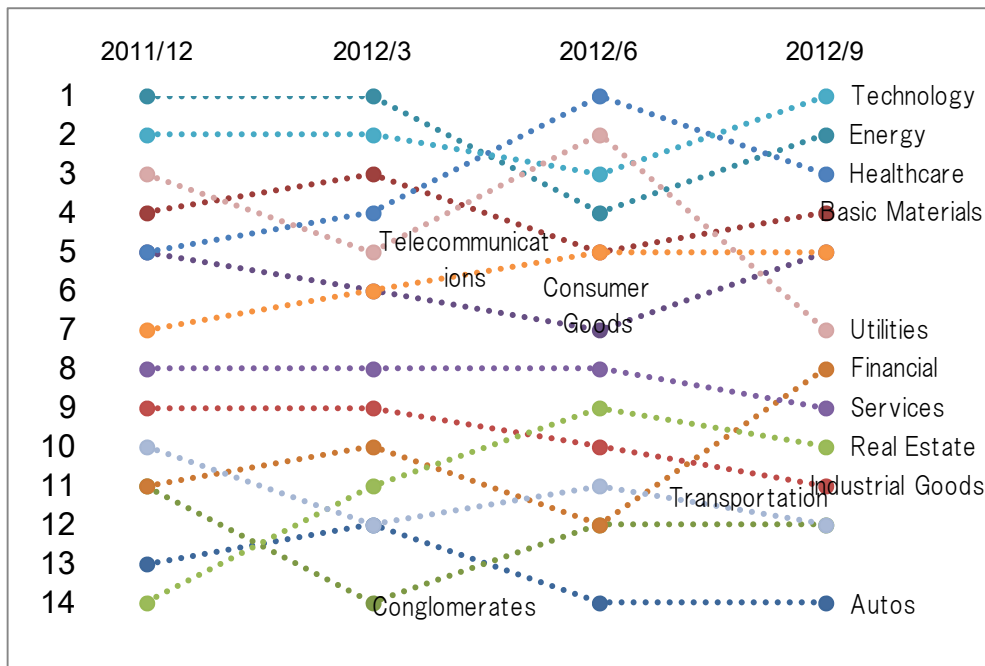
[Chart 6] Sector that will perform the best over the next three months

(Japan)

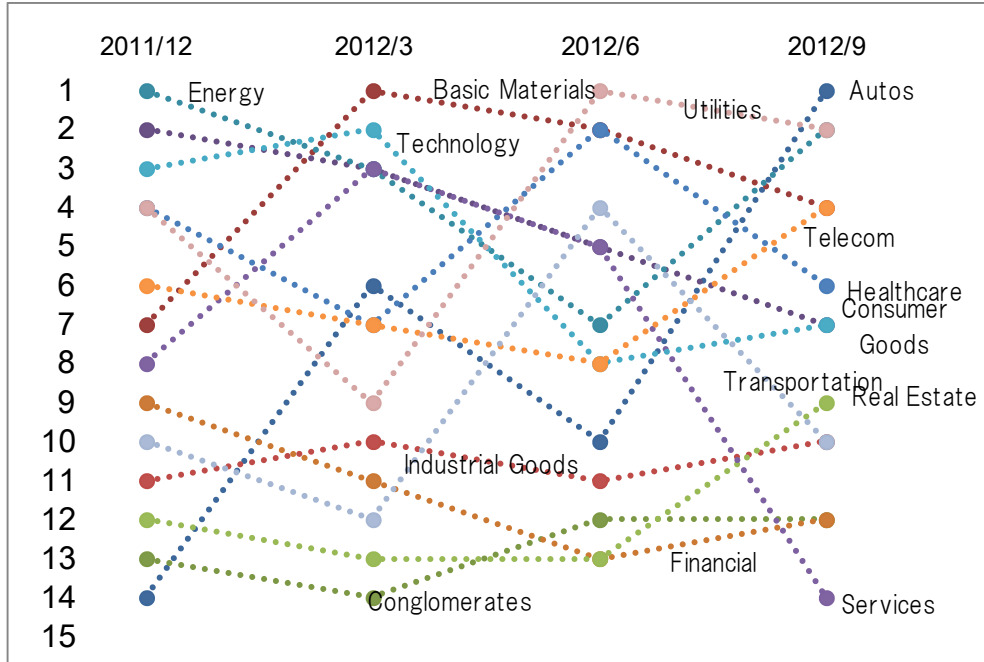


[Chart 7] Sector that will perform the best over the next three months

(U.S.)

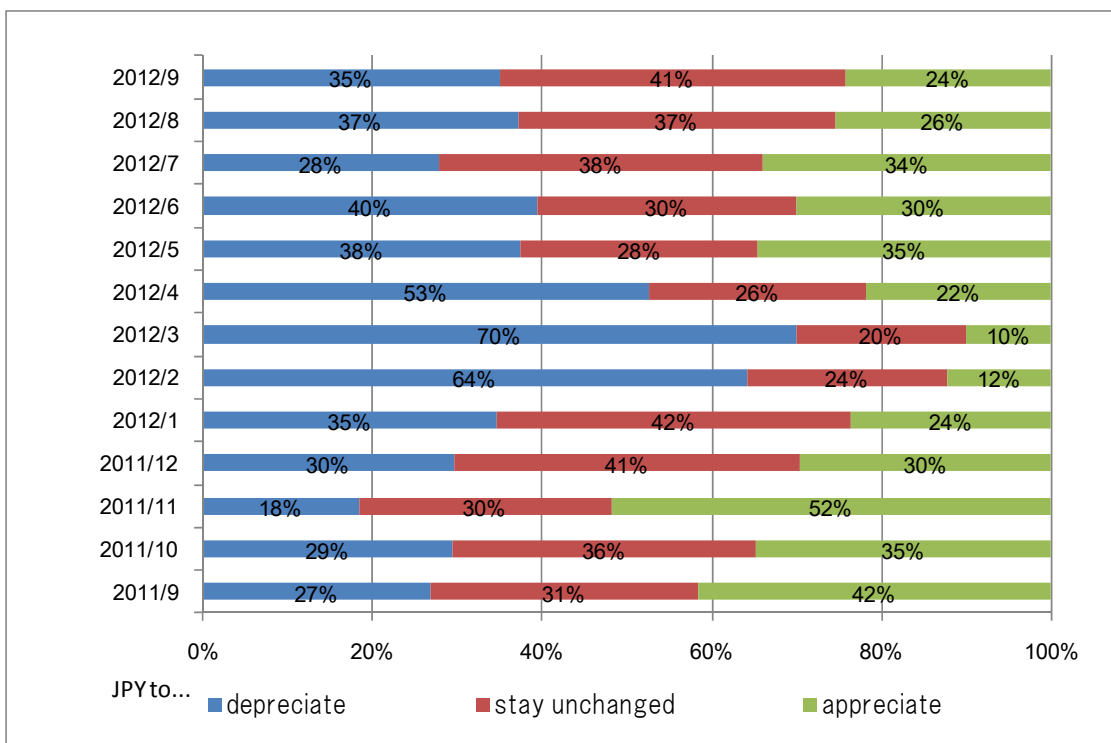


[Chart 8] Sector that will perform the best over the next three months
(H.K.)

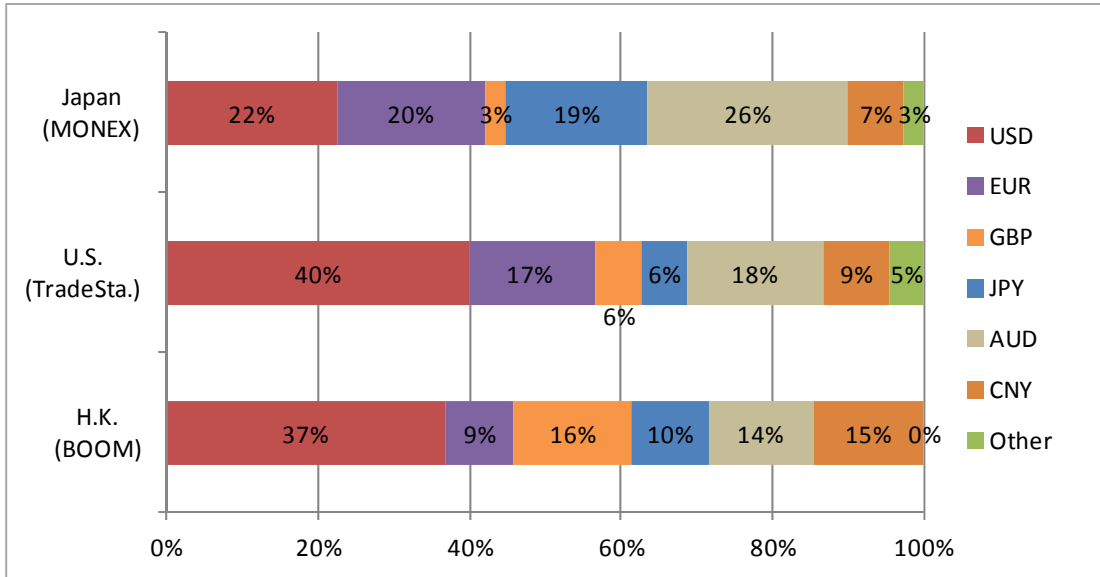


2 FX and Commodities

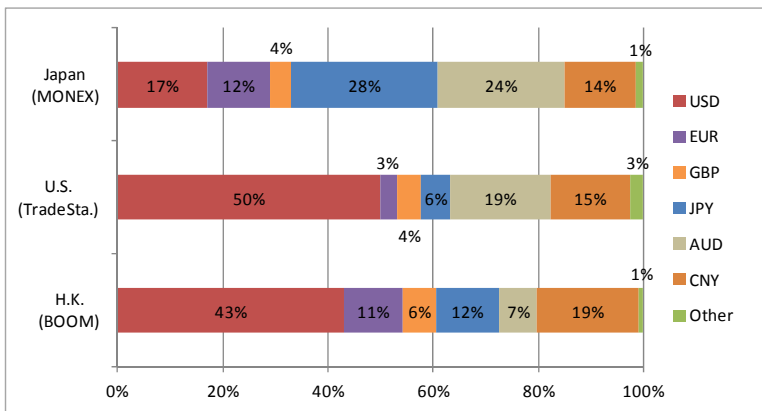
[Chart 9] Outlook for USD/JPY for the next three months
(Japan)



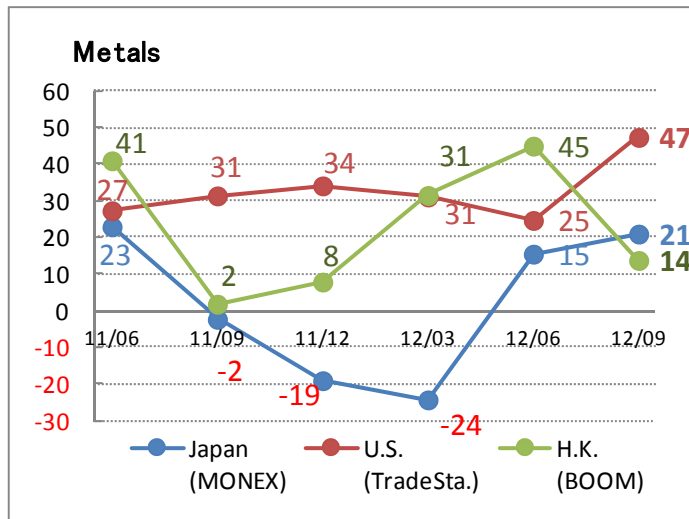
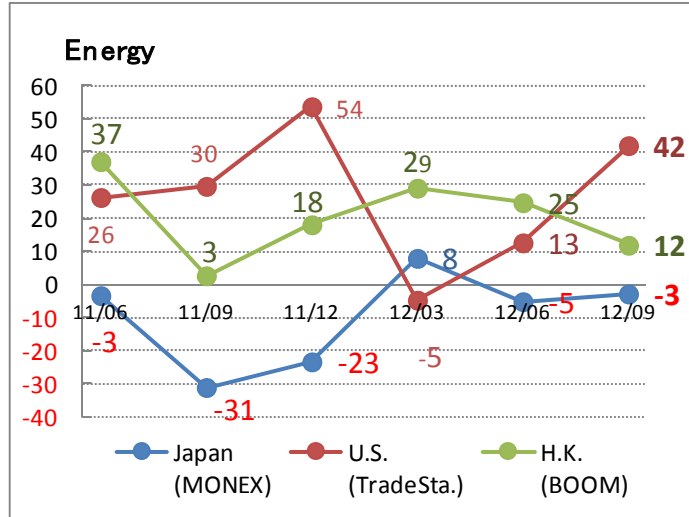
[Chart 10] The currency that will strengthen the most in the next three months (Japan, U.S. and H.K.)



Previous survey (Mar 2012)



[Chart 11] Outlook for commodity markets for the next three months
(Japan, U.S. and H.K.)



[Charts 12-14] Issues with large impacts on global financial markets

(Each number indicates the percentage of respondents who checked the option)



[Chart 12] Japan

	Japan	U.S.	Europe	China (incl. HK)	Emerging (excl. China)
Corporate Earnings	69.7%	38.8%	15.3%	17.0%	14.2%
Macro Economics	41.5%	49.5%	33.9%	28.5%	22.5%
Currency	53.3%	56.1%	42.0%	7.9%	13.9%
Interest Rates	38.8%	40.1%	33.9%	11.2%	12.8%
Central Bank Policies	44.5%	53.5%	45.9%	20.4%	10.9%
Politics	56.9%	49.9%	29.5%	34.3%	15.6%

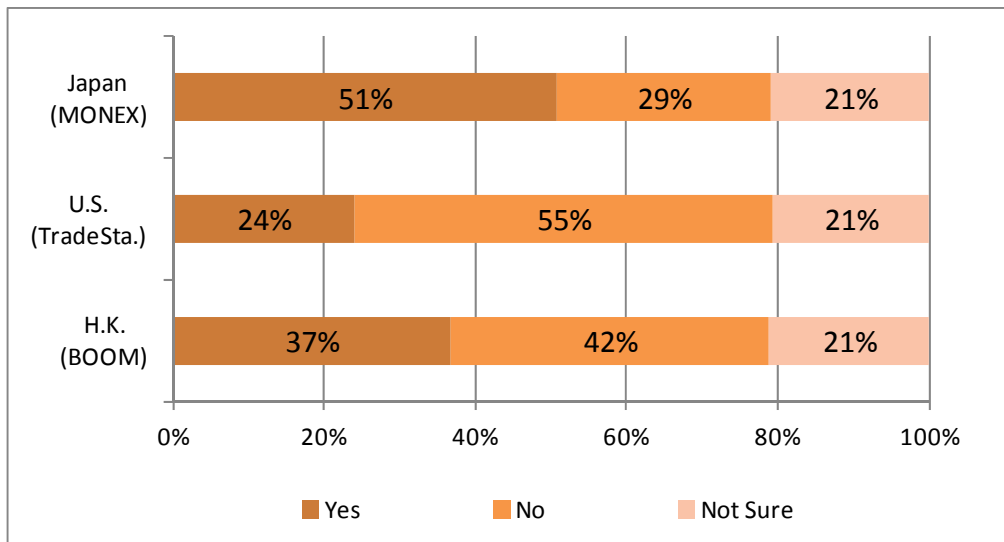
[Chart 13] U.S.

	Japan	U.S.	Europe	China (incl. HK)	Emerging (excl. China)
Corporate Earnings	13.3%	62.0%	17.3%	14.0%	8.0%
Macro Economics	8.0%	34.0%	34.0%	28.7%	16.0%
Currency	40.0%	32.0%	42.7%	13.3%	5.3%
Interest Rates	9.3%	41.3%	30.0%	12.7%	5.3%
Central Bank Policies	14.0%	57.3%	59.3%	26.0%	7.3%
Politics	5.3%	74.7%	29.3%	14.0%	6.7%

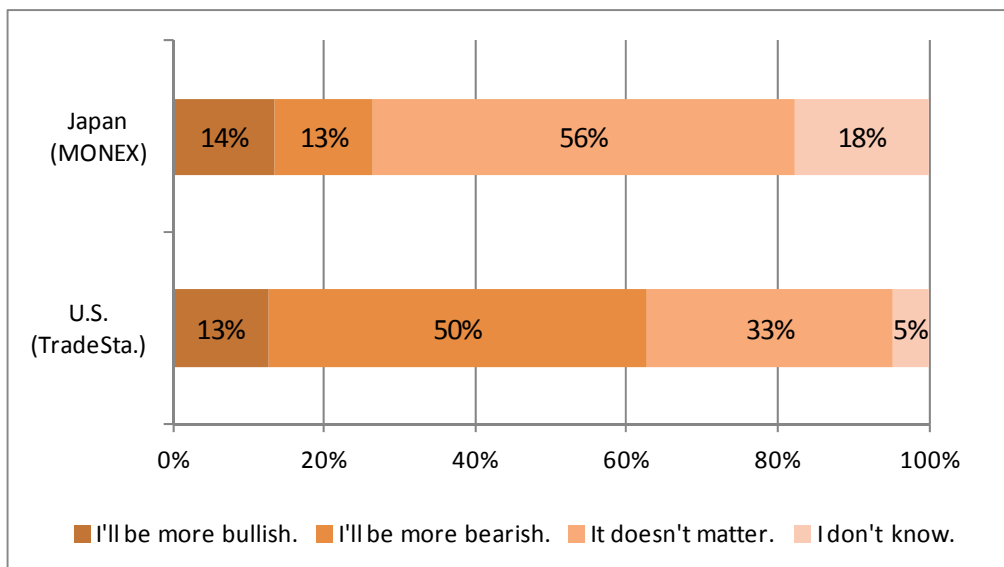
[Chart 14] H.K.

	Japan	U.S.	Europe	China (incl. HK)	Emerging (excl. China)
Corporate Earnings	37.6%	47.7%	32.1%	21.1%	13.8%
Macro Economics	24.8%	53.2%	33.0%	28.4%	18.3%
Currency	14.7%	32.1%	33.9%	22.0%	11.9%
Interest Rates	9.2%	33.0%	22.9%	33.0%	13.8%
Central Bank Policies	8.3%	37.6%	37.6%	37.6%	15.6%
Politics	12.8%	29.4%	33.0%	33.9%	15.6%

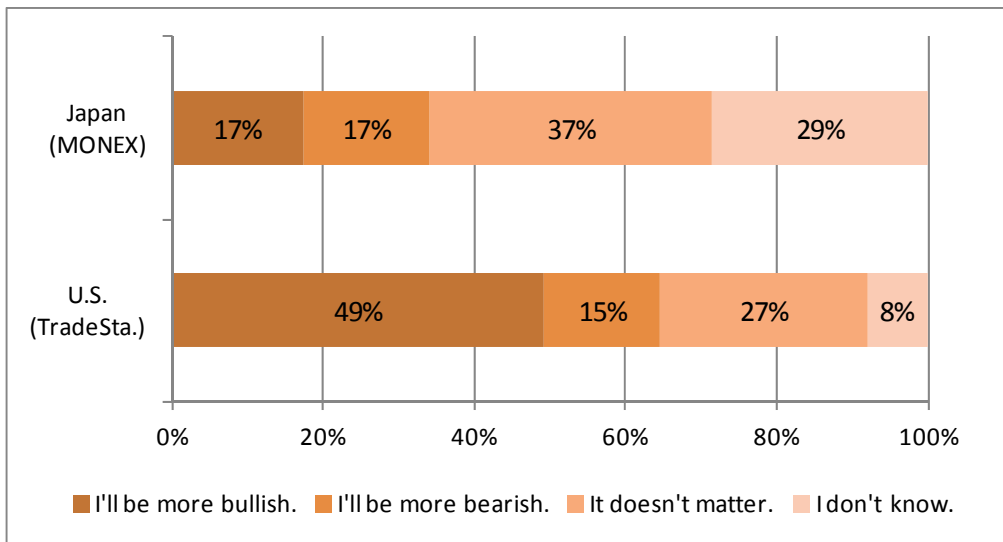
[Chart 15] Will the slowdown in the Chinese economy lead to a global financial crisis?



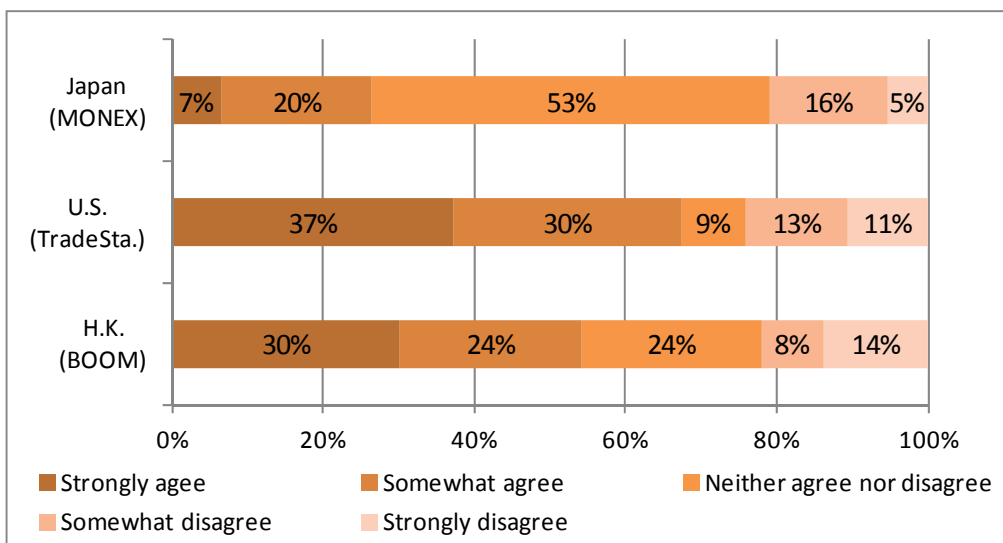
[Chart 16] If President Obama is reelected in November,



[Chart 17] If Mitt Romney is elected President in November,



[Chart 18] With the statement "Buy and Hold Investment Is Dead,"



Outline of Survey & Characteristics of Respondents**(Japan)**

Method : Internet research

Respondents: Customers of Monex Inc.

of Responses: 1,021

Period: 7 - 11 September 2012

【Gender】

Male	Female
84.9%	15.1%

【Age】

Minor	20s	30s	40s	50s	60s	70 or over
0.4%	4.2%	21.2%	32.5%	18.6%	16.2%	6.9%

【Financial assets】

Under JPY 5 million	JPY 5 ~ 10 million	JPY 10 ~ 20 million	JPY20 ~ 50 million	JPY50 ~ 100 million	over JPY 100 million
30.8%	20.9%	19.4%	18.7%	7.6%	2.7%

【Frequency of trading】

day trading	few times a week	few times a month	once a few months	fewer than that
4.5%	13.6%	27.9%	30.2%	23.8%

【Experience of stock investment】

less than a year	2 ~ 5years	5 ~ 10years	over 10years
8.5%	23.0%	26.9%	41.6%

(USA)

Method: Internet research

Respondents: Customers of Trade Station Securities, Inc.

of Responses: 150

Period: 4 - 14 September, 2012

(Hong Kong)

Method: Internet research

Respondents: Customers of Monex BOOM Securities (H.K.) Limited

of Responses: 109

Period: 3 - 14 September, 2012

The Monex Global Retail Investor Survey measures customer sentiment based on answers to specific

questions received from a random sampling of customers of Monex, Inc., TradeStation Securities, Inc., IBFX, Inc., and Monex Boom Securities (H.K.) Ltd. 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 information contained herein should not be construed as investment research or an offer or solicitation to buy or sell securities, securities derivatives, futures or off-exchange foreign currency products or services. Investor sentiment derived from the survey responses is no guarantee of future performance or success.

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