

QUICK Monthly Market Survey

<Equity>

April 2016

★ Market players forecast lower Nikkei average at April-end

Stock market specialists are more bearish about the Nikkei Stock Average than they were a month ago, according to the QUICK Monthly Market Survey for April.

When asked in early April where they expect the Nikkei Stock Average to be at the end of the month, respondents estimated 16,069 on a simple average. This is far lower than their one-month forecast of 17,108 in the March survey.

Asked what they expect to most influence the market in the coming six months, more respondents cited "trends in exchange rates" compared with the previous poll. The percentage of respondents who answered "overseas stock and bond markets" decreased.

Regarding the kinds of investors and funds they will watch closely over the next half year, the percentage of those who said "foreign investors" rose, while that of those citing "corporations" dropped.

As for the proportion of domestic shares in their portfolios, more respondents said they were neutral according to their standard portfolio structures. Regarding their plans for the near future, a larger percentage of respondents said they will slightly decrease the proportion, while fewer answered they will slightly increase it.

As for their attitude toward specific industrial sectors, more respondents said they will go overweight in the consumer sector. A larger percentage said they will underweight their funds in the automobile sector.

★ Nearly 80% of stock specialists think economy is stagnating

The QUICK Monthly Market Survey in April asked stock market specialists about their economic assessment, reasons for slow personal spending and how to rev up the economy.

As for the current state of the economy, 78% described it as stagnant.

Concerning the biggest reason for slow personal spending, 43% said it is because disposable income is not rising. And 23% cited thrifty mindset among households.

As the most effective short-term economic stimulus measure, 33% chose larger fiscal spending. A reduction in the income tax and deferring the consumption tax increase garnered 25% each.

Asked about the most effective measure for mid- and long-term economic growth, 61% chose expanding business opportunities through deregulation.

[Survey period]	April 5 - 7 ,2016		
[Stock price during the survey period]			
Nikkei stock average	15612.91 - 16066.18 yen		
TOPIX	1256.31 - 1298.04		
Nikkei Jasadq average	2356.72 - 2415.06 yen		
[Number of respondents in the survey]	242		
[Respondents & Response rate]	155 (64.0%)		
[Breakdown of responde			
Securities	61	Life insurance	9
Investment trust & advisors	45	Casualty insurance	3
Banks	16	Others	18
Loan and trust	3		

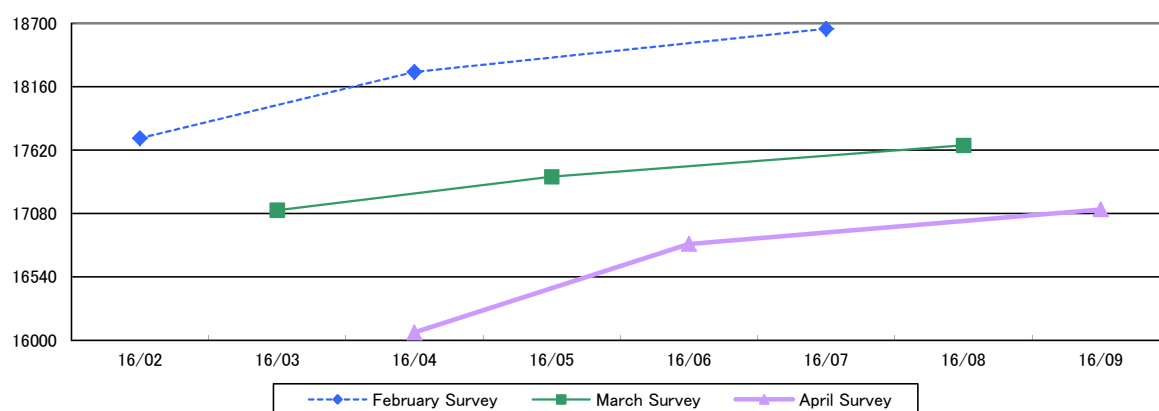
【 1 】 Regarding each of the following items, please give your forecast of where you currently expect the figure to be in one month, three months and six months.

	March Survey (adjusted with late response)			April Survey		
Nikkei stock average	2016/3	2016/5	2016/8	2016/4	2016/6	2016/9
Simple average (yen)	17,108	17,394	17,660	16,069	16,821	17,115
Standard deviation (yen)	698	1,267	1,561	822	1,178	1,487
Median (yen)	17,000	17,500	18,000	16,000	17,000	17,000
Most frequent value (yen)	17,000	18,000	18,000	16,000	17,000	18,000
Minimum value (yen)	15,000	14,000	13,000	14,000	14,000	13,000
Maximum value (yen)	18,500	20,000	21,500	18,000	20,000	21,000
Number of effective responses	161	161	161	155	155	155

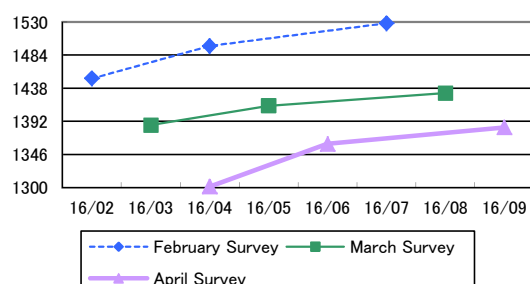
TOPIX	2016/3	2016/5	2016/8	2016/4	2016/6	2016/9
Simple average	1,386.89	1,413.69	1,431.27	1,301.36	1,360.80	1,383.56
Standard deviation	57.99	105.13	124.70	65.53	98.71	124.27
Median	1,400.00	1,410.00	1,440.00	1,300.00	1,370.00	1,400.00
Most frequent value	1,400.00	1,400.00	1,400.00	1,300.00	1,400.00	1,400.00
Minimum value	1,150.00	1,100.00	1,090.00	1,100.00	1,100.00	1,050.00
Maximum value	1,500.00	1,700.00	1,800.00	1,470.00	1,700.00	1,800.00
Number of effective responses	152	152	152	143	143	143

Nikkei Jasadq average	2016/3	2016/5	2016/8	2016/4	2016/6	2016/9
Simple average (yen)	2,436.85	2,486.46	2,511.76	2,399.00	2,483.80	2,510.98
Standard deviation (yen)	83.50	158.40	211.02	96.44	150.28	215.80
Median (yen)	2,450.00	2,500.00	2,500.00	2,400.00	2,500.00	2,500.00
Most frequent value (yen)	2,400.00/2,500.00	2,500.00	NA	2,400.00	2,500.00	2,500.00
Minimum value (yen)	2,195.00	2,050.00	2,000.00	2,100.00	2,050.00	1,960.00
Maximum value (yen)	2,700.00	2,865.00	3,170.00	2,630.00	2,850.00	3,035.00
Number of effective responses	120	120	120	110	110	110

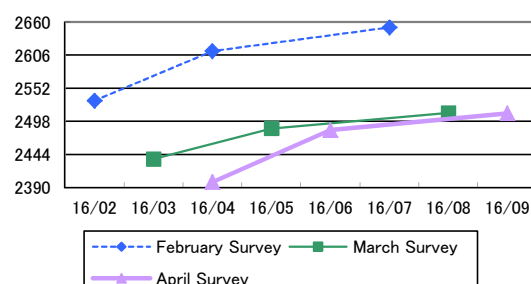
《Nikkei stock average》



《TOPIX》



《Nikkei Jasadq average》



【2】 Please give your thoughts on the next six months or so.

(1) Of the six factors below, please select the one you feel most strongly could cause stock prices to fluctuate.

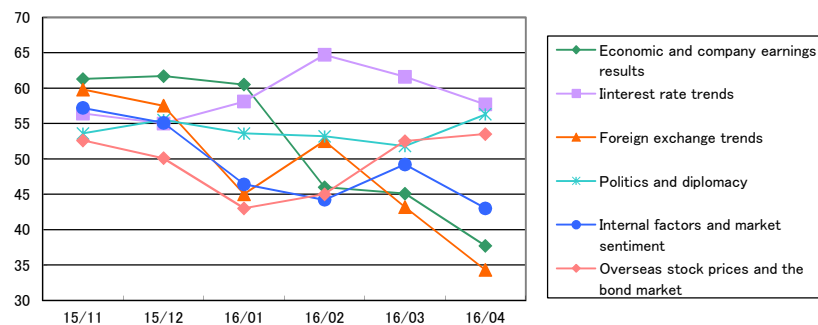
(2) Please choose one factor for the impact it is expected to have on stock prices. (+: strongly positive, +: positive, ±: neutral or unknown, -: negative, --: strongly negative)

Fluctuation factors	Level of interest			Index		
	16/02	16/03	16/04	16/02	16/03	16/04
Economic and company earnings results	48%	44%	45%	46.0	45.1	37.7
Interest rate trends	9%	6%	3%	64.7	61.6	57.7
Foreign exchange trends	16%	26%	35%	52.5	43.2	34.3
Politics and diplomacy	1%	7%	8%	53.2	51.8	56.3
Internal factors and market sentiment	11%	6%	6%	44.2	49.2	43.0
Overseas stock prices and the bond market	14%	12%	2%	45.0	52.5	53.5

※Level of interest refers to the ratio of the total number of effective responses.

The index is calculated by multiplying the ratio of each number of responses for “+,” “+,” “±” and “-” out of the total number of effective responses including “-” by 100, 75, 50, and 25, respectively, to show the views of respondents on each factor. When there is the strongest concern for it being a factor for depreciation, the index would be 0. When there is the strongest expectation of it being a factor for appreciation, the index would be 100.

《Index chart》



【3】 Please give your thoughts on the next six months or so.

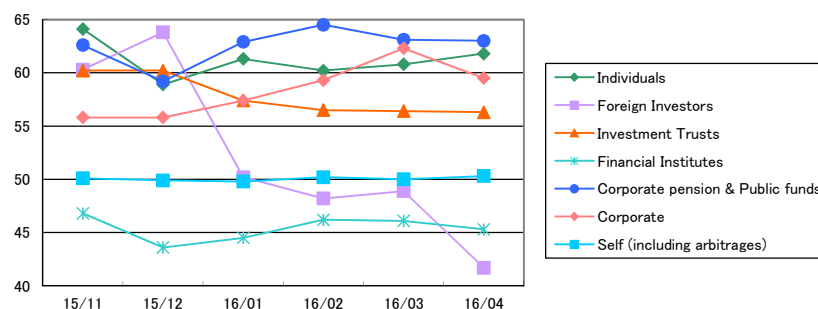
(1) Of the six factors below, please select the one category of investor you find to be the most important.

(2) What impact do you think each of the following categories of investor will have on stock prices? Please rate each category. Level of interest and the index are the same as in [Question 2].

Investor type	Level of interest			Index		
	16/02	16/03	16/04	16/02	16/03	16/04
Individuals	7%	6%	5%	60.2	60.8	61.8
Foreign Investors	78%	78%	86%	48.2	48.9	41.7
Investment Trusts	0%	1%	1%	56.5	56.4	56.3
Financial Institutes	6%	1%	2%	46.2	46.1	45.3
Corporate pension & Public funds	5%	5%	5%	64.5	63.1	63.0
Corporate	4%	9%	1%	59.3	62.3	59.5
Self (including arbitrages)	0%	1%	0%	50.2	50.0	50.3

※Level of interest and Index are the same as those in Question 2.

《Index chart》



※Questions 4, 5, and 6 are for those involved in asset management.

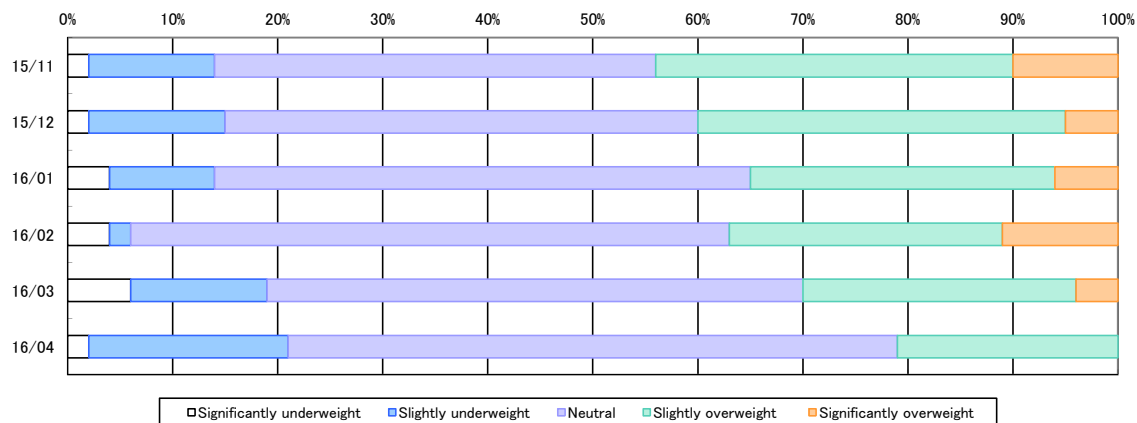
Management of the company's own assets	19	Management of investment trusts	9
Management of pension funds	15	Principal transactions	0
Management of entrusted assets other than pension funds	15	Research & planning	11
(overlap between second and third answers)	(10)	Total number of asset managers	59

【4】 In the funds that you manage, what is the current weight of domestic stocks compared to the standard allocation ratio?

Current weight	15/11	15/12	16/01	16/02	16/03	16/04
Index	59.7	57.3	55.6	59.0	52.4	49.4
Significantly overweight	10%	5%	6%	11%	4%	0%
Slightly overweight	34%	35%	29%	26%	26%	21%
Neutral	42%	45%	51%	57%	51%	58%
Slightly underweight	12%	13%	10%	2%	13%	19%
Significantly underweight	2%	2%	4%	4%	6%	2%

※This shows the ratio of each weight against the total number of effective responses. The index is calculated by multiplying the ratio of each weight by 100, 75, 50, and 25, respectively, to show the allocation ratio of funds managed by respondents. If the weight is lower than neutral, the figure is below 50, and if the weight is higher than neutral, the figure is above 50.

《Current weight》

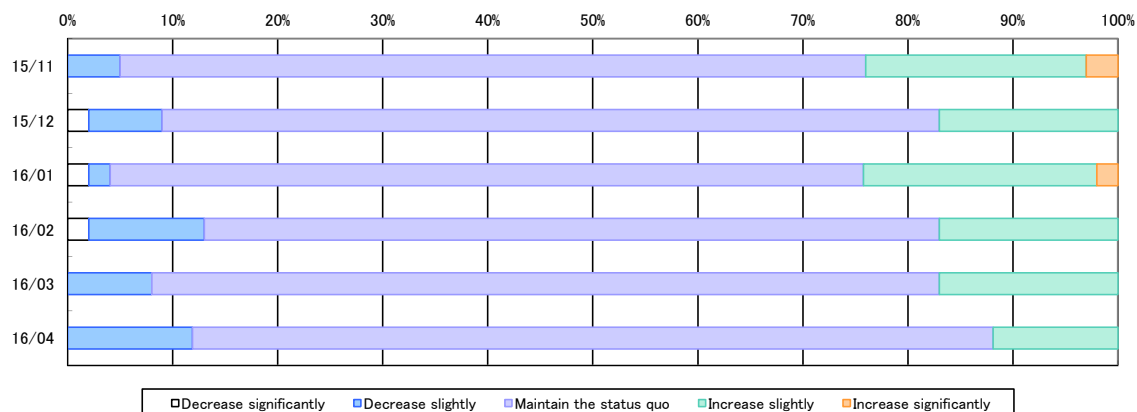


【5】 With regard to the allocation ratio of domestic stocks, what is your plan for the upcoming period? Please select only one from the following.

Current and near future sentiment	15/11	15/12	16/01	16/02	16/03	16/04
Index	55.6	51.4	55.1	50.5	52.4	50.0
Increase significantly	3%	0%	2%	0%	0%	0%
Increase slightly	21%	17%	22%	17%	17%	12%
Maintain the status quo	71%	74%	71%	70%	75%	77%
Decrease slightly	5%	7%	2%	11%	8%	12%
Decrease significantly	0%	2%	2%	2%	0%	0%

※This shows the ratio of each plan against the total number of effective responses. The index is calculated by multiplying the ratio of each plan by 100, 75, 50, and 25, respectively, to show the respondents' plan regarding the allocation ratio in the funds they manage. If the respondents plan to decrease the ratio, the figure is below 50, and if the respondents plan to increase the ratio, the figure is above 50.

《Current and near future sentiment》



【6】Based on current market trends, what is your plan for each of the following sectors? Please select one of the following industries for “overweight” and “underweight”.

Investment stance for each sector	overweight			underweight		
	16/02	16/03	16/04	16/02	16/03	16/04
Materials	8%	8%	10%	6%	0%	2%
Steel & Machinery	8%	9%	6%	17%	9%	6%
Automobiles	12%	8%	8%	4%	8%	20%
Construction & Real Estate	23%	23%	24%	4%	2%	2%
Pharmaceuticals & Foods	13%	19%	16%	15%	11%	12%
Electronics & Precision Machinery	4%	4%	4%	2%	4%	8%
Public Utilities	6%	4%	4%	10%	23%	14%
Communications	13%	17%	16%	2%	0%	0%
Consumer	6%	4%	8%	4%	4%	4%
Finance	8%	6%	2%	37%	40%	31%
Number of effective responses	52	53	49	52	53	49

Investment stance for each sector	“overweight”-“underweight”		
	16/02	16/03	16/04
Materials	2%	8%	8%
Steel & Machinery	-10%	0%	0%
Automobiles	8%	0%	-12%
Construction & Real Estate	19%	21%	22%
Pharmaceuticals & Foods	-2%	8%	4%
Electronics & Precision Machinery	2%	0%	-4%
Public Utilities	-4%	-19%	-10%
Communications	12%	17%	16%
Consumer	2%	0%	4%
Finance	-29%	-34%	-29%
Number of effective responses	52	53	49

※Only answers from respondents who responded to both “overweight” and “underweight” are used in the calculation.

※The above 10 sectors are taken from the TSE 33 Sectors as shown below.

Materials - Mining, Textiles, Pulp & Papers, Chemicals, Petroleum & Coal, Glass & Stone, Non-Ferrous Metals

Iron & Steel, Machinery - Iron & Steel, Metal Products, Machinery

Automobiles - Transportation Machinery, Rubber

Construction & Real Estate - Construction & Real Estate

Pharmaceuticals & Foods - Fishery & Agriculture, Foods, Pharmaceuticals

Electronics & Precision Machinery - Electronics, Precision Machinery, Other Products

Public Utilities - Electricity & Gas; Land, Sea & Air Transportation, Storage & Transport Related

Communications - Information & Communications

Consumer - Wholesale, Retail, Services

Finance - Banks, Securities, Commodities, Insurance, Other Finance

【7】 (1) There have been concerns about an economic slowdown. How do you assess the current state of the economy? Please choose one answer from the following.

Q7(1)	Securities	Institution	Total
Expanding slowly	9%	11%	10%
Being stagnant	76%	80%	78%
Slowing down	14%	9%	11%
Others	1%	0%	1%
Number of effective responses	74	74	148

Others: "There are gaps between industries"; "The economy remains almost flat"

【7】 (2) It is becoming more apparent that personal spending is slow. What is the largest reason for this? Please choose one answer from the following.

Q7(2)	Securities	Institution	Total
No prospect for wage increases	15%	12%	13%
No increase in disposable income	44%	43%	43%
Rising prices of household goods	3%	7%	5%
Thrifty mindset among households	20%	25%	23%
Shrinking financial assets due to falling stock prices and stronger yen	5%	3%	4%
Falling financial income due to the negative interest rate policy	0%	3%	1%
Others	13%	8%	11%
Number of effective responses	75	75	150

Others: "No expectation for continuous income rise"; "Concerns about the future, such as state finances and social security"; "Little expectation for larger income, including wealth effect"; "Distorted statistics system that relies on household surveys"; "The April 2014 consumption tax hike was a misstep"; "Small living space"; "Negative impact of the consumption tax hike"; "Unspecified concerns about the future"; "Aftereffect of the consumption tax increase and preparation for another hike"; "Higher social security costs and frugal spending habits"; "Deflationary mindset has taken root because of exaggerated concerns about the future"; "Higher consumption tax payments and future consumption tax hike"; "The consumption tax hike"; "Concerns about the future caused by worsening state finances"; "All of 1 to 6".

【7】 (3) What is the most effective economic stimulus measure in the short term? Please choose one answer from the following.

Q7(3)	Securities	Institution	Total
Expanding fiscal spending	39%	28%	33%
Cutting the income tax	23%	28%	25%
Postponing a consumption tax hike	21%	29%	25%
Cutting inheritance and gift taxes	1%	3%	2%
Lowering the interest rate further into negative territory	1%	0%	1%
Distributing gift vouchers to spur spending	4%	4%	4%
Others	11%	8%	9%
Number of effective responses	75	75	150

Others: "Design ways to expand public investment rather than simple fiscal spending"; "Combination of 1, 2 and 5"; "Expand living space"; "Cut the consumption tax rate"; "Cut corporate taxes with wage hikes as a precondition"; "Make fiscal policy stimulus-oriented"; "Consumption and income tax reductions and social security cost cuts"; "Accept immigrants, improve relations with China"; "Cutting fiscal deficits, rather than short-term stimulus measures, will help ease concerns about the future"; "Raise the consumption tax as scheduled"; "Social security reforms including medical services"; "No measure is needed for now except moving up implementation of the fiscal 2015 extra budget and the fiscal 2016 budget"; "Scrap the negative interest rate policy"

【7】 (4) What is the most effective measure to spur mid- and long-term economic growth? Please choose one answer from the following.

Q7(4)	Securities	Institution	Total
Expanding business opportunities through deregulation	59%	63%	61%
Expanding the scope of trade liberalization including the TPP	8%	3%	5%
Improving social infrastructure to help women play more active roles	9%	9%	9%
Expanding job and other opportunities for senior citizens	8%	7%	7%
Imposing higher taxes on corporate internal reserves	4%	5%	5%
Stepping up corporate governance	1%	1%	1%
Others	11%	12%	11%
Number of effective responses	75	75	150

Others: "Increase the population by helping raise the birthrate and accepting immigrants"; "Policy designs for self-driving cars and robots"; "Implement 1 to 6 first and allocate more budget to those that prove effective"; "Implement 3 and 4 simultaneously"; "Pension reforms and other measures to ease concerns among younger generations"; "Expand living space"; "Social security policy reforms"; "Policies to increase the population, including accepting immigrants"; "Attract more overseas visitors and expand childcare support measures"; "1 and 2"; "Labor market reforms"; "None of 1 to 6, but cannot think of any others"; "Administrative and political reforms"; "Labor market reforms and more workforce fluidity"; "Flexible working styles (e.g. discretionary work system, 'nomad' workers)"; "Measures to raise the birthrate, educational reforms"; "Corporate tax reductions"

Regarding your use of QUICK Monthly Market Survey

Thank you for your cooperation. Please confirm the following contents before filing out the survey.

[Concerning the handling of personal information]

Personal information you provide in the survey will be used to the extent necessary to disclose the results of the aggregation of data obtained for the QUICK Monthly Market Survey, as well as promotional and other related business

operations for products and services we provide, and planning of various events with which we are involved.

Your personal information will not be disclosed to third parties except in the following cases.

(1) If the information is already known to the public at the time of release, as well as if it becomes known to the public for

a reason unrelated to the actions of our company after release.

(2) If the information obtained without a duty of confidentiality from a third party that has legal authority.

(3) If the information is demanded following legal procedures.

For more information about our privacy policy, please refer to the following URL.

URL: <http://corporate.quick.co.jp/other/policy.html>

[Concerning intellectual property rights ownership]

We own all rights (including intellectual property rights such as copyright, but not restricted to them) related to the aggregation results of the QUICK Monthly Market Survey we edit or process and produce based on the information you provide.

Although the QUICK Monthly Market Survey provides the results of the aggregation of data to those who respond to the

questionnaire, as well as to third parties considered necessary by our company, it is prohibited to duplicate, edit, and

process the aggregated results, to use them for a secondary purpose, or to distribute them to a third party.

[Disclaimer]

Our company is not liable for the accuracy, relevance, or integrity of the responses we receive from various companies.

Even though we make absolutely certain the contents of the QUICK Monthly Market Survey and our business operations

are appropriate, we are not liable for content; therefore, our company and those specified by our company are not responsible for any damage incurred in relation to the content of the survey regardless of the cause. We are also not

responsible for any propagation delay, error, or fault related to the QUICK Monthly Market Survey resulting from a

problem in a communication device, communication line, commercial network, or computer, regardless of the cause.

The release of the QUICK Monthly Market Survey may be delayed or interrupted for unavoidable technical reasons.

The content of the QUICK Monthly Market Survey may be changed for reasons related to our company.

The purpose of the QUICK Monthly Market Survey is not to provide a basis for making investment decisions.

When using

the survey data, users are asked to make investment decisions based on their own judgment and to take their own responsibility.

We are not responsible for the accuracy and relevance of the content of the QUICK Monthly Market Survey disclosed

without our permission on the website of a third party.

If there is any difference between the original text and the information on the website, the original text takes precedence.