Phase I - Withholding Clients' Trading Information

✓ Issues with disclosure of 'Teguchi*' information

*Teguchi information is market depth information with additional information on who is on the bid or offer.

✓ TSE termination of 'Teguchi' information disclosure

✓ Data request from academia

✓ Reason for not disclosing

→ Unfair advantages/disadvantages due to the different levels of utilization capability of such data

Phase II – Analyzing Trading Information

✓ Analysis of 'Ita' market (order matching board) information
   (Example: collaborative research by Monex and CMD Laboratory
    Inc. for The Japanese Society for Artificial Intelligence)

✓ Analysis of trends in client trading activity

   • Recent findings: outperformance of short term investors vs long
   term investors

   • New approach necessary: why we support and actively
   participate in research in this field

✓ Condition for allowing usage of client data for analysis
   → restriction of proprietary/in-house trading

Phase Ⅲ – Putting Data Analysis to Practical Use

✓ Utilization of various feedback from technology development

✓ Development of trading methods and tools for clients' use

✓ Detection of client trading habits/tendencies for possible improvement

✓ Condition for putting to practical use
→ clients' opt-in, in addition to restriction of proprietary/in-house trading

Summary

✓Huge opportunity in conducting forefront data analysis and its practical application

✓First priority: protect clients' interest

✓Always consider: 'Who will benefit from client data usage?'