

## Feature Articles

### **This month's focus: This month's focus: Personal financial investment: from savings to investment × New NISA**

#### **Trends in Retail Investors' Behavior after the Introduction of the New NISA**

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The NISA system was significantly expanded in January 2024 under the Japanese government's "Doubling Asset-based Income Plan.". The NISA has been steadily growing in the number of accounts and the amounts of purchases.

This report introduces the trends in retail investors' awareness and behaviors toward the "shift from savings to investment," including how they have changed, based on three surveys conducted by JSDA: "Survey of the Usage of the New NISA One Year After Its Launch in 2024," "National Survey on Securities Investment," and "Survey of the Retail Investors' Attitudes toward Securities Investment".

#### **Evaluation of Long-term, Diversified, and Dollar-cost Averaging Investments and Financial Literacy**

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In this paper, we investigate how individual investors evaluate "long-term, diversified, and dollar-cost averaging investment" and what types of individual investors adopt this strategy. Among all combinations of investment products and methods, long-term, diversified, and dollar-cost averaging investment has the highest satisfaction level. However, as financial literacy increases, investors tend to invest in individual stocks in addition to investment trusts and ETFs. Trading individual stocks may lower satisfaction, but investors still engage in it due to a growing desire for discretion—the wish to make their own decisions on stock selection and trading timing.

#### **Financial Advisors and Retail Investors -A Japan-U.S. Perspective-**

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Amid growing investor interest spurred by the introduction of the new NISA, this paper compares the roles of financial advisors in Japan and the United States. While Japan has made progress in regulatory development, the role and practices of financial advisors remain in a transitional phase. In contrast, financial advisors in the U.S. have evolved into key facilitators of informed decision-making and sound financial behavior. As Japan aims to become a leading asset management center, developing and embedding such financial professionals into society will be essential.