

February 5, 2021

Preliminary Monthly Report for January 2021

Money Partners Group today released the following data for consolidated performance in January 2021. Operating revenues and foreign exchange margin deposits are preliminary figures that may change when financial statements are released.

Period	FY3/20											
	2019									2020		
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	436	430	438	446	552	397	411	293	432	506	450	1,077
Foreign exchange trading volume (Currency in millions)	64,962	85,708	73,679	70,709	121,698	72,241	69,676	43,497	45,475	60,432	87,717	163,604
Customer accounts (Accounts)	331,528	332,653	333,795	334,878	335,861	336,996	337,918	338,691	339,443	339,790	340,014	340,483
Foreign exchange margin deposits (Million yen)	64,226	63,060	64,426	64,422	63,282	63,293	64,021	63,383	63,183	69,788	66,290	65,510
General customers	57,695	58,098	58,594	58,474	59,231	58,929	59,250	58,536	58,072	64,763	61,596	62,895
Financial companies (B-to-B)	6,531	4,961	5,831	5,948	4,050	4,363	4,770	4,847	5,111	5,025	4,693	2,614
Manepa Card accounts (Accounts)	152,808	153,899	155,079	156,330	157,321	158,101	158,861	159,676	160,307	161,324	162,167	162,655

Period	FY3/21											
	2020									2021		
	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	407	303	318	282	309	310	273	355	495	413		
Foreign exchange trading volume (Currency in millions)	82,072	92,851	106,893	75,910	85,460	82,287	60,129	75,348	71,190	66,894		
Customer accounts (Accounts)	340,605	340,735	340,825	340,830	340,840	340,768	341,218	341,138	341,086	341,521		
Foreign exchange margin deposits (Million yen)	62,460	62,004	61,807	62,331	62,751	65,155	62,104	61,812	61,175	60,590		
General customers	60,227	59,654	59,267	60,022	60,364	63,044	60,121	59,849	59,365	58,733		
Financial companies (B-to-B)	2,232	2,350	2,539	2,309	2,386	2,111	1,982	1,963	1,809	1,856		
Manepa Card accounts (Accounts)	162,828	163,034	163,058	163,086	163,138	163,159	163,034	162,996	162,802	162,492		

- (Notes) 1. Foreign exchange trading volume is the sum of customer transactions in each currency in units using the base currency. Trading volume has not been converted into yen.
2. The number of customer accounts and balance of foreign exchange margin deposits are as of the end of the month.
3. Money Partners started contract-for-difference (CFD) trading in August 2011. Margin deposits, trading volume and trading revenues in CFD are included in foreign exchange margin deposits, foreign exchange trading volume and operating revenues, respectively.
4. The foreign exchange margin deposits are presented separately by transactions from general customers and transactions from financial institutions that are B-to-B customers.
5. Effective July 27, 2020, our consolidated subsidiary COINAGE, Inc. started a physical bitcoin sales office as a crypto-asset exchange, and "Operating revenue" includes the company's figures from July 2020.

<Overview of January>

In January, the U.S. dollar/yen exchange rate began trading in the lower 103 yen range. Later, reports that the government was considering declaring a state of emergency in order to prevent the spread of COVID-19 led to risk-averse buying of the yen, and the announcement by Saudi Arabia that it would voluntarily reduce its crude oil production led to risk-oriented selling of the dollar, which reached a low in the mid 102 yen range on January 6. On December 7, U.S. long-term interest rates rose due to expectations of the realization of a large-scale fiscal policy by the Triple Blue, of which the Democratic Party occupies an overwhelming majority in both Houses. As a result, the yen depreciated further, and the U.S. dollar rose to around 104 yen range, despite the temporary dominance of U.S. dollar sales as a result of an unexpected decline in ADP employment statistics. Thereafter, developments in the direction of interest rates continued to be uncertain in line with developments in U.S. interest rates. On the 27th, FOMC remained unchanged as expected, and the movement of the U.S. dollar yen was limited. However, on the 28th, the number of new unemployment insurance applications in the U.S. declined more than expected, and the labor market was expected to recover. As bond yields rose, the U.S. dollar was purchased, and on the 29th, the U.S. dollar temporarily reached a high of around 105 yen, marking the end of the month in the higher 104 yen range.

On the other hand, with regard to European and Oceanian currencies, which are the main currencies handled other than the U.S. dollar/yen, the British pound/yen generally trended toward a weaker yen, while the euro/yen and the Australian dollar/yen moved steadily.

The rate of change in the foreign exchange market was weak overall, with the British pound/yen falling significantly from the previous month, despite a slight recovery in the U.S. dollar/yen and the Australian dollar/yen, both of which declined significantly in the previous month.

Under these circumstances, the volume of foreign exchange transactions decreased 6% to 66.8 billion currency units compared to the previous month due to a decrease in the number of business days. Meanwhile, operating revenues decreased 17% to 413 million yen compared to the previous month, due to factors such as a decrease in the number of business days and a decrease in the entire profitability per transaction volume amid the continued impact of lower interest rates from the market turmoil caused by the new Corona, as well as a reactionary decline in swap revenues, which increased significantly in the previous month due to changes in short-term interest rates caused by year-end factors. In addition, margin deposits received for foreign exchange transactions decreased by 584 million yen to 60,590 million yen due to a decrease in margin deposits for general customers and an increase in margin deposits for financial institutions.