

June 7, 2022

Preliminary Monthly Report for May 2022

Money Partners Group released the following data for consolidated performance in May 2022 today. Operating revenues and foreign exchange margin deposits are preliminary figures that may change when financial statements are released.

Period	FYE March 2022											
	2021									2022		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	445	403	430	395	387	470	430	429	589	394	396	550
Foreign exchange trading volume (Currency in millions)	72,253	82,478	73,411	92,739	76,532	78,411	90,593	95,217	66,099	73,976	82,802	134,241
Customer accounts (Accounts)	342,801	343,397	343,817	344,134	344,314	344,522	344,755	345,482	346,625	347,287	347,437	347,991
Foreign exchange margin deposits (Million yen)	58,635	56,276	56,581	56,671	56,468	56,284	55,503	54,426	53,911	54,402	53,808	55,068
General customers	57,068	54,786	54,965	55,027	55,065	54,825	54,090	52,988	52,409	52,848	52,151	53,306
Financial companies (B-to-B)	1,567	1,489	1,616	1,644	1,403	1,459	1,412	1,438	1,501	1,554	1,657	1,761
Manepa Card accounts (Accounts)	161,712	161,526	161,301	161,091	160,964	160,800	160,701	160,574	160,390	159,994	159,566	159,097

Period	FYE March 2023											
	2022									2023		
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Operating revenues (Million yen)	457	432										
Foreign exchange trading volume (Currency in millions)	130,806	139,280										
Customer accounts (Accounts)	348,893	349,810										
Foreign exchange margin deposits (Million yen)	56,841	56,680										
General customers	55,261	55,126										
Financial companies (B-to-B)	1,579	1,553										
Manepa Card accounts (Accounts)	158,807	158,600										

- (Notes) 1. Foreign exchange trading volume is the sum of customer transactions in each currency, using base currency units. Trading volume has not been converted into yen.
2. The number of customer accounts and foreign exchange margin deposits are end-of-month figures.
3. Money Partners started contract-for-difference (CFD-metals) trading in August 2011. Margin deposits, trading volume (currency units converted to USD) and trading revenues in CFD-metals are included in foreign exchange margin deposits, foreign exchange trading volume, and operating revenues, respectively.
4. Foreign exchange margin deposits are presented separately for transactions from general customers and from financial institutions that are B-to-B customers.
5. Operating revenue for the period from July 2020 to March 2021 includes the financial performance of a consolidated subsidiary COINAGE, Inc. The Company closed and dissolved the crypto-asset exchange business on March 31, 2021.
6. From March 2022, crypto asset contract-for-difference (CFD) trading (margin deposits and trading volume (trading value converted to USD) in CFD transactions) are included in foreign exchange margin deposits and foreign exchange trading volume, respectively.

<Overview of May>

In May, the turmoil from the situation in Ukraine continued to cause the large movements in forex market exchange rates seen in April.

Trading began in the upper 129-yen range against the U.S. dollar (USD) and the USD trended in a narrow band around 130 yen after strengthening to the mid 130-yen range, ahead of the U.S. Federal Open Market Committee (FOMC) meeting. The FOMC decided to raise the interest rate by 0.5% and begin quantitative tightening in its meeting on May 4. The announcement was within expectations so the market reaction was limited. However, the market reacted when Federal Reserve Board Chairman Jerome Powell ruled out a 0.75% increase for the next interest rate increase and the USD rapidly weakened to the mid 128-yen range. Dollar selling subsided the next day, on May 5, and a return to dollar buying on the continued high level of U.S. long-term interest rates caused the USD to rebound to the mid 130-yen range temporarily. U.S. long-term interest rates rose on confirmation of the tight labor supply and upward pressure on wages in U.S. employment statistics announced on May 6, resulting in dollar buying. The USD reached a new high for the first time in around 20 years on May 9, reaching a monthly high in the mid 131-yen range. However, subsequent position adjustments caused the USD to weaken and concerns over deterioration of the U.S. economy emerged due to worsening of some U.S. economic indicators affected by inflation and rising interest rates. The USD then trended weaker along with the decline in U.S. long-term interest rates, reaching a monthly low in the mid 126-yen range on May 24 due to the weak U.S. Purchasing Managers' Index (PMI) for May. The USD subsequently trended in a mid 126-yen to upper 127-yen range and ended the month in the upper 128-yen range, supported by dollar buying from actual demand.

The currencies for Europe and Oceania, which are the main currencies traded other than the USD, followed a general trend of reaching monthly highs against the yen in the first half of May, monthly lows in mid-month, and then resuming a trend of strengthening against the yen.

Forex market volatility decreased slightly for the JPY/USD compared to April. The daily average price range for the USD/JPY, was 1.197 yen (compared to 1.256 yen in April). Volatility for the currencies of Europe and Oceania expanded compared to April, reaching an extremely high level that exceeded the level reached two months before, which was the highest level reached since March 2020 when the COVID-19 pandemic began.

Amid these conditions, the Money Partners Group is the first in the industry to offer a 24-hour zero spread campaign (0.0 yen, same bid and ask price) on orders up to our specified volume for the four main currency pairs of USD/JPY, EUR/JPY, AUD/JPY, and GBP/JPY on the Partners FX nano platform. We added the Mexican peso (MXN)/JPY to these currency pairs on May 16. We are continuing the narrow spread campaign from last month during Golden Manepa Time (5:00 p.m. to 2:00 a.m., the same below). From May 16, we are offering the narrowest spreads in the industry on a total of eight currency pairs: EUR/JPY, AUD/JPY, GBP/JPY, EUR/USD, MXN/JPY, South African rand (ZAR)/JPY, and GBP/USD, in addition to USD/JPY.

We are continuing our Golden Manepa Time campaign on Partners FX, which features 100% contract execution, offering the narrowest spreads in the industry on 10 currency pairs: AUD/JPY, EUR/USD, GBP/USD, NZD/JPY, ZAR/JPY, MXN/JPY, CND/JPY, GBP/AUD, EUR/AUD, and AUD/USD.

During Golden Manepa Time, we are offering a spread of 0.2 pips on Gold/USD and on Silver/USD, the narrowest spread in the industry in contract-for-difference (CFD-Metals) trading.

In addition to the narrow spread campaigns noted above, we have added the ZAR/JPY to the USD/JPY, Turkish lira (TRY)/JPY, and MXN/JPY currency pairs in the existing campaign on Partners FX from June 1. The Partners FX campaign offers up to a maximum of 25% cash back according to the number of transaction days during the period (from 6:10 a.m. on June 1 to 5:55 a.m. on July 1, 2022), in addition to the cash back offered to customers according to trading volume. We have also begun offering an additional 3% cash back to customers who have executed foreign exchange transactions with Money Partners on at least one day during the campaign period during our designated time frame (from 6:10 a.m. on May 1 to 5:55 a.m. on June 1), regardless of the currency pair. From June 1, we are also offering a similar additional cash-back campaign according to the number of transaction days in CFD-Metals trading on Partners FX for Gold/USD and Silver/USD.

Foreign exchange trading volume rose to 139.2 billion currency units, an increase of 6% from April, despite the decline in trading volume for the USD/JPY. This increase resulted mainly from growth in trading volume in other currency pairs, mainly in the currencies of Europe and Oceania. Operating revenues were 432 million yen, a 5% decrease from April. The decrease resulted from a decline in profitability related to the number of days deferral of the delivery date at the time of position roll-over, despite the growth in trading volume. Foreign exchange margin deposits fell for both general customers and financial companies, decreasing by 160 million yen to 56,680 million yen overall.

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