

October 7, 2020

Preliminary Monthly Report for September 2020

Money Partners Group today released the following data for consolidated performance in September 2020. 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						
Foreign exchange trading volume (Currency in millions)	82,072	92,851	106,893	75,910	85,460	82,287						
Customer accounts (Accounts)	340,605	340,735	340,825	340,830	340,840	340,768						
Foreign exchange margin deposits (Million yen)	62,460	62,004	61,807	62,331	62,751	65,155						
General customers	60,227	59,654	59,267	60,022	60,364	63,044						
Financial companies (B-to-B)	2,232	2,350	2,539	2,309	2,386	2,111						
Manepa Card accounts (Accounts)	162,828	163,034	163,058	163,086	163,138	163,159						

- (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 September>

In September, the U.S. dollar/yen exchange began trading in higher 105 yen level, and reached the mid 106 yen level on September 3, thanks to the U.S. manufacturing PMI revision for August, which was the highest level since January 2019, and the better-than-expected ISM manufacturing index for August, which prompted dollar buying.

Subsequently, U.S.-China conflict concerns and uncertainty over additional U.S. fiscal policy led to the dominance of U.S. dollar selling.

When the FOMC on September 16 revealed that it expects to keep interest rates low until 2023, the dollar/yen rate fell to the lower 104 yen level and hit a lowest level in the month on March 21. However, the price rebounded to the mid 105 yen level at the end of the month, supported by dollar buying along with the movement against the European currency, solid U.S. stock prices and solid economic indices.

On the other hand, the European and Oceanian currencies, which are major currencies other than the U.S. dollar/yen, showed generally the same level as the U.S. dollar/yen.

Compared to the previous month, the volatility of the foreign exchange market decreased by about 52% for US dollar/yen, and the average of the major currency pairs handled was down about 7%, with the exception of increased price movements in the British pound/yen and Australian dollar/yen for the European and Oceanian currencies.

Amid these conditions, the volume of foreign exchange transactions declined 4% to 82.2 billion currency units.

On the other hand, operating revenue was 310 million yen, almost unchanged from the previous month, as overall profitability recovered mainly due to a decrease in the proportion of relatively unprofitable US dollar/yen pair, despite the impact of a decline in interest rates from the market turmoil caused by COVID-19, which continued from the previous month.

In addition, margin deposits received for foreign exchange transactions increased by 2,404 million yen to 65,155 million yen due to an increase in margin deposits for general customers and a decrease in margin deposits for financial institutions.