3 August 2026

Summary of the Investment Management Association of Japan July 2026 Monthly Press Conference

[Press Conference Overview]

- Date and time: Monday, July 13, 2026, 3:00-3:45 p.m.
- Speaker: Yoshio Hishida, Chairman, Investment Management Association of Japan
- This document summarizes the questions and answers at the monthly press conference held by Mr. Yoshio Hishida, Chairman of the Investment Management Association of Japan (IMAJ), on July 13, 2026.
- The principal topics were: the status of publicly offered equity investment trusts in June 2026 and observations on market developments during the first half of the year; the background to inflows into domestic and overseas equity funds and expectations for a proposed “Kodomo NISA”; the coexistence of diverse investor behaviors behind the increase in gross sales in June; views on the discussion concerning the idea of adding Japanese Government Bonds (JGBs) to NISA-eligible products; the significance of JGBs within NISA and the circulation of invested funds; outflows from privately placed investment trusts in June, as explained by the Head of the Statistics and Information Office; concerns regarding a series of accounting scandals at listed companies; initiatives by IMAJ and the industry to address accounting-fraud risk; and a report on the “Investment Management and Asset Management Industry Career Expo” and the development of industry talent.

1. Status of Publicly Offered Equity Investment Trusts in June 2026 and Observations on Market Developments in the First Half of the Year

(1) Factors behind the sharp increase in gross sales in June

Major fund categories generally recorded growth, particularly domestic and overseas equity funds. Notably, four of the ten funds with the highest gross sales were related to Japanese equities. The increasingly steady flow of funds into domestic equity funds therefore contributed to the overall increase.

(2) Review of the first half of 2026

Although market conditions were unstable, with high volatility in share prices, interest rates, and foreign exchange rates, investors continued to invest consistently without being distracted by temporary fluctuations. This sustained investment behavior contributed to robust net inflows.

(3) Assessment from overseas

In exchanges of views with overseas industry associations, considerable interest has also been expressed in the fact that inflows into the Japanese market through investment trusts have become firmly established and have continued.

Reference: https://www.imaj.or.jp/statistics/factbook/pdf-cms/FACTBOOK_202606.pdf

See 1 “ Total Net Assets-Structure of Investment Trusts”

2. Background to Inflows into Domestic and Overseas Equity Funds and Expectations for “Kodomo NISA” (new tax-free savings account for children under 18 which starts in January 2027)

(1) Record inflows into domestic and overseas equity funds

Inflows, particularly into index funds, remained strong. Although the three leading funds were unchanged from the previous month, gross sales increased for each of them, indicating a further expansion of long-term investment activity.

(2) Significance of establishing “Kodomo NISA”

The initiative is viewed positively as an important measure for broadening the investor base and supporting long-term asset building from an early age. IMAJ will work with relevant organizations to promote public awareness and wider use of the program.

(3) Shared understanding with developments in the United States

The United States is also advancing measures to support children’s asset building, including so-called “Trump Accounts.” Japan and the United States share the recognition that it is important to begin investing, even in small amounts, at a young age and to continue doing so over the long term.

3. Coexistence of Diverse Investor Behaviors behind the Increase in Gross sales in June

(1) Analysis of the sharp increase in gross sales

The reality is that IMAJ’s internal analysis has not identified any single decisive factor.

(2) Diversification of investor behavior

Unlike the traditional market pattern in which investors tended to sell when prices rose, diverse forms of investment behavior now coexist and function in the market. These include investors who buy at new highs during rising markets, investors who buy on market declines, and investors who continue investing regardless of market conditions. This diversity has contributed to the increase in gross sales even while markets have been rising.

4. Views on the Discussion concerning the Addition of JGBs to NISA-Eligible Products

(1) Role of bond investment in asset building

Generally interest-bearing products including government bonds and corporate bonds play an important role in risk diversification and medium- to long-term asset building. Fundamentally, both equities and bonds are means of supplying growth capital through the capital markets.

(2) Changes in the interest-rate environment and balanced investment in Europe and the United States

As Japan moves away from an ultra-low interest-rate environment, domestic bonds are regaining their appeal as an investment option. It would be desirable for the concept of balanced investment widely adopted in Europe and the United States - combining cash and deposits, bonds, equities, and alternative assets - to become more prevalent in Japan as well.

5. Significance of JGBs within NISA and Views on the Circulation of Invested Funds

[Economic function of government bonds and their commonality with corporate bonds]

JGBs and corporate bonds differ in terms of their issuers. However, they share an essential feature from the perspective of how invested funds are used to support economic activity and social development. Careful discussion that takes both perspectives into account is therefore required.

6. Outflows from Privately Placed Investment Trusts in June

(Explanation by the Head of the Statistics and Information Office)

(1) Scale and composition of outflows

The outflows were not concentrated in any particular fund. They were observed in cash management funds, which serve a function similar to temporary cash holdings, as well as in bond-related funds investing in areas such as medium- and long-term U.S. bonds and European bonds.

(2) Relationship with market conditions

Market conditions differed by region in June, with long-term interest rates rising in Japan and the United States while German interest rates declined. It is therefore difficult to attribute the outflows uniformly to a single factor, such as loss-cutting or profit-taking.

7. Concerns regarding a Series of Accounting Scandals at Listed Companies

(1) Concerns from the perspective of asset management companies

As Japan seeks to establish itself as a leading asset management center, the occurrence of corporate accounting fraud is a matter of very serious concern.

(2) Responsibilities within the investment chain

Asset management companies are expected not merely to criticize misconduct at investee companies, but also to enhance their ability to identify companies with growth potential and to work collaboratively with investee companies to resolve issues.

8. Initiatives by IMAJ and the Industry to Address Accounting-Fraud Risk

[Professional responsibilities of asset management companies]

In order to fulfill their responsibility to manage investors' entrusted assets appropriately, asset management companies must further enhance their corporate analysis and investment decision-making. Regardless of whether their investment strategies are active or passive, the industry must deepen its consideration of issues such as accounting-fraud risk through engagement with investee companies and stewardship activities.

9. Report on the "Investment Management and Asset Management Industry Career Expo" and Talent Development

(1) Growing industry recognition and a strong positive response

Recognition of the industry among new graduates, as well as students' interest and enthusiasm, has increased dramatically, representing a striking change from the past. Initiatives undertaken by participating companies, including the involvement of chief investment officers, were also highly regarded. (Chairman Hishida)

(2) Background to increased graduate recruitment and structural changes

(Supplementary explanation by the Head of Public Relations)

Supported by the government's policy of promoting Japan as a leading asset management center and amid labor shortages, a structural change is taking place in the industry. Whereas asset management companies previously relied heavily on personnel seconded from parent companies or other industries, an increasing number of firms now have the organizational capacity to recruit and develop new graduates directly.

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