

The history of Nomura's research activities dates back to 1906, when it became the first company in Japan to establish a research department. At that time, Nomura published its *Osaka Nomura Business News* for its customers, and this became the first example of an information service of its kind in Japan. In subsequent years, Nomura further developed and substantially expanded its research activities, and consolidated the base for its strong reputation in research. Today, Nomura has about 400 research personnel stationed in 15 countries and regions around the world, and they collaborate in covering politics, economics, foreign exchange, interest rates, equities, credit, quantitative strategies, and other areas. As the foundation for its securities business, the strength of Nomura's global research lies in its detailed, in-depth analyses and forward-looking insights. Nomura provides timely information based on this research to assist its clients in making investment judgments.

Leading Global Money Flows

The scope of Nomura's research is exceptionally broad, covering the GDP of 40 countries and regions, 31 currencies, and stocks of companies included in the world's major stock price indexes in Japan, the Americas, Europe, and Asia except Japan. The breadth of this research allows us to cover 90% of global economic and financial indicators.

Our research on currency markets enables us to give advice on timely investment strategies and play a role in leading money flows from Japan to the world, and flows from the world into Japan and Asia except Japan.

In our equity research, our research professionals now cover 290 stocks in the United States, focusing on such major sectors as Finance, Technology, Consumer Goods and Services, and the Internet. We also cover just under 1,200 stocks in Asia including Japan as well as over 400 stocks in Europe. The findings of our macroeconomic and individual stock research are also used to inform Japanese individual investors who are diversifying their portfolios globally.

In-Depth Equity and Macroeconomic Research

The strengths of Nomura's equity research are its ability to make investment judgments and recommendations on core themes based on exchanges of opinions among

sector specialists in the Nomura global network. For example, our research on automated automobile driving systems based on autonomously controlled robotic systems requires fusion of in-depth understanding of the automobile and technology sectors. Our research in this area is the product of collaboration among our specialists in the automobile and electronic components sectors as well as analysts with insight into technology in peripheral industries, and has won a high appraisal from our customers.

Our macroeconomic analyses enable us to provide timely forecasts of upcoming changes and future directions based on economic data and market trends. At the same time, we deepen our analyses by taking a long-term perspective. For example, last year, as a new government administration emerged in India with Narendra Modi as prime minister, economists, strategists, and equity analysts in charge of Japan and India collaborated to issue *Asia Special Report: Abenomics x Modinomics = Greater opportunities for Japan and India*. This report forecast bold reforms, including market-opening measures and has won a high appraisal. In addition, in the latter half of last year, when prices of crude oil and other commodities declined sharply, there were concerns about the slowing of growth in the emerging economies, mainly in Asia. Nomura analyzed investment opportunities by character of each region and issued a timely report, which was read widely by our clients: *Special Report on Emerging Countries: The impact of commodity prices on EM*.

Covering **90%** of global economic and financial indicators

No.1 in the *Nikkei Veritas* ranking of analysts and economists following Japanese bonds and currency

Ranked **No.2** in Japanese equity research by *Institutional Investor*

Offering a Broad Range of Investment Strategies and Indexes

In our quantitative strategy research, based on quantitative analyses, we respond to the needs of our clients for investment strategy proposals and prepare benchmark indexes for pension fund managers. "Nomura-BPI" and "Russell/Nomura Japan Equity Indexes," in particular, are widely used by institutional investors, including public pension funds, as benchmark indexes for domestic bonds and stocks.

In April 2014, the "Russell/Nomura Prime Index" was newly adopted by Japan's Government Pension Investment Fund (GPIF) for passive management. Other indexes Nomura provides include the "Russell/Nomura Fundamental Prime Index" and the "Nomura Japan Equity High Dividend 70," which are smart beta indexes that use a non-market cap weighted method. In addition, Nomura offers many other indexes that include the "Nomura Agri Business Index," which comprises equities related to the agriculture, forestry, and fisheries industries; and the "NOMURA Crude Oil Long Index," which follows trends in the crude oil futures market. Nomura is continuing to develop new indexes to respond in a timely fashion to investor needs in constantly changing markets.

Offering High-Quality Research in Line with Global Trends (ESG)

Principally in Europe and the United States, investment styles that take account of environment, social, and corporate governance (ESG) issues are taking hold. In Japan also, under Prime Minister Shinzo Abe's growth strategy, which includes moving forward with corporate governance reforms, non-financial information, including ESG disclosure, is drawing the attention of companies and investors. This is because of the impact these ESG issues may have on attaining sustainable growth and increasing corporate value in the medium-to-long term. In this area also, Nomura plans to continue to offer value-added information to investors by issuing reports on ESG themes and the development of related equity indexes.



Research reports