

Introducing Nomura Institute of Capital Markets Research

Nomura Institute of Capital Markets Research (NICMR) was established in April 2004 as a subsidiary of Nomura Holdings to build on a tradition begun in 1965 of studying financial and capital markets as well as financial systems, structure, and trends. NICMR develops original research and policy proposals by specialists based upon knowledge of actual business practice.

NICMR publishes some of its research output in Japanese in *Nomura Capital Markets Quarterly*, and posts some items in Japanese, English, and Chinese on its website.

NICMR's core mission is to contribute to reform of Japan's financial system and securities market in order to foster establishment of a market-structured financial system. Structural changes, particularly population aging, are having a major impact on Japan's economy and society. Addressing the challenges created by these changes calls for reforming social security, tax, and public finance systems. One of Japan's most valuable resources is the JPY1,900 trillion in financial assets held by households. Establishing a market mechanism-driven money-flow that makes efficient, effective use of these assets is critical to the country's future.

NICMR's research focus extends well beyond Japan to encompass current issues in capital markets around the world. In addition to research offices in New York, London and Beijing, NICMR established a research office in Singapore in 2015 to strengthen its Asian research platform.

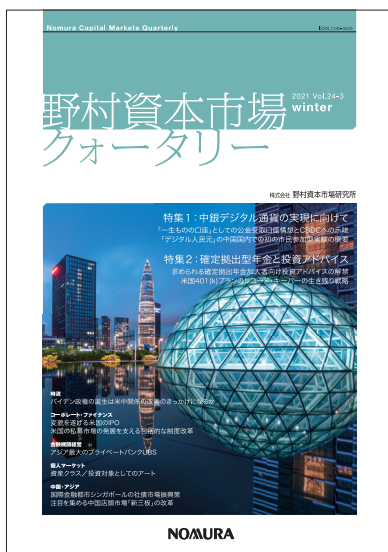
The continued growth of Asian economies including China is generating huge funding needs for infrastructure and creating an urgent need for indirect financing systems and robust capital markets in the region. Promoting the devel-

opment of Asian capital markets is a key for the future of Asian financial systems and economies. Moreover, it is important that Asian perspectives and regional differences are recognized in the post-global financial crisis environment of closer cooperation among financial regulators making rules and global standards.

NICMR's recommendations for developing financial and capital markets in Asia are based on analyses of past experience in developed economies. In particular, Japan offers useful lessons on the importance of direct finance for supporting new businesses and of investment services to cater to the needs of a growing middle class.

NICMR has also been working to strengthen its sustainability initiatives. To this end, it established the Nomura Research Center of Sustainability in December 2019. This research center focuses on objective and practical research into areas of sustainability closely related to the financial and capital markets in major regions including Asia.

As a member of the Nomura Group, a global financial group based in Asia, NICMR strives to contribute to the development of financial and capital markets in Japan and the rest of Asia through fundamental research and experience-based policy recommendations.



Cover of *Nomura Capital Markets Quarterly*