

New Year's Message

Jan. 4, 2018

Happy New Year!

2017 was an epoch-making year for Japan. The economy continued to recover gradually despite somewhat increased geopolitical tensions. The corporate sector's performance remained solid with many companies reporting the biggest profit in their history. The Tokyo Stock Exchange's equity index hit record high in 26 years, the first time since the burst of bubble economy. The bond market stayed buoyant as the low interest rate environment lingered under the Bank of Japan's negative interest rate policy.

We, JCR, continued to rate a large number of financial instruments, which included not only plain vanilla corporate bonds but also hybrid securities and project finance. We also undertook various initiatives to support the market needs in a timely manner. We launched a new service called "Green Bond Evaluation", which offers a third party's assessment on green bonds. We also organized a special seminar on "TLAC and subordinated instruments by European financial institutions".

Moreover, we enhanced our global network in line with our globalization strategy. In 2017, we welcomed two rating agencies as our strategic partners. We signed cooperation agreements with Malaysian Rating Corporation Berhad (MARC) in April and Peru's Accuratio Credit Rating Agency ECR S.A. in September.

There is no time to be complacent with the status quo. This year, we will strive further to improve our services for all the investors and issuers in Japan and the world, thereby contributing to the development of capital markets even more.



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