

**FOREIGN AND DOMESTIC INVESTOR BEHAVIOR
BEFORE AND AFTER THE GREAT EAST JAPAN
EARTHQUAKE**

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〈SUMMARY〉

In recent years, foreign investors have accounted for the majority of the trading activity in Japanese equity markets. After the Great East Japan Earthquake, their share of the market increased markedly, and they became net buyers of Japanese equities; during this period, the main net sellers were Japanese securities companies (on Tokyo Stock Exchange Section 1) and individual investors (on Tokyo Stock Exchange Section 2 and the MOTHERS exchange) . We conclude that foreign investor demand helped to prevent a more severe Japanese equity market crash in the aftermath of the crisis.