

An Obscene Gesture Is Strictly Business On Tokyo Exchange

Traders Have Unusual Signs For Some Big Companies; A Way to Gain Attention

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TOKYO—The trader on the floor of the Tokyo Stock Exchange isn't holding his nose because something smells bad. He is dealing in shares of Mitsubishi Gas Chemical Co.

The gesture signifies the odor of leaking gas. Traders here also rap their heads, lick their wrists, pat their chests and sketch mountains in the air to deal in about 250 other stocks still traded by hand.

From behind the glass of the visitors' gallery, the activity down on the floor looks like well-organized chaos. Swarms of young men in identical white shirts and blue blazers flail their arms in a babble of gesticulation—rapid-fire semaphore without flags.

And sometimes they get dirty down there, flashing bawdy gestures at one another as they move billions of yen of stock. Japan's spoken language, it should be quickly noted, is remarkable for its lack of obscenities

A Preoccupation Suggested

Some of the signs used by the traders suggest a mammary preoccupation. To deal in Meiji Milk Products Co., one trader signals another by pointing to his eye, or *me* (pronounced "may," like the first syllable of Meiji), then motions to his breast, for milk.

Two stocks are traded by gestures for brassieres—Wacoal Corp., a manufacturer of women's undergarments, and Brother Industries Ltd., a maker of typewriters. This pantomime may be an obvious choice for Wacoal, but the link between bras and typewriters is somewhat more obscure: Words used for "brassiere" and "brother" sound very much alike—more or less *burahza* and *burajah*. Confusion is avoided by trading the two stocks at different posts.

The common signal for Fujitsu Ltd., the computer maker, is a sign for Mount Fuji followed by a vulgar gesture based on the fact that *chitsu* is the Japanese word for the vagina. France Bed Co. is signaled by licking the inside of the wrist, a gesture meant to be suggestive of bedroom play

The bawdy language, say the traders, is aimed at grabbing attention in the heat of the moment. "If it's outrageous, they're going to understand it when you have 10 seconds to get an order in," says Brian Kelly, a floor trader for Morgan Stanley International Ltd.

V for Victor

Not all the signals are smutty. Most, in fact, are pragmatic pantomimes, such as making a V with the palms for Victor Co of Japan. They can get cute, too. Touching your lips with two fingers, as though to blow a little kiss, is a common sign for Calpis Food Industry Co., a maker of a sweet lactic-acid drink. This alludes to an old advertisement likening the Calpis drink to the "taste of first love."

Mr Kelly gulps a soft drink — not Calpis—after a recent trading session. He talks about how tough it is out there, the pushing and shoving, the intense pressure to execute orders with speed and precision and to accurately monitor the roller-coaster prices at his trading post. But the hand signs are easy, he says

The 23-year-old American is the only foreigner actively working on the floor of the exchange, which opened seats to non-Japanese brokers this year. Already proficient in spoken Japanese, Mr. Kelly has been practicing hand signs for about a half-hour after each trading session since starting the job last August. With a Japanese colleague checking his skill, he goes through a stack of old orders at an austere

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office that Morgan Stanley keeps near the exchange.

So far, his superiors won't let him take orders at the post by sign, but he can signal back the results of a deal. "They don't have enough confidence in me yet, but I think I can handle it," he says. "It's just a matter of time. Once you do it every day, your hands move faster and faster, and eventually your hands do all the talking."

Transactions in most issues were computerized when the world's second-largest stock market moved into new quarters last year. But exchange officials decided to continue manual trading for the most active stocks to preserve the raucous atmosphere of the old exchange.

The use of hand signals isn't unique to Tokyo. But in other modern markets where the practice survives, it is generally limited to communicating numbers. Here, traders name the stocks and even carry on gossipy dialogues with their hands.

Mistakes can happen, but big ones are extremely rare, or at least almost nobody's talking about them.

Ichiro Miyazawa, a novice floor trader for Nomura Securities Co., Japan's biggest brokerage firm, admits that he lost a small amount—10,000 to 20,000 yen (\$65 to \$130)—by erring on price signals soon after he started last April. "When the market heats up, you can't help getting excited. It will take time before I can be levelheaded about it," he says. "But it's spellbinding. You deal with an incredible amount of money at the flip of a finger."

Mr. Miyazawa's boss, Toshio Konno, deputy manager of Nomura's floor-trading department, says a trader's mastery of the art must be deemed impeccable before he is trusted with large orders in hand signs. Mixups, he says, invariably concern numbers, rather than the names of stocks or trading instructions.

Ultimately, an accomplished post trader shows his skill by monitoring market rumors and trades by rival brokerage houses, then signaling back to colleagues working with telephones and computers on the edge of the floor. Such intelligence is priceless when trading gives way to volatile herd psychology, which is most of the time.

Masaichi Nomura, an anthropologist at the National Museum of Ethnology in Suita, says that secret hand signals underscore the importance of tacit understanding among Japanese. Signs on the stock exchange are products of a "conspiratorial mood," and the bawdy aspects of the jargon reflect macho frankness—the value of "openness in a man's world," he says. "It isn't a public, official language," he notes, "so little thought is given to how elegant it might seem."

The Japanese love for puns also is well in evidence, as exemplified by the sign for Nomura Securities. The verb "to drink" is *nomu*, and a trader raises an imaginary *sake* cup to his lips when naming the stock. Behind the partial homonym, says the brokerage firm's Mr. Konno, is a reputation for excess liquidity among Nomura employees. "They say there's a lot of us who like to drink," he says.

A squat, crew-cut man built like a bulldog, Mr. Konno pauses, watches a reporter record his words in a notebook and adds: "It's a joke."