Feature · Japan market case study

B·N·F and the J-Com order error **610,000 shares at one yen: 96,236 shares that did not exist, a loss of about JPY40.7bn for Mizuho**

Using public reports and market data, this note reviews the record and method of the Japanese individual trader known as B·N·F, reconstructs the J-Com order error of December 2005 and its aftermath, and uses a simple Nikkei 225 illustration to ask whether such a record can be repeated. His personal figures come from his own interviews and press reports and cannot be independently verified.

J-Com shares issued	Erroneous sell order	Sell order executed	Mizuho's loss	B·N·F's gain
14,500 shares	610,000 at JPY1	96,236 shares	about JPY40.7bn	about JPY2bn
Listed 8 Dec 2005	Intended: 1 at JPY610,000	Cash-settled at JPY912k	As reported	7,100 shares bought · reported

TSE damages (final): about JPY10.7bn — Supreme Court, 2015

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Key findings

B·N·F's assets grew mostly in a bear market. According to Diamond ZAi, he started in 2000 with about JPY1.6m and had about JPY1.15bn by the end of 2004, while the Nikkei 225 fell from 20,833 to around 7,608. These figures are his own and cannot be verified.

The J-Com error combined a keying mistake with an exchange system defect. The order was more than 40 times the shares issued, and the cancellation failed because of a TSE system defect. 96,236 shares that could not be delivered were cash-settled at JPY912k each. Mizuho lost about JPY40.7bn; the courts ordered the TSE to pay about JPY10.7bn, splitting fault 7 to 3.

The rebound after sharp falls persists in the index, but opportunities are rare and small. Buying when the Nikkei 225 is 8% or more below its 25-day average and selling at the

average fired 15 times in 2000–2009 with an average gain of 2.56%, and 13 times since 2013 with 3.84%.

An individual trading record is hard to repeat. His results came from hundreds of stocks, frequent trading and large positions in the market of the 2000s; algorithmic trading spread after 2010, and the record is subject to survivorship bias.

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Record and sources

Reports say B·N·F was born in 1978 in Chiba and opened a brokerage account in 2000, while at university, with about JPY1.6m saved from part-time work. Brokerage commissions in Japan had been fully liberalised in 1999-10, online brokers multiplied, and online commissions fell to roughly 30% of their earlier level.

The asset figures below are his own statements to magazines and press reports, not audited numbers.

Date	Assets (reported)	Source
2000-10	JPY1.64m	Diamond ZAi, Oct 2007
End 2000	JPY2.8m	Diamond ZAi, Oct 2007
End 2001	JPY61m	Diamond ZAi, Oct 2007
End 2002	JPY96m	Diamond ZAi, Oct 2007
End 2003	JPY270m	Diamond ZAi, Oct 2007
End 2004	JPY1.15bn	Diamond ZAi, Oct 2007
End 2006	JPY15.7bn	Diamond ZAi, Oct 2007
End 2007	JPY18.5bn	Nikkan Sports, Jan 2008

zakzak reported about JPY19bn in early 2008; in 2008-10 he reportedly bought a commercial building near Akihabara station for about JPY9bn.

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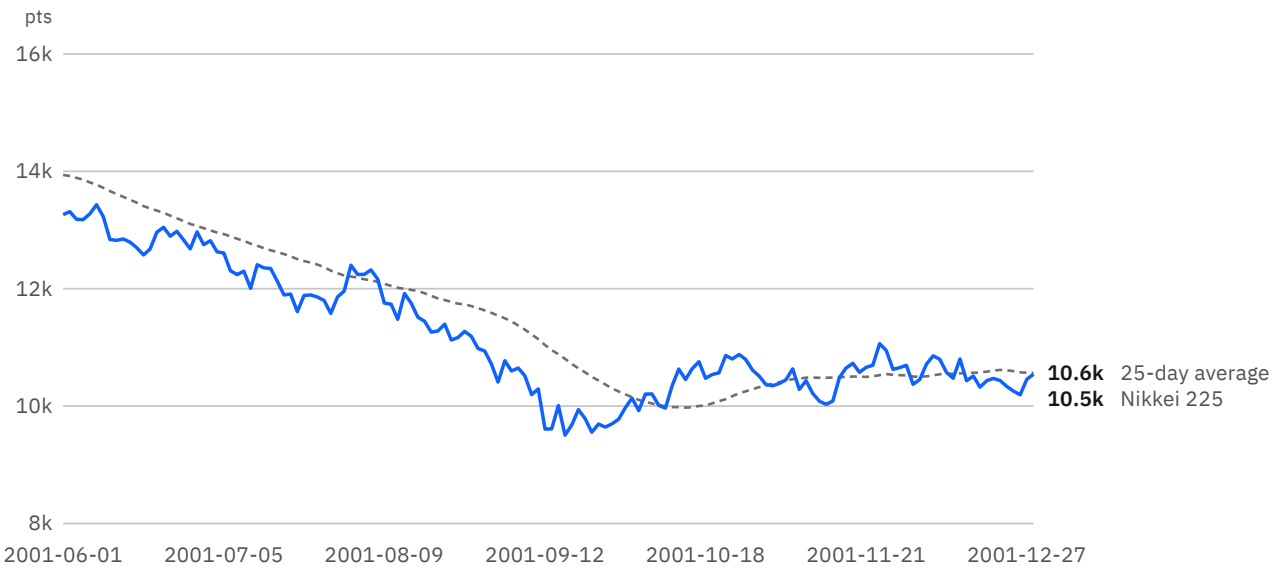
Method: deviation from the moving average

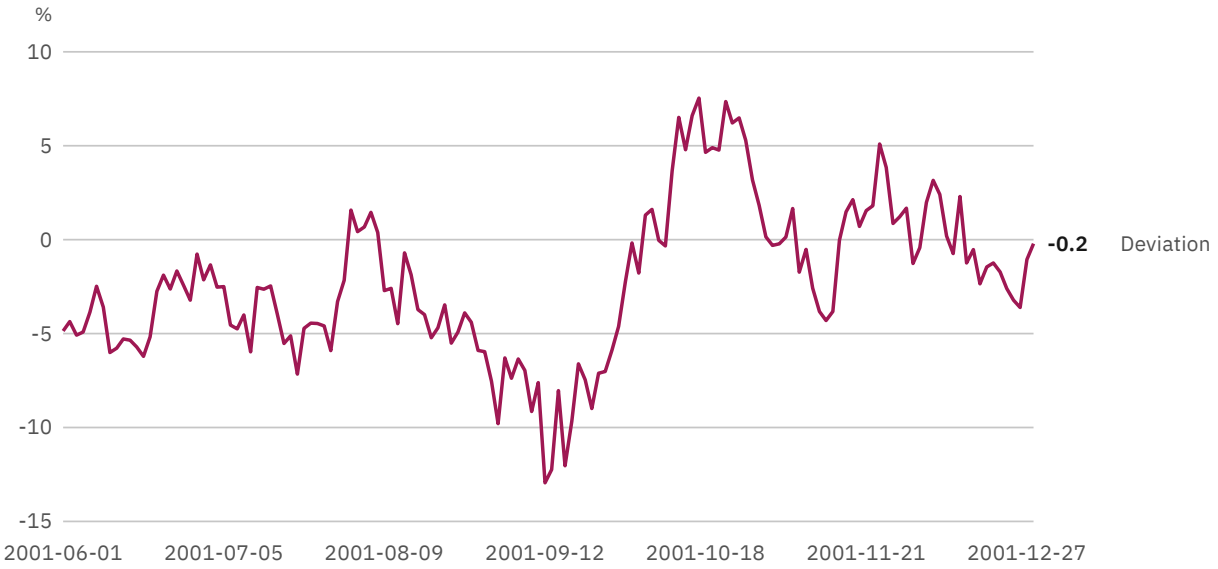
Japanese financial magazines report that he traded against the trend: buying stocks that had fallen sharply and moved far below their recent average price, and selling after the rebound. The usual measure is the deviation of the price from its 25-day moving average, roughly the average of the past month or so. Japanese brokers' guides often treat a deviation of 15% to 20% or more as clearly oversold for a single stock, but volatility differs widely between stocks and there is no common threshold.

The chart uses the Nikkei 225: after the attacks of 11 September 2001, the index's deviation reached -12.9% on 2001-09-12 and the index was back above its average on 2001-10-04.

Nikkei 225 and its 25-day average (Jun–Dec 2001, daily)



Deviation from the 25-day average (%)



Data: Nikkei 225 daily closes (yfinance).

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The J-Com order error

On 8 December 2005, the staffing company J-Com listed on the TSE Mothers market with 14,500 shares in issue. A Mizuho Securities trader meant to sell one share for a client at JPY610,000 but swapped price and quantity, entering an order to sell 610,000 shares at JPY1.

Time	Event
9:27:56	Erroneous order entered: 610,000 shares at JPY1, over 40 times the shares issued
9:29:21	Cancellation sent 85 seconds later; it failed because of a TSE system defect, and a call to the TSE did not succeed either
9:30	Price hits the daily lower limit of JPY572k; buyers pile in
9:43	Price reaches the daily upper limit of JPY772k
Later	96,236 shares executed, more than exist; settled in cash at JPY912k a share, the first such settlement since 1950

Times and prices from TSE releases, court rulings and contemporary reports.

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Aftermath

Item	Detail
B·N·F	Bought 7,100, sold 1,100 the same day, 6,000 cash-settled; gain about JPY2bn
cis	Gain about JPY0.6bn
Mizuho Securities	Loss of about JPY40.7bn
Securities firms	50 member firms gave up profits from the error, about JPY20.9bn in total, to a market infrastructure fund
TSE	President Takuo Tsurushima resigned in December 2005; the TSE then revised its trading system and rules for abnormal orders
Litigation	Mizuho claimed about JPY41.5bn; in 2009 the Tokyo District Court found gross negligence in the TSE's failure to halt trading and award

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Can it be repeated? An index illustration

A simple illustration on the Nikkei 225: buy at the close when the index is 8% or more below its 25-day average, sell at the close when it is back at the average; no leverage, no costs or tax. The rule is not his trading; it only shows how often, and by how much, the index rebounds from such falls.

Period	Trades	Per year	Winners	Average gain	Average hold	Worst trade
2000–2009	15	1.5	about two thirds	2.56%	25 days	-17.99% (bought 2008-09)
2013–2026	13	0.9	over 80%	3.84%	23 days	-10.37% (bought 2020-02)

Nikkei 225 daily closes (yfinance); the second period runs to 2026-09-30.

The pattern has not disappeared from the index, but it offers one or two trades a year with average gains of a few percent. The worst trade was bought in September 2008, after the Lehman Brothers bankruptcy; the index kept falling and the position closed about 18% down. His results came from hundreds of stocks, frequent trading and large positions, none of which the index illustration captures.

Market structure has also changed. In 2010-01 the TSE launched its arrowhead trading system, cutting order response times from seconds to about 5 milliseconds, and algorithmic trading spread, making manual searches for oversold stocks far more competitive. Press coverage also features successful traders only; those who lost money in the same years left no record, so success stories overstate the average result of such methods.

> For most investors, long-term, diversified, low-cost index investing is the more practical approach; see our features on salary-based index investing and on Japan's NISA.

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Risks and limitations

Unverifiable figures
Personal assets, starting capital and method come from his interviews and secondary reports.

Drawdowns and leverage
Prices can keep falling after a contrarian purchase; concentration and leverage magnify losses.

Limits of the illustration
The index illustration ignores costs and tax, has few trades and is sensitive to the threshold.

Survivorship bias
Successes are visible; failures are rarely reported.

Changed market structure
Trading speed, algorithmic trading and costs differ from the 2000s.

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Method and sources

J-Com error: TSE release of 4 December 2009; rulings of the Tokyo District Court (2009), Tokyo High Court (2013) and Supreme Court (2015); FSA, 22 December 2005; contemporary press.

B·N·F: Diamond ZAi, October 2007; zakzak, January and February 2008; Nikkan Sports, January and October 2008. All are his statements or press reports. cis's figure is from his own book.

Market structure: Cabinet Office regulatory reform material (2005); FSA material (2012); TSE releases.

Index illustration: Nikkei 225 daily closes (yfinance), 25-day simple moving average, 8% threshold, trades at the close, no costs or tax. Data to 2026-09-30.

This is a case study based on public reports and market data for a general audience. It does not address any individual's circumstances and is not investment advice. Personal figures cannot be independently verified; past results do not indicate future returns.

Data as of 2026-09-30 · 东京证券交易所公告与法院判决；《钻石 ZAi》、zakzak、《日刊体育》报道；日经平均指数（yfinance）

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Financial data are taken from original SEC EDGAR filings. Market data are delayed, and the sources are stated in each report.

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