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Typing error leads to jitters, \$225 million loss on Tokyo Stock Exchange

Associated Press

TOKYO — Japan's government rebuked the Tokyo Stock Exchange and one of the country's biggest brokerage firms Friday after a typing error caused Mizuho Securities Co. to lose at least \$225 million on a stock trade.

The glitch roiled the Japanese

market, while jitters over the reliability of the exchange's trading system contributing to a 1.95% drop in the benchmark Nikkei 225 index Thursday.

The Nikkei rebounded 1.45% Friday finishing at 15,404.05, but the mishap triggered concern among some traders just a month

after an embarrassing glitch at the exchange shut down the market for almost an entire day.

The trouble began Thursday morning, when a trader at Mizuho Securities tried to sell 610,000 shares at 1 yen (less than a penny) apiece in a job recruiting company called J-Com Co., which was hav-

ing its public debut on the exchange. It had intended to sell 1 share at 610,000 yen (\$5,041).

The number of shares in Mizuho's order was 41 times that of J-Com's true outstanding amount, but the Tokyo Stock Exchange still processed the order. Mizuho says another trader

tried to cancel the order three times, but the exchange said it doesn't cancel transactions even if they are executed on erroneous orders.

By the end of the day, Mizuho Securities — a division of the nation's second-largest bank, Mizuho Financial Group, Inc. —

had lost at least \$225 million. That total could rise, Mizuho Securities spokesman Hideki Sakuma said Friday, adding that the mishap was sparked by human error.

Japan's Financial Services Agency began a probe into what went wrong and how to prevent a repeat. ■