DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Financial Condition and Supplementary Schedules

March 31, 2019

(With Report of Independent Registered Public Accounting Firm Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Report of Independent Registered Public Accounting Firm

To the Stockholder and the Board of Directors
Daiwa Capital Markets America Inc.:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Daiwa Capital Markets America Inc. (the Company) as of March 31, 2019, and the related notes (collectively, the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of March 31, 2019, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

Accompanying Supplemental Information

The supplemental information contained in Schedules I, II, III, IV, V, VI, VII and VIII has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statement. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statement or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5 and 17 C.F.R. § 1.10. In our opinion, the supplemental information contained in Schedules I, II, III, IV, V, VI, VII and VIII is fairly stated, in all material respects, in relation to the financial statement as a whole.

KPMG LLP

We have served as the Company's auditor since 2002.

New York, New York
May 29, 2019

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Financial Condition

March 31, 2019

(In thousands, except share data)

Assets

Cash	$	1,085,088
Cash segregated for regulatory purposes		125,169
Securities purchased under agreements to resell		30,230,922
Financial instruments owned, at fair value		15,938,122
Securities borrowed		1,979,160
Receivable from brokers, dealers, and clearing organizations		232,291
Receivable from customers		153,690
Receivable from affiliates		5,005
Office furniture, equipment, and leasehold improvements, at cost, less accumulated depreciation and amortization of $51,907		10,367
Exchange memberships, at cost (fair value, $1,777)		1,073
Other assets		96,433
Total assets	$	49,857,320

Liabilities and Stockholder's Equity

Liabilities:		
Securities sold under agreements to repurchase	$	32,896,343
Financial instruments sold, but not yet purchased, at fair value		9,373,985
Securities loaned		1,530,104
Payable to brokers, dealers, and clearing organizations		4,115,302
Loans payable		374,269
Payable to affiliates		296,484
Payable to customers		32,445
Accounts payable and accrued liabilities		125,476
Total liabilities		48,744,408
Commitments, contingencies and guarantees (Note 13)		
Subordinated borrowings from Parent		200,000
Stockholder's equity		912,912
Total liabilities and stockholder's equity	$	49,857,320

See accompanying notes to statement of financial condition.

(1) Organization

Daiwa Capital Markets America Inc. (the Company) is a wholly owned subsidiary of Daiwa Capital Markets America Holdings Inc. (the Parent). The Parent is a wholly owned subsidiary of Daiwa International Holdings Inc. (Daiwa Tokyo), a Japanese holding company, whose ultimate parent is Daiwa Securities Group Inc. (Daiwa Group).

The Company is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and various exchanges. The Company is registered as a futures commission merchant (FCM) with the Commodity Futures Trading Commission (CFTC), is a member of the National Futures Association (NFA), is a netting member of the Government Securities Division of the Fixed Income Clearing Corporation (FICC), and is a clearing member of principal commodity exchanges in the United States. The Company's activities include brokerage, trading of various securities primarily in U.S. and Japanese markets, and investment banking. The Company is also a primary dealer in U.S. government and agency securities.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company's statement of financial condition is prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires management to make estimates and assumptions that may affect the amounts reported in the statement of financial condition and accompanying notes. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported and disclosures about contingent assets and liabilities. Such estimates, including the fair value of financial instruments and valuation of deferred tax assets are, by their nature, based on judgment and available information and, therefore, may vary from actual results. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. While management makes its best judgment, actual amounts or results could differ from those estimates.

(b) Collateralized Financing Transactions

Securities purchased under agreements to resell (reverse repurchase agreements) and securities sold under agreements to repurchase (repurchase agreements) are collateralized financing transactions. The agreements provide that the transferor will receive substantially the same securities in return at the maturity of the agreement and that the transferor will obtain from the transferee sufficient cash or collateral to purchase such securities during the term of the agreement. These transactions are carried at their contract price plus accrued interest. Reverse repurchase agreements and repurchase agreements with the same counterparty and same maturity are presented net in the statement of financial condition when the requirements of Accounting Standard Codification (ASC) 210-20-45-11, *Offsetting of Amounts Related to Certain Repurchase and Reverse Repurchase Agreements*, are met.

Securities borrowed and loaned result from transactions with other broker-dealers or financial institutions and are recorded at the amount of cash collateral advanced or received. Securities borrowed transactions require the Company to deposit cash with the lender. Securities loaned transactions require the borrower to deposit cash with the Company. In transactions where the Company acts as a lender in a securities lending agreement and receives securities that can be pledged or sold as collateral, it recognizes an asset on the statement of financial condition, representing the securities received, and a liability for the same amount, representing the obligation to return these securities. If the Company acts as a borrower in a borrow versus pledged transaction, there is no recognition on the statement of financial condition.

(c) Financial Instruments

Financial instruments owned and financial instruments sold, but not yet purchased are recorded at fair value in accordance with ASC 820, *Fair Value Measurements and Disclosures*. Principal transactions in regular-way trades are recorded on a trade-date basis.

Amounts receivable and payable for regular-way securities transactions that have not yet reached their contractual settlement date are recorded net on the statement of financial condition.

(d) Office Furniture, Equipment, and Leasehold Improvements

Office furniture and equipment are depreciated on a straight-line basis over their estimated useful lives which are generally from 3 to 5 years. Leasehold improvements are amortized over the lesser of their useful lives or the term of the related lease.

(e) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as the estimated future tax consequences attributable to net operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to be applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company's results of operations are included in the consolidated federal and combined state and local income tax returns filed by the Parent. In accordance with the tax sharing agreement, the Parent allocates to the Company its proportionate share of the consolidated federal and combined state and local tax liabilities on a separate company basis.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained in accordance to ASC 740, *Income Taxes*. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. Interest and penalties recognized are classified as income tax expense.

(f) Recently Issued Accounting Standard, Not Yet Adopted

In February 2016, the FASB issued ASU 2016-2, *Leases* (Topic 842), which amended the guidance on accounting for leases. The FASB issued this update to increase transparency and comparability among organizations. This update requires recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This ASU is effective for all annual and interim periods in fiscal years beginning after December 15, 2018 (April 1, 2019 for the Company).

This standard will result in a gross-up on our statement of financial condition due to the recognition of new Right of Use (ROU) assets and lease liabilities on our consolidated balance sheet for real estate and equipment operating leases. As part of our implementation process, we have assessed our lease arrangements and evaluated practical expedient and accounting policy elections to meet the reporting requirements of this standard. We are also currently evaluating the changes in controls and processes that are necessary to implement the new standard, but do not expect material changes. We expect to elect many of the standard's available practical expedients on adoption. Consequently, on adoption, we expect to recognize additional operating liabilities, with corresponding ROU assets of approximately the same amount based on the present value of the remaining minimum rental payments under current leasing standards for existing operating leases. The impact of this ASU will not have a material impact on the Company's statement of financial condition on the date of the adoption. The majority of this balance is for office space.

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* which significantly changes the way entities recognize impairment of many financial assets by requiring immediate recognition of estimated credit losses expected to occur over their remaining life, instead of when incurred. Additionally, in November 2018, the FASB issued ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments–Credit Losses*, which amends Subtopic 326-20 (created by ASU 2016-13) to explicitly state that operating lease receivables are not in the scope of Subtopic 326-20. The changes (as amended) are effective for the Company for annual and interim periods in fiscal years beginning after December 15, 2021 (April 1, 2022 for the Company). The Company does not expect the adoption of ASU 2016-13 to have a material effect on its consolidated financial statements.

(3) Cash Segregated for Regulatory Purposes

Cash of $2,269,000 is segregated in accordance with the Commodity Exchange Act. This balance represents funds deposited by customers and funds accruing to customers as a result of trades or contracts.

Cash of $122,900,000 is segregated in special reserve bank accounts for the exclusive benefit of customers under Rule 15c3-3 of the Securities Exchange Act.

(4) Securities Purchased and Sold under Agreements to Resell and Repurchase

Securities purchased and sold under agreements to resell and repurchase are accounted for as collateralized financing transactions and are recorded at contract price plus accrued interest. It is the policy of the Company to obtain possession of collateral with market values equal to or in excess of the principal amount loaned under resale agreements. Collateral is valued daily and the Company may require counterparties to deposit additional collateral when appropriate. As of March 31, 2019, the Company has accepted securities with market values of approximately $34.3 billion under resale agreements and pledged securities with market values of approximately $37.0 billion under repurchase agreements, prior to the application of ASC 210-20-45-11, *Offsetting of Amounts Related to Certain Repurchase and Reverse Repurchase Agreements*. The securities pledged are made up of securities received from resale agreements, borrow transactions, and from proprietary securities. Reverse repurchase agreements and repurchase agreements are reported net by counterparty when permitted under ASC 210-20-45-11. At March 31, 2019, the Company's assets and liabilities were netted by approximately $3.6 billion as a result of the application of ASC 210-20-45-11.

As of March 31, 2019, the Company has the right to sell or repledge substantially all of the securities it has received under its resale agreements. Of this amount, substantially all were repledged as of March 31, 2019. These repledged securities have been used in the normal course of business.

(5) Securities Borrowed and Securities Loaned

Securities borrowed and securities loaned transactions are reported as collateralized financing transactions and are recorded at the amount of cash or securities collateral advanced or received by the Company. Securities borrowed transactions require the Company to deposit cash or securities with the lender. With respect to securities loaned, the Company receives collateral in the form of cash or securities in an amount generally in excess of the market value of securities loaned. The Company monitors the market value of securities borrowed and loaned on a daily basis, with additional collateral obtained or refunded as necessary. As of March 31, 2019, the Company has received securities with a market value of approximately $2.0 billion related to its securities borrowed transactions and pledged approximately $1.6 billion related to its securities loaned transactions.

As of March 31, 2019, the Company has the right to sell or repledge substantially all of the securities it has received under its securities borrowed transactions. The Company repledged substantially all of these securities as of March 31, 2019. These repledged securities have been used in the normal course of business.

(6) Repurchase Agreements and Securities Lending Transactions Accounted for as Secured Borrowings

The Company's repurchase agreements and securities lending transactions primarily encounter risk associated with liquidity. The Company is required to pledge collateral based on predetermined terms within the agreements. These transactions are effectively short-term collateralized borrowings. While not a material risk, there is a residual risk that a counterparty may default and the Company would be exposed to declines in the market value of the collateral securing these transactions. The Company attempts to mitigate these risks by using highly liquid securities as collateral. The

Company also monitors the credit risk of the counterparties and the fair value of the collateral pledged in comparison to the contract value of the repurchase and securities lending contracts.

The following table provides the gross contract value of repurchase agreements and securities lending transactions by the type of collateral provided and the term date of the transactions at March 31, 2019 (in thousands):

		Remaining contractual maturity of the agreements				
		Open or continuous contract	**Up to 30 days**	**30-90 days**	**Greater than 90 days**	**Total**
Repurchase agreement transactions:						
U.S. government and agency obligations	$	1,816,939	20,255,334	50,083	—	22,122,356
U.S. government agency mortgage-backed obligations		2,180,843	11,900,240	—	—	14,081,083
Japanese government bonds		—	235,643	—	—	235,643
Corporate bonds		—	—	10,951	—	10,951
Total		3,997,782	32,391,217	61,034	—	36,450,033
Securities lending transactions:						
U.S. government and agency obligations	$	—	400,961	—	—	400,961
Equity securities		754,093	—	—	—	754,093
Corporate bonds		375,050	—	—	—	375,050
Total		1,129,143	400,961	—	—	1,530,104
Total Borrowings	$	5,126,925	32,792,178	61,034	—	37,980,137

(7) Offsetting of Collateralized Financing Transactions and Derivative Positions

All reverse repurchase agreements and repurchase agreements are subject to master repurchase agreements. These agreements are reported net by counterparty when permitted under ASC 210-20-45-11. The Company is a netting member of the FICC which is an industry clearinghouse for resale and repurchase transactions. Throughout each business day, for every trade submitted to and matched by the FICC, the transaction is novated to the FICC and the FICC becomes the Company's counterparty. Derivative contracts, such as forward-settling trades, are presented net by counterparty when permitted under ASC 815-10-45. This requires a legal right of set-off under enforceable netting agreements.

The following table provides information about assets and liabilities that are subject to offset as of March 31, 2019 (in thousands):

		(ii) Gross amounts offset in the statement of financial condition (1)	(iii)=(i)-(ii) Net amounts presented in the statement of financial condition	(iv) Gross amounts not offset		
	(i) Gross amounts			Financial instruments (2)	Cash collateral received	(v)=(iii)-(iv) Net amount (3)
Assets:						
Forward-settling trades	$ 69,715	27,112	42,603	—	—	42,603
Securities borrowed	1,979,160	—	1,979,160	1,943,698	—	35,462
Securities purchased under agreements to resell - FICC	12,317,324	2,964,907	9,352,417	9,352,417	—	—
Securities purchased under agreements to resell - non-FICC	21,467,288	588,783	20,878,505	20,851,327	17,248	9,930
Total	$ 35,833,487	3,580,802	32,252,685	32,147,442	17,248	87,995
Liabilities:						
Forward-settling trades	$ 112,927	27,112	85,815	—	—	85,815
Securities loaned	1,530,104	—	1,530,104	1,493,676	—	36,428
Securities sold under agreements to repurchase - FICC	3,214,554	2,964,907	249,647	248,480	—	1,167
Securities sold under agreements to repurchase - non-FICC	33,235,479	588,783	32,646,696	32,615,060	15,075	16,561
Total	$ 38,093,064	3,580,802	34,512,262	34,357,216	15,075	139,971

(1) Represents recognized amount of resale and repurchase agreements and forward-settling trades with counterparties subject to legally enforceable agreements that meet the applicable netting criteria as permitted by U.S. GAAP.
(2) Represents securities received or pledged to cover financing transaction exposures.
(3) Represents the amount of exposure that is not collateralized/covered by pledged collateral.

(8) Financial Instruments Owned and Financial Instruments Sold, But Not Yet Purchased, at Fair Value

At March 31, 2019, financial instruments owned and financial instruments sold, but not yet purchased, at fair value consisted of the following (in thousands):

Financial instruments owned, at fair value:		
U.S. government and agency obligations	$	8,999,022
U.S. government agency mortgage-backed obligations		6,583,694
Corporate bonds		308,913
Forward-settling trades		42,603
Options		2,821
Equities		1,069
	$	15,938,122
Financial instruments sold, but not yet purchased, at fair value:		
U.S. government and agency obligations	$	8,342,395
U.S. government agency mortgage-backed obligations		676,054
Corporate bonds		260,918
Forward-settling trades		85,815
Equities		8,749
Options		54
	$	9,373,985

The Company's counterparties to its collateralized financing transactions have the right by contract or custom to sell or repledge the Company's pledged proprietary securities. As of March 31, 2019, the Company has pledged approximately $10.8 billion of proprietary financial instruments owned related to the Company's collateralized financing transactions.

Derivative Financial Instruments

A summary of the Company's derivative instruments, which are included in financial instruments owned and financial instruments sold in the accompanying statement of financial condition, executed through regulated exchanges and over-the-counter (OTC) markets, at contract or notional amounts, together with their fair values at March 31, 2019, is presented in the table below (in thousands). Although contract or notional amounts may reflect the extent of the Company's involvement in a particular class of financial instruments, they are not indicative of potential loss.

	Derivative assets			Derivative liabilities		
Derivative contract type	**Notional Amount**	**Fair value**	**Average Fair value**	**Notional Amount**	**Fair value**	**Average Fair value**
Forward-settling trades	$ 9,347,507	42,603	34,863	$ 24,554,071	85,815	45,963
Options	703,978	2,821	4,899	43,594	54	20
Futures	78,607	—	—	917,727	—	—
Total	$ 10,130,092	45,424	39,762	$ 25,515,392	85,869	45,983

Substantially all of the Company's derivative transactions are entered into for trading purposes or to facilitate customer transactions. The Company does not apply hedge accounting pursuant to ASC 815 (*Derivatives and Hedging*) to any of its derivative transactions.

The Company's activities in forward-settling trades include transactions in securities for which the settlement date is a date beyond the time generally established by regulations or conventions in the marketplace or exchange in which the transaction is executed. These financial instruments expose the Company to varying degrees of market and credit risks.

Fair Value Measurements

ASC 820 defines fair value, establishes a framework for measuring fair value using a three level hierarchy for fair value measurements based upon the market observability and reliability of inputs used to value assets and liabilities, and requires enhanced disclosures about fair value measurements. ASC 820 does not dictate when fair values should be the basis to account for a financial asset or liability, nor does it prescribe which valuation technique should be used. Rather, ASC 820 requires an entity to choose appropriate valuation techniques based upon market conditions and the availability, reliability, and observability of valuation inputs.

(a) Fair Value Hierarchy

The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure an asset or a liability fall to different levels within the hierarchy, the classification of the entire asset or liability will be based on the lowest level input that is significant to the overall fair value measurement of the asset or liability. The Company categorizes assets and liabilities based on the inputs to the valuation techniques used to measure fair value as follows:

Level 1: Unadjusted quoted prices for identical assets or liabilities in an active market that the Company has the ability to access at the measurement date. Level 1 measurements include most U.S. government and government agency securities, equity securities, and exchange-traded derivatives.

Level 2: Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted market prices for the asset or liability that are observable either directly or indirectly for substantially the full term, and inputs to valuation techniques that are derived principally from or corroborated by observable market data through correlation or other statistical means for substantially the full term of the asset or liability. Level 2 measurements may include U.S. government agency securities, U.S. government agency mortgage-backed obligations, corporate bonds, and most OTC derivatives.

Level 3: Inputs to the pricing or valuation techniques that are significant to the overall fair value measurement of the asset or liability are unobservable. Level 3 inputs are estimates or assumptions that management expects market participants would use in determining the fair value of the asset or liability. In determining the appropriate measurement levels, the Company would perform analyses on the assets and liabilities subject to ASC 820 at the end of each reporting period. Changes in the observability of significant valuation inputs during the reporting period may result in a reclassification of certain assets and liabilities within the fair value hierarchy. At March 31, 2019 and 2018, the Company did not hold any Level 3 assets or liabilities that are measured at fair value on a recurring basis.

The following table summarizes the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis at March 31, 2019 (in thousands):

	Fair value measurement			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
U.S. government and agency obligations	$ 8,999,022	—	—	8,999,022
U.S. government agency mortgage-backed obligations	—	6,583,694	—	6,583,694
Corporate bonds	—	308,913	—	308,913
Forward-settling trades	—	42,603	—	42,603
Options	2,821	—	—	2,821
Equities	1,069	—	—	1,069
Financial instruments owned, at fair value	$ 9,002,912	6,935,210	—	15,938,122

	Fair value measurement			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities:				
U.S. government and agency obligations	$ 8,342,395	—	—	8,342,395
U.S. government agency mortgage-backed obligations	—	676,054	—	676,054
Corporate bonds	—	260,918	—	260,918
Forward-settling trades	—	85,815	—	85,815
Equities	8,749	—	—	8,749
Options	54	—	—	54
Financial instruments sold, but not yet purchased, at fair value	$ 8,351,198	1,022,787	—	9,373,985

There were no transfers between Level 1, Level 2 or Level 3 of the fair value hierarchy during the year ended March 31, 2019.

(b) Valuation Techniques for Major Assets and Liabilities

Debt and Equity Securities

Where available, debt and equity securities are valued based on quoted market prices. If a quoted market price for the identical security is not available, the security is valued based on quotes from similar securities, where possible. The fair value measurements for Level 2 U.S. government agency mortgage-backed obligations are primarily determined or validated by inputs obtained from independent pricing sources taking into account differences in the characteristics and the performance of the underlying securities. The fair value measurements for Level 2 corporate bonds are based on quoted market prices but trade in markets that are considered to be less active. The Company will determine whether adjustments to the observable inputs are necessary as a result of investigations and inquiries about the reasonableness of the inputs used and the methodologies employed by the independent pricing sources.

Derivatives

Exchange-traded derivatives are valued using quoted prices. OTC derivatives, such as forward-settling contracts, are valued using a models-based approach. Fair value is calculated using market and credit based inputs to models based on information that includes contractual terms, market prices, credit ratings, and other observable inputs. The models also adjust for the present value of cash flows, when necessary. All inputs into the calculation of the fair value of these derivatives are observable in the market.

Fair Value of Other Financial Instruments

Securities purchased under agreements to resell, securities sold under agreements to repurchase, securities borrowed, securities loaned, loans payable, and subordinated borrowings are stated at their contract values. The contract value for these financial instruments is considered to approximate fair value, as they are short-term in nature, bear interest at current market rates, and/or are subject to frequent repricing.

(9) Receivable from and Payable to Brokers, Dealers, and Clearing Organizations

At March 31, 2019, amounts receivable from and payable to brokers, dealers, and clearing organizations consisted of the following (in thousands):

Receivable from brokers, dealers, and clearing organizations:		
Securities failed to deliver	$	106,523
Clearing organizations		120,777
Other		4,991
	$	232,291
Payable to brokers, dealers, and clearing organizations:		
Net payable for unsettled regular-way trades	$	3,816,298
Securities failed to receive		215,402
Payable to affiliates		83,493
Other		109
	$	4,115,302

(10) Receivable from and Payable to Customers

Receivable from and payable to customers primarily relate to securities and futures transactions. These receivables are typically collateralized by securities, the value of which is not reflected in the accompanying statement of financial condition.

(11) Loans Payable

At March 31, 2019, loans payable consisted of the following (in thousands):

Loans payable to Parent	$	349,000
Loans payable to affiliate		25,269
	$	374,269

The Company's loans payable to Parent are under $800 million in revolving loan facilities which bear interest at a rate of 2.74%. Loans payable to affiliate consists of $11,732,000, $4,512,000 and $9,025,000 loans at rates of 0.006%, 0% and 0.003%, respectively. These loans are denominated in yen, with face value of ¥1.3 billion, ¥0.5 billion and ¥1 billion, and are due on April 10, 2019, May 21, 2019 and August 23, 2019, respectively. The ¥1.3 billion loan was renewed upon maturity with maturity date of October 10, 2019. These loans payable to affiliate are under a ¥100 billion revolving loan facility which the Company shares with the Parent. At March 31, 2019, these loans had interest payable of $1,084,000. These loans are primarily used to finance the Company's securities operations. In addition, as of March 31, 2019, the Company had an available, uncommitted and undrawn revolving unsubordinated loan from an affiliate in the amount of $300 million. The

Company also had an available, committed and undrawn revolving unsubordinated loan from Parent in the amount of $100 million.

(12) Subordinated Borrowings

As of March 31, 2019, the Company had a subordinated note payable to the Parent of $200,000,000 with a maturity date of December 31, 2027. The note is treated as equity for the purposes of determining net capital, as defined under the Uniform Net Capital Rule 15c3-1 of the Securities Exchange Act (Rule 15c3-1). Repayment of the note is contingent upon the Company being compliant with certain net capital requirements of both the Securities and Commodity Exchange Acts.

This note bears interest at rates based on the London InterBank Offered Rate (LIBOR) plus 25 basis points. At March 31, 2019, this rate was 2.74%. This liability is subordinated to the claims of general creditors of the Company and has been approved as regulatory capital and, accordingly, is included as net capital by the Company in computing net capital under Rule 15c3-1.

(13) Commitments, Contingencies, and Guarantees

The Company leases and subleases office space under non-cancelable lease agreements expiring at various dates through the year ending March 31, 2027. Minimum rentals under these lease agreements are approximately as follows (in thousands):

	Occupancy leases	Sublease income
Year ending March 31:		
2020	$ 8,546	$ 400
2021	8,311	400
2022	8,726	427
2023	8,914	437
2024	8,935	437
Thereafter	19,502	982

The Company also has a commitment with a vendor for data processing services. The total remaining non-cancelable commitment is $6,546,000 at various dates through the year ending March 31, 2021.

The Company is involved in litigation arising in the normal course of business. It is management's opinion that these actions will not have a material adverse effect on the financial condition of the Company. Also, as a registered broker-dealer and futures commission merchant, the Company is subject to periodic regulatory examinations which may result in adverse judgments or fines. Management believes there are no litigation or examinations that will have a material adverse effect on the financial condition of the Company.

In the normal course of business, the Company provides guarantees to securities clearinghouses and exchanges. These guarantees are generally required under the standard membership agreements, such that members are required to guarantee the performance of other members. To mitigate these performance risks, the exchanges and clearinghouses often require members to deposit collateral.

The Company's obligation under such guarantees could exceed the collateral amounts posted; however, it is management's opinion that the potential for the Company to be required to make payments under such guarantees is remote.

The Company had commitments to enter into forward secured financing transactions, including certain repurchase and reverse repurchase agreements of $1.7 billion and $4.5 billion respectively, at March 31, 2019.

(14) Income Taxes

In December 2017 the U.S. government enacted comprehensive tax legislation, the Tax Cuts and Jobs Act (the Act), which significantly revises the ongoing U.S. corporate income tax law by lowering the U.S. federal corporate income tax rate from 35% to 21%, implementing a territorial tax system, imposing a one-time tax on foreign unremitted earnings and setting limitations on deductibility of certain costs (e.g., interest expense and executive compensation), among other things.

The Company accounted for the effects of the Act in its reporting period that included the December 22, 2017 enactment date. Due to the complexities involved in accounting for the Act, the Company applied the relief available under SEC Staff Accounting Bulletin No. 118, which allows companies to recognize provisional amounts for the new tax law when all of the information necessary to complete the accounting is not available, prepared or analyzed. Accordingly, the Company's financial results reflect the income tax effects of the Act for which the accounting under ASC Topic 740 is complete, and provisional amounts for those specific income tax effects of the Act for which the accounting under ASC Topic 740 is incomplete, but for which a reasonable estimate could be determined. The Company did not identify any material items for which the income tax effects of the Act have not been completed and a reasonable estimate could not be determined as of March 31, 2019. During 2018 the Company finalized this estimate to reflect the updated information, including subsequent guidance issued by the U.S. Internal Revenue Service which resulted in no material change.

The significant components of the Company's net deferred tax assets included in other assets in the accompanying statement of financial condition at March 31, 2019 are as follows (in thousands):

Deferred tax assets:		
Deferred rent		2,293
Capital loss carryforward		10,510
Goodwill		2,813
Bonus - Deferred Compensation		4,495
Other		289
Total gross deferred tax assets		20,400
Less valuation allowance		(10,510)
Net deferred tax assets	$	9,890

The valuation allowance for deferred tax assets as of April 1, 2018 was $10,149,000. The net change in the total valuation allowance was an increase of $361,000. The valuation allowance at March 31, 2019 was primarily related to components that, in the judgment of management, are not more-likely-than-not to be realized. In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income of the appropriate character during the periods in which those temporary differences become deductible. Management considered projected future taxable income in making the assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more-likely-than-not that the Company will realize the benefits of its deductible differences, other than for its capital loss carryforwards, upon which a full valuation allowance exists at March 31, 2019. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carryforward period are reduced.

The Company's capital loss carryforwards expire through March 31, 2024.

Major taxing jurisdictions for the Company and tax years for each that remain subject to examination are as follows:

U.S. Federal	March 31, 2016 and later
New York State	March 31, 2015 and later
New York City	March 31, 2016 and later

The Parent files a consolidated federal income tax return that includes the Company. In addition, the Company files state tax returns in various jurisdictions. With few exceptions, the Parent and its consolidated subsidiaries are no longer subject to U.S. federal, state, and local examinations by tax authorities for the years ended before March 31, 2015.

Management has evaluated state tax nexus regulations. The Company does not anticipate that any adjustments would result in a material change to its financial position. However, the Company anticipates that it is reasonably possible that an additional payment in the amount of $180,000 will be made by March 31, 2020 or thereafter.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

Beginning balance April 1, 2018	$	414
Subtractions for prior year state tax nexus positions		(265)
Ending balance March 31, 2019	$	149

As of March 31, 2019, there is $118,000 of unrecognized tax benefit that, if recognized, would affect the annual effective tax rate.

(15) Related Party Transactions

In the normal course of business, the Company's operations include significant transactions conducted with affiliate entities. Such transactions are governed by contractual agreements between the Company and its affiliates. The following table sets forth the Company's related party assets and liabilities as of March 31, 2019 (in thousands):

Assets:		
Securities purchased under agreements to resell	$	2,357,265
Financial instruments owned, at fair value		325
Securities borrowed		71,637
Receivable from brokers, dealers, and clearing organizations		4,243
Receivable from affiliates		5,005
Other assets		195
Liabilities:		
Securities sold under agreements to repurchase	$	738,158
Financial instruments sold, but not yet purchased, at fair value		647
Securities loaned		208,851
Payable to brokers, dealers, and clearing organizations		94,560
Loans payable		374,269
Payable to affiliates		296,484
Accounts payable and accrued liabilities		14,241
Subordinated borrowings from Parent	$	200,000

(16) Retirement Plan

All local employees are eligible for participation in the Company's retirement plan (the Plan) after two months of service. The Plan, established on June 1, 1985 and amended on October 1, 1989, is a profit-sharing plan qualifying under Section 401(a) of the Internal Revenue Code of 1986 (the Code), as amended, and includes a cash or deferred arrangement qualifying under Sections 401(k) and (m) of the Code. The Company contributes 3% of the employees' earnings as defined by the Plan. Additional amounts of earnings can be contributed by management at its discretion.

(17) Off-Balance-Sheet Market Risk and Concentrations of Credit Risk

(a) Market Risk

In the normal course of its operations, the Company enters into various contractual commitments involving forward settlement. These include financial futures contracts, options contracts, and commitments to buy and sell securities and foreign currencies. Commitments involving future settlement give rise to market risk, which represents the potential loss that can be caused by a change in the market value of a particular financial instrument.

The Company monitors and manages its market risk exposure by setting market risk limits and by reviewing the effectiveness of economic hedging strategies. The Company's policy is to take possession of securities purchased under agreements to resell and securities borrowed and maintain these securities with its custodian. The Company monitors the market value of the assets acquired to ensure their adequacy as compared to the amount at which the securities will be subsequently resold, as specified in the respective agreements. The agreements provide that, where appropriate, the Company may require the delivery of additional cash or securities.

The Company records all contractual commitments involving future settlement at fair value.

Derivative financial instruments are used for trading purposes. Futures contracts are executed on an exchange and cash settlement is made on a daily basis for market movements. Margin on futures contracts is included in receivable/payable to brokers, dealers, and clearing organizations. Options are recorded at fair value in the statement of financial condition. Fair value of the options is the unrealized gain or loss on the contract and is recorded in financial instruments owned and financial instruments sold, but not yet purchased. OTC derivatives are recorded at fair value in the statement of financial condition. Pricing models, using a series of market inputs, determine fair value. The fair value of OTC derivatives is recorded in financial instruments owned.

(b) Concentrations of Credit Risk

Credit risk is measured by the loss that the Company would record if its counterparties failed to perform pursuant to the terms of contractual commitments. Management of credit risk involves a number of considerations, such as the financial profile of the counterparty, specific terms and duration of the contractual agreement, market fluctuations, and the value and monitoring of collateral held, if any. The Company has established various procedures to manage credit exposure, including initial credit approval, credit limits, collateral requirements, rights of offset, and continuous oversight and monitoring.

The Company regularly transacts business with, and owns securities issued by, a broad range of corporations, governments and agencies, and other financial institutions. The Company also enters into collateralized financing agreements in which it extends short-term credit, primarily to major financial institutions, including major U.S. and non-U.S. commercial banks, investment banks, and affiliates. The Company generally controls access to the collateral pledged by the counterparties, which consists largely of securities issued by the U.S. government or its agencies. The value and adequacy of the collateral are continually monitored. Consequently, management believes the risk of credit loss from counterparties' failure to perform in connection with collateralized lending activities is minimal.

Remaining concentrations of credit risk arise principally from financial or contractual commitments involving future settlements, fixed-income securities, and equity securities. Concentrations are diverse with respect to geographic locations and industries of counterparties. North America and the Pacific Rim represent the largest concentrations geographically. Among types of industries, U.S. based and international financial institutions represent the largest group of counterparties.

Substantially all of the Company's cash and securities positions are either held as collateral by its clearing brokers and banks against various margin obligations of the Company or deposited with such clearing brokers and banks for safekeeping purposes.

(Continued)

(18) Net Capital Requirements

The Company is a registered U.S. broker-dealer and FCM subject to Rule 15c3-1 of the Securities Exchange Act and Regulation 1.17 of the Commodity Exchange Act, which specify uniform minimum net capital requirements, as defined, for their registrants. The Company has elected to use the alternative method of computing net capital, as permitted by Rule 15c3-1, which requires that the Company maintain minimum net capital, as defined, of the excess margin collected on reverse repurchase transactions, plus the greatest of:

a. $1,500,000;

b. 2% of aggregate debit balances arising from customer transactions, as defined; or

c. 8% of customer risk maintenance margin requirements and 8% of noncustomer risk maintenance margin requirements pursuant to the Commodity Exchange Act and the regulations thereunder.

The Company is also subject to the minimum net capital requirements of all self-regulatory organizations of which it is a member. The Company is a clearing member of the Chicago Mercantile Exchange, which requires all clearing members to maintain minimum net capital of $5,000,000. Additionally, equity capital may not be withdrawn or cash dividends paid if the resulting net capital would be less than the greatest of 120% of the greater of (a) and (c) above, or 5% of aggregate debit items. At March 31, 2019, the Company had net capital of $988,541,000, which was $985,246,000 in excess of the minimum net capital required under Rule 15c3-1.

(19) Subsequent Events

The Company has evaluated subsequent events from the statement of financial condition date through May 29, 2019, the date at which the statement of financial condition was available to be issued, and determined that there are no other items to recognize or disclose.

Schedule I

DAIWA CAPITAL MARKETS AMERICA INC.
(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Computation of Net Capital Under Rule 15c3-1 of
the Securities and Exchange Commission

March 31, 2019

(In thousands)

Total ownership equity (from statement of financial condition)	$	912,912
Total ownership equity qualified for net capital		912,912
Add liabilities subordinated to claims of general creditors allowable in computation of net capital		200,000
Total capital and allowable subordinated liabilities		1,112,912
Deductions and/or charges:		
Nonallowable assets		36,246
Aged fail-to-deliver		60
Commodity futures contracts and spot commodities proprietary capital charges		2,247
Other deductions and/or charges		16,138
Total deductions and/or charges		54,691
Other additions and/or allowable credits (list)		—
Net capital before haircuts on securities positions		1,058,221
Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):		
Trading and investment securities:		
U.S. and Canadian government obligations		56,658
Corporate obligations		12,419
Stocks and warrants		526
Options		—
Other		77
		69,680
Net capital		988,541
Computation of alternate net capital requirement:		
2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits		3,295
Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries		1,741
Net capital requirement		3,295
Excess net capital	$	985,246
Percentage of net capital to aggregate debits		647%
Percentage of net capital, after anticipated capital withdrawals, to aggregate debits		647%
Net capital in excess of the greater of:		
5% of combined aggregate debit items or 120% of minimum net capital requirement	$	980,616

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule I

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Schedule of Nonallowable Assets

March 31, 2019

(In thousands)

Nonmarketable securities	$	1,594
Receivable from brokers, dealers, and clearing organizations		65
Receivable from affiliates		6,387
Office furniture, equipment, and leasehold improvements		10,367
Receivable from customers		1,057
Exchange memberships		1,073
Deferred tax asset		9,890
Other		5,813
Total nonallowable assets	$	36,246

The above schedule does not differ materially from the amounts included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule II

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Computation for Determination of Customer Account Reserve Requirements
under Rule 15c3-3 of the Securities and Exchange Commission

March 31, 2019

(In thousands)

Credit balances:		
Free credit balances and other credit balances in customers' security accounts	$	19,103
Customers' securities failed to receive		149,494
Credit balances in firm accounts which are attributable to principal sales to customers		—
Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		646
Total credits	$	169,243
Debit balances:		
Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection	$	149,509
Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver		—
Failed to deliver of customers' securities not older than 30 calendar days		3,208
Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts		—
Aggregate debit items		152,717
Less 3% (for alternative method only – see Rule 15c3-1(a)(1)(ii))		(4,581)
Total 15c3-3 debits	$	148,136
Reserve computation:		
Excess of total debits over total credits	$	—
Excess of total credits over total debits		21,108
If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits		—
Amount held on deposit in "Reserve Bank Account(s)" at the end of reporting period	$	48,434
Amount of deposit (or withdrawal)		4,000
New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal	$	52,434
Date of deposit		04/01/19

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule II

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Computation for Determination of PAB Account Reserve Requirements
under Rule 15c3-3 of the Securities and Exchange Commission

March 31, 2019

(In thousands)

Credit balances:		
Free credit balances and other credit balances in PAB security accounts	$	84,418
PAB securities failed to receive		—
Credit balances in firm accounts which are attributable to principal sales to PAB		—
Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		—
Total PAB credits	$	84,418
Debit balances:		
Debit balances in PAB cash and margin accounts excluding unsecured accounts and accounts doubtful of collection	$	—
Securities borrowed to effectuate short sales by PAB and securities borrowed to make delivery on PAB securities failed to deliver		—
Failed to deliver of PAB securities not older than 30 calendar days		—
Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in PAB accounts		33,173
Total PAB debits	$	33,173
Reserve computation:		
Excess of total PAB debits over total PAB credits	$	—
Excess of total PAB credits over total PAB debits		51,245
Excess debits in customer reserve formula computation		—
PAB reserve requirement		51,245
Amount held on deposit in “Reserve Bank Account(s)” at the end of reporting period	$	74,466
Amount of deposit (or withdrawal)		6,000
New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal	$	80,466
Date of deposit		04/01/19

The above computation does not differ materially from the computation included in the Company’s FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule III

DAIWA CAPITAL MARKETS AMERICA INC.
(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Information Relating to Possession or Control Requirements
under Rule 15c3-3 of the Securities and Exchange Commission

March 31, 2019

(In thousands)

Information of possession or control requirements under Rule 15c3-3:		
State the market valuation and the number of items of:		
Customers’ fully paid securities and excess margin securities not in the respondent’s possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3.	$	—
Number of items		
Customers’ fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from “temporary lags which result from normal business operations” as permitted under Rule 15c3-3.	$	—
Number of items		

The above computation does not differ materially from the computation included in the Company’s FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule IV

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Computation of CFTC Minimum Net Capital Requirement

March 31, 2019

(In thousands)

Net capital required:		
A. Risk-based requirement		
i. Amount of customer risk maintenance margin requirement	$	—
ii. Enter 8% of line A.i		—
iii. Amount of non-customer risk maintenance margin requirement		5,748
iv. Enter 8% of line A.iii		460
v. Add lines A.ii and A.iv.	$	460
B. Minimum dollar amount requirement	$	1,000
C. Other NFA requirement		—
D. Minimum CFTC net capital requirement. Enter the greatest of lines A, B, or C	$	1,000

Note: If amount on Line D is greater than minimum net capital requirement computed on Schedule I then enter this greater amount on Schedule I. The greater amount required by SEC or CFTC is the minimum net capital requirement.

CFTC early warning level	$	1,500

Note: If the minimum CFTC Net Capital Requirement computed on Line D is the:
(1) Risk based requirement, enter 110% of Line A or
(2) Minimum dollar amount requirement of $1,000,000 enter 150% of line B or
(3) Other NFA requirement, enter 150% of Line C.

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule V

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Segregation Requirements and Funds in Segregation
for Customers Trading on U.S. Commodity Exchanges

March 31, 2019

(In thousands)

Segregation requirements (Section 4d(2) of the Commodity Exchange Act):		
Net ledger balance:		
Cash	$	—
Securities (at market)		—
Net unrealized profit (loss) in open futures contracts traded on a contract market		—
Exchange traded options:		
Add market value of open option contracts purchased on a contract market		—
Deduct market value of open option contracts granted (sold) on a contract market		—
Net equity (deficit)		—
Accounts liquidating to a deficit and accounts with debit balances – gross amount		
Less amount offset by customer owned securities		—
Amount required to be segregated		—
Funds in segregated accounts:		
Deposited in segregated funds bank accounts:		
Cash		2,006
Securities representing investments of customers' funds (at market)		—
Securities held for particular customers or option customers in lieu of cash (at market)		—
Margins on deposit with derivatives clearing organizations of contract markets:		
Cash		163
Securities representing investments of customers' funds (at market)		—
Securities held for particular customers or option customers in lieu of cash (at market)		—
Segregated funds on hand		—
Total amount in segregation		2,169
Excess (deficiency) funds in segregation	$	2,169
Management target amount for excess funds in segregation	$	—
Excess(deficiency)funds in segregation over(under) management target amount excess	$	2,169

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule VI

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Segregation Requirements and Funds in Segregation
for Customers' Dealer Options Accounts

March 31, 2019

(In thousands)

Amount required to be segregated in accordance with Commission regulation 32.6	$	—
Funds in segregated accounts		
Cash	$	—
Securities (at market)		—
Total	$	—
Excess (deficiency) funds in segregation	$	—

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule VII

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Secured Amounts and Funds Held in Separate Accounts
Pursuant to Commission Regulation 30.7

March 31, 2019

(In thousands)

Foreign Futures and Foreign Options Secured Amounts		
Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	$	—
Net ledger balance-Foreign futures and foreign option trading-all customers		
Cash		—
Securities (at market)		—
Net unrealized profit(loss) in open futures contracts traded on a foreign board of trade		—
Exchange traded options		
Market value of open option contracts purchased on a foreign board of trade		—
Market value of open contracts granted (sold) on a foreign board of trade		—
Net equity (deficit)		—
Accounts liquidating to a deficit and accounts with debit balances - gross amount		—
Less: amount offset by customer owned securities		—
Amount required to be set aside as the secured amount - Net Liquidating Equity Method	$	—
Greater of amount required to be set aside pursuant to foreign jurisdiction	$	—

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule VII

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Secured Amounts and Funds Held in Separate Accounts
Pursuant to Commission Regulation 30.7

March 31, 2019

(In thousands)

Funds deposited in separate regulation 30.7 accounts:		
Cash in banks:		
Banks located in the United States	$	263
		263
Securities:		
In safekeeping with banks located in the United States		—
		—
Equities with registered futures commission merchants:		
Cash		292
Securities		—
Unrealized gain (loss) on open futures contracts		—
Value of long option contracts		—
Value of short option contracts		—
		292
Amounts held by members of foreign boards of trade:		
Cash		—
Securities		—
Unrealized gain (loss) on open futures contracts		—
Value of long option contracts		—
Value of short option contracts		—
		—
Total funds in separate section 30.7 accounts	$	555
Excess (deficiency) set Aside Funds for Secured Amount	$	555
Excess (deficiency) funds in separate 30.7 accounts over (under) management target	$	555

The above computation does not differ materially from the computation included in the Company's FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.

Schedule VIII

DAIWA CAPITAL MARKETS AMERICA INC.

(A Wholly Owned Subsidiary of Daiwa Capital Markets America Holdings Inc.)

Statement of Cleared Swaps Customer Segregation Requirements and Funds in Cleared Swaps Customer Accounts Under 4D(F) of the CEA

March 31, 2019

(In thousands)

Cleared Swaps Customer Requirements		
Net ledger balance		
Cash	$	—
Securities (at market)		—
Net unrealized profit (loss) in open cleared swaps		—
Cleared swaps options		
Market value of open cleared swaps option contracts purchased		—
Market value of open cleared swaps option contracts granted (sold)		—
Net equity (deficit)		—
Accounts liquidating to a deficit and accounts with debit balances - gross amount		—
Less: amount offset by customer owned securities		—
Amount required to be segregated for cleared swaps customers		—
Funds in Cleared Swaps Customer Segregated Accounts		
Deposited in cleared swaps customer segregated accounts at banks		
Cash		—
Securities representing investments of cleared swaps customers' funds (at market)		—
Securities held for particular cleared swaps customers in lieu of cash (at market)		—
Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts		
Cash		—
Securities representing investments of cleared swaps customers' funds (at market)		—
Securities held for particular cleared swaps customers in lieu of cash (at market)		—
Net settlement from (to) derivatives clearing organizations		—
Cleared swaps options		
Value of open cleared swaps long option contracts		—
Value of open cleared swaps short option contracts		—
Net equities with other FCMs		
Net liquidating equity		—
Securities representing investments of cleared swaps customers' funds (at market)		—
Securities held for particular cleared swaps customers in lieu of cash (at market)		—
Cleared swaps customer funds on hand		—
Total amount in cleared swaps customer segregation	$	—
Excess (deficiency) funds in cleared swaps customer segregation	$	—
Management Target Amount for Excess funds in cleared swaps segregated accounts	$	—
Excess (deficiency) funds in cleared swaps customer segregation accounts over (under) Management Target Excess	$	—

The above computation does not differ materially from the computation included in the Company’s FOCUS Form X-17A-5 Part II filed on April 23, 2019.

See accompanying report of independent registered public accounting firm.