



Business News 03: 200 Million Dollar Typing Error

One of Japan's top financial companies is trying hard to limit very large losses caused by one of its brokers. Mizuho Securities, the **brokerage arm** of Japan's second largest bank, says it will lose at least 220 million dollars because of a typing error.

The advent of computerised share trading has opened up traditionally exclusive stock markets, making them more accessible to ordinary investors and making the process of buying and selling shares much faster for professional brokers. Now Mizuho Securities in Japan has found out that there's **a downside** to all this.

Under instruction from one of its clients to sell a single share in a Japanese company at the market price of 610,000 yen, or around 5,000 dollars, one of its brokers made what may be the most expensive typing error in history.

Instead the order went out to sell 610,000 shares, more than 40 times the total number of shares in the company, at a price of just one yen each. Mizuho **spotted** their mistake in less than two minutes but it was too late. The sale had already been authorised and **sharp-eyed** online investors began **snapping up** the shares at **bargain prices**.

Mizuho, which failed to tell anyone about the mistake for several hours, is now trying to buy back all the shares at something close to the price it sold them for, but it admits it will lose at least 220 million dollars.

The Japanese government has demanded an inquiry into how the stock exchange's computer system failed to spot such an obviously **nonsensical** trade. Mizuho has cancelled its annual office party and there will presumably be fewer Christmas bonuses this year as well.

Glossary:

brokerage arm (noun phrase)

the part of the company that buys and sells shares, e.g.

Is the brokerage arm of HSBC the most profitable part of the company?

The advent of (phrase)

the beginning of, e.g.

People's lives have been transformed by the advent of the internet.

The fall of the Soviet Union marked the advent of a new era in world politics.

downside (noun)

a negative part, a disadvantage, e.g.

The downside of living here, of course, is that it is expensive.

Unemployment, inflation and greater inequality are often the downside of a market economy.

spotted (verb)

saw or noticed someone or something, usually because you are looking hard, e.g.

I've just spotted Malcolm - he's over there, near the entrance.

If you spot any mistakes in the article just mark them with a pencil.

[+ ing form of verb] The police spotted him driving a stolen car.

[+ question word] I soon spotted what was wrong with the printer.

sharp-eyed (adjective)

quick to notice things, e.g.

A sharp-eyed secretary noticed the mistake just in time.

snapping up (phrasal verb)

buying very quickly, usually because something is a lot cheaper than normal or because it's something that you really want, e.g.

The tickets for the concert were snapped up within three hours of going on sale.

The fall in property prices means that there are a lot of bargains waiting to be snapped up.

bargain prices (noun phrase)

prices that are much lower than usual, e.g.

The shop is having a closing down sale and selling off its stock at bargain prices.

nonsensical (adjective)

foolish or ridiculous, e.g

It's nonsensical to blame all the world's troubles on one man.