



SECURITIES AND  
FUTURES COMMISSION  
證券及期貨事務監察委員會

## Financial Review of the Securities Industry

---

For the year ended 31 December 2025

## Executive summary

In 2025, the total net profits and total value of transactions of all securities dealers and securities margin financiers<sup>1</sup> in Hong Kong reached five-year highs, respectively. Total net profits increased 62% to \$71.7 billion<sup>2</sup> in 2025 from \$44.4 billion in 2024, while total value of transactions rose 52% to \$219.0 trillion from \$144.1 trillion in 2024.

### Net profits of all securities dealers and securities margin financiers

Most major revenue streams recorded strong growth:

- Net commission income arising from securities dealing, futures and options (F&O) dealing, leveraged foreign exchange trading (LFET) and virtual assets (VA) dealing<sup>3</sup> and gross interest income increased 16% to \$75.5 billion in 2025 from \$65.2 billion in 2024. Within this:
  - net securities commission income was up 50% to \$30.2 billion from \$20.2 billion. The increase was in line with that in the total value of transactions; and
  - net commission income from dealing in other products was up 33% to \$4.8 billion from \$3.6 billion.
- Income from advisory services and underwriting and placing of securities rose 27%, to \$29.9 billion in 2025 from \$23.6 billion in 2024, mainly driven by a \$3.9 billion increase in income from underwriting and placing of securities;
- Asset management-related fee income increased 30% to \$48.6 billion in 2025<sup>4</sup> from \$37.5 billion in 2024; and
- Other income, including management fees charged on group companies and net profit on proprietary trading, increased 18% to \$113.5 billion in 2025 from \$96.3 billion in 2024.

The strong growth in total net profits was attributable to improvements across major income streams, coupled with a moderate rise in expenses. Notably, salary and staff expenses rose by \$11.2 billion to \$79.9 billion in 2025.

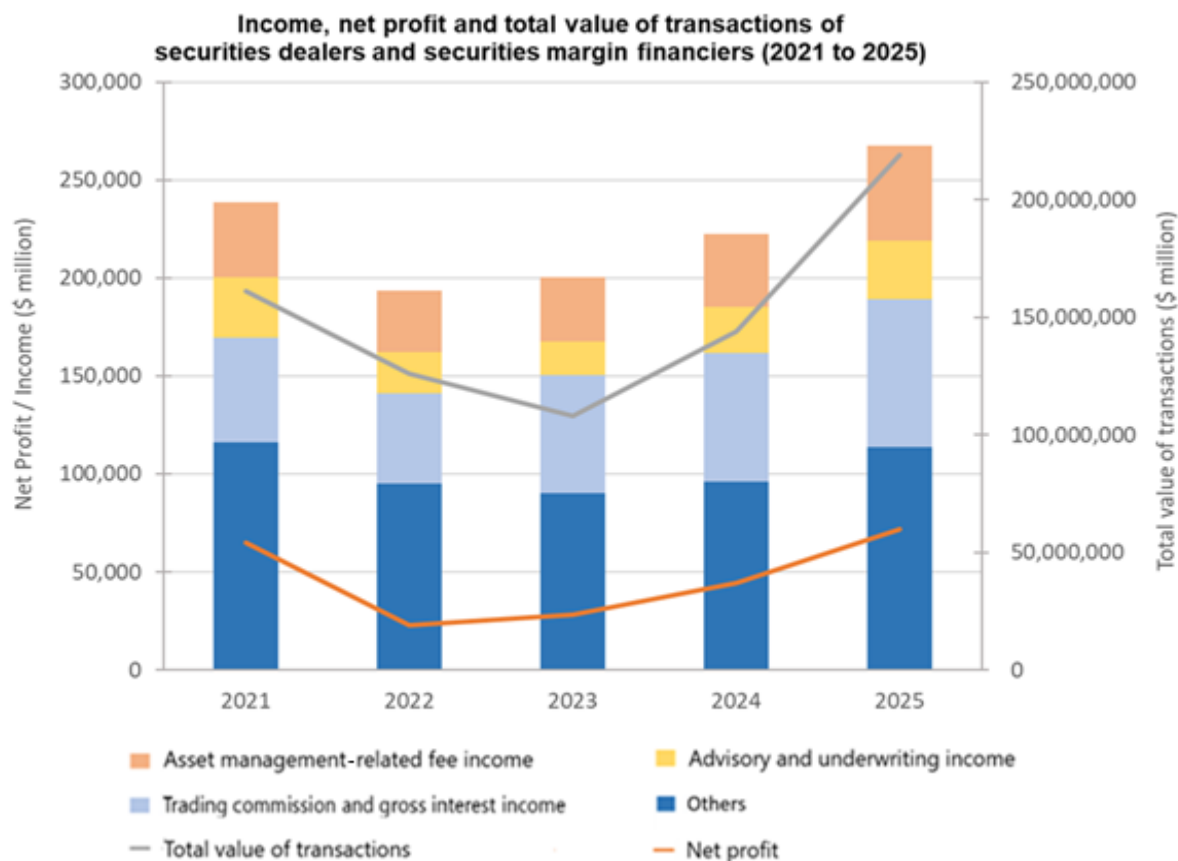
---

<sup>1</sup> Securities dealers and securities margin financiers refer to corporations licensed for dealing in securities or securities margin financing. Both Stock Exchange of Hong Kong Limited (SEHK) participants and non-SEHK participants are included unless otherwise specified. Some firms included in the review may be licensed for other regulated activities in addition to dealing in securities and/or securities margin financing, the financial figures presented reflect the firms' reported financial results and may include income arising from such other business activities.

<sup>2</sup> Unless otherwise stated, the figures provided in this report are denominated in Hong Kong dollars.

<sup>3</sup> The total reported commission income from VA dealing in 2025 was \$246.6 million. This reflected an increase of \$112.9 million compared to 2024.

<sup>4</sup> The total amount of assets under management as of 31 December 2025 was \$14.9 trillion, which increased by \$3.1 trillion from \$11.8 trillion as of 31 December 2024.



### Net profits of SEHK participants

Average daily turnover on SEHK in 2025 reached a record high of \$249.8 billion<sup>5</sup>, up 90% from \$131.8 billion in 2024. As of 31 December 2025, the Hang Seng Index closed at 25,631, up 28% from a year ago.

In respect of SEHK participants, the net profits of all SEHK participants totalled \$35.4 billion, up 62% from 2024. The net profits of Category C brokerages (refer to Remark 2a in Table 2) recorded the largest percentage increase, rising 77% to \$6.1 billion, followed by Category B brokerages posting a 67% rise to \$16.8 billion and Category A brokerages having a 49% increase to \$12.5 billion.

### Number of active clients

As of 31 December 2025, the number of active clients (as defined in Remark 1b in Table 1) of all securities dealers and securities margin financiers totalled 5.1 million, up 17% from a year ago. The top five securities dealers accounted for about half of all active securities clients in Hong Kong.

<sup>5</sup> Source: Hong Kong Exchanges and Clearing Limited.

## Outstanding margin loans

As of 31 December 2025, outstanding margin loans totalled \$216.4 billion, up 22% from a year ago, whilst average collateral coverage (as defined in Remark 1a in Table 1) was 4.5 times. The 20 largest providers of securities margin financing collectively accounted for 85% of the industry's total outstanding margin loans.

## Statistical information and financial position of securities dealers and securities margin financiers/ SEHK participants

Table 1 below summarises the statistical information and financial position of securities dealers and securities margin financiers. Table 2 summarises the financial performance of SEHK participants in three categories for the year ended 31 December 2025.

<b>Table 1 Statistical information and financial position of securities dealers and securities margin financiers</b>		
	<b>31/12/2025</b>	<b>31/12/2024</b>
Total number of securities dealers and securities margin financiers	1,475	1,397
Total number of active cash clients <sup>1b</sup>	1,872,141	1,857,740
Total number of active margin clients <sup>1b</sup>	3,274,693	2,546,405
	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>Balance sheet (\$ million)</b>		
Cash in hand and at bank <sup>1c</sup>	822,168	635,332
Amounts receivable from margin clients	216,353	177,193
Amounts receivable from clients and other dealers arising from dealing in securities	357,711	215,701
Proprietary positions	87,687	67,974
Other assets	501,776	417,802
<b>Total assets</b>	<b>1,985,695</b>	<b>1,514,002</b>
Amounts payable to clients and other dealers arising from dealing in securities	1,099,112	775,133
Total borrowings from financial institutions	38,792	30,812
Short positions held for own account	3,434	1,005
Other liabilities	284,082	205,613
Total shareholders' funds	560,275	501,439
<b>Total liabilities and shareholders' funds</b>	<b>1,985,695</b>	<b>1,514,002</b>

**Table 1 Statistical information and financial position of securities dealers and securities margin financiers (cont'd)**

	2025	2024	YoY % change
<b>Profit and loss (\$ million)</b>			
Total value of transactions <sup>1d</sup>	218,964,606	144,110,203	52%
<i>Trading commission and interest income</i>	<i>75,507</i>	<i>65,165</i>	<i>16%</i>
Net securities commission income	30,223	20,187	50%
Net commission income arising from F&O dealing, LFET and VA dealing	4,770	3,586	33%
Gross interest income	40,514	41,392	(2%)
<i>Advisory and underwriting income</i>	<i>29,861</i>	<i>23,595</i>	<i>27%</i>
Income from advising on securities and/or futures	10,476	9,241	13%
Income from underwriting and placing of securities	14,982	11,130	35%
Income from advising on corporate finance	4,403	3,224	37%
<i>Asset management-related fee income</i>	<i>48,638</i>	<i>37,528</i>	<i>30%</i>
<i>Other income</i>	<i>113,520</i>	<i>96,341</i>	<i>18%</i>
Management fees charged on group companies	64,420	57,279	12%
Net profit on proprietary trading	6,754	4,090	65%
Other income	42,346	34,972	21%
<b>Total income</b>	<b>267,526</b>	<b>222,629</b>	<b>20%</b>
Total overheads and interest expense	(195,808)	(178,260)	10%
<b>Net profit</b>	<b>71,718</b>	<b>44,369</b>	<b>62%</b>

**Remarks:**

1a. Average collateral coverage represents the number of times the aggregate market value of securities collateral deposited by margin clients covers the total amount of margin loans due from these clients on a given date on an industry-wide basis:

<u>As at 31/12/2025</u>	<u>As at 31/12/2024</u>
4.5 times	3.9 times

1b. Active clients refer to clients for whom a licensed corporation is required to prepare and deliver monthly statements of account in respect of the relevant reporting month in accordance with the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Cap. 571Q).

1c. Cash in hand and at bank includes \$568,662 million in trust monies held on behalf of clients (31/12/2024: \$405,156 million).

1d. Total value of transactions includes trading in equities, bonds and other securities in Hong Kong and overseas.

Source: Monthly financial returns submitted to the Securities and Futures Commission by licensed corporations licensed for dealing in securities or securities margin financing in accordance with the Securities and Futures (Financial Resources) Rules (Cap. 571N).

**Table 2 Financial performance of SEHK participants<sup>2a 2b</sup> by category for the year ended 31 December 2025 (\$ million)**

	Category A		Category B		Category C		All SEHK Participants	
	2025	2024	2025	2024	2025	2024	2025	2024
Total value of transactions <sup>2c</sup>	115,117,363	70,517,541	54,510,502	36,920,862	19,874,123	15,380,317	189,501,988	122,818,720
Net securities commission income	6,232	3,777	11,867	7,867	6,290	4,285	24,389	15,929
Net commission income arising from F&O dealing, LFET and VA dealing	2,263	1,508	898	629	760	849	3,921	2,986
Gross interest income	9,529	7,266	19,802	20,951	7,159	8,391	36,490	36,608
Income from advising on securities and/or futures	-	-	1,982	1,779	570	505	2,552	2,284
Income from underwriting and placing of securities	24	16	5,603	2,320	3,364	4,222	8,991	6,558
Income from advising on corporate finance	293	81	572	546	188	166	1,053	793
Asset management income	66	50	65	72	557	558	688	680
Management fees charged on group companies	8,314	7,256	6,314	6,347	3,506	3,435	18,134	17,038
Net profit on proprietary trading	8,176	5,193	3,056	1,951	4,213	3,878	15,445	11,022
Other income	21	204	3,475	1,661	607	(410)	4,103	1,455
<b>Total income</b>	<b>34,918</b>	<b>25,351</b>	<b>53,634</b>	<b>44,123</b>	<b>27,214</b>	<b>25,879</b>	<b>115,766</b>	<b>95,353</b>
Salary and staff benefits	(4,230)	(3,863)	(8,672)	(8,291)	(7,561)	(7,224)	(20,463)	(19,378)
Other overheads and interest expense	(18,197)	(13,099)	(28,176)	(25,793)	(13,529)	(15,192)	(59,902)	(54,084)
<b>Net profit</b>	<b>12,491</b>	<b>8,389</b>	<b>16,786</b>	<b>10,039</b>	<b>6,124</b>	<b>3,463</b>	<b>35,401</b>	<b>21,891</b>

**Remarks:**

2a. SEHK participants are classified into Categories A, B and C on the basis of their monthly turnover on SEHK. Category A participants refer to the top 14 brokers by market turnover, Category B participants refer to those ranked 15th to 65th and the remainder is grouped under Category C.

2b. The financial performance of SEHK participants whose primary business is asset management is excluded.

2c. The total value of transactions includes trading in equities, bonds and other securities in Hong Kong and overseas.

Source: Monthly financial returns submitted to the Securities and Futures Commission by SEHK participants in accordance with the Securities and Futures (Financial Resources) Rules (Cap. 571N).