

## A. **2006**

*The securities industry remained buoyant in the first half of 2006 with the following observations:*

- *Market capitalization and market turnover reached record high; and*
- *Overall profitability of securities dealers doubled that of the second half last year.*

## B. **2006**

1. Upward momentum of Hong Kong stock market continued in the first half of 2006, with market capitalization exceeding \$10,000 billion in May 2006.
2. Market turnover reached record high. The average SEHK daily turnover was sharply boosted by 65% to \$32.6 billion in the first half of 2006 as compared to \$19.7 billion in the second half of 2005.
3. Table 1 summarizes the securities industry's statistical information and financial highlights for the first half of 2006.

<sup>1</sup> The objective of this paper is to provide summary financial data so that those who are interested can use these data for benchmarking, research analysis or other purposes. Observations made in this review should not be taken as definitive market commentaries.



**B.** *Financial Performance*

5. Table 2 summarizes the financial performance of each category of SEHK participants for the first half of 2006.