

New York State Comptroller
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The Securities Industry in New York City

October 2026 | Report 13-2027

Prepared by the Office of the State Deputy Comptroller for the City of New York

Introduction

After a strong year of industry performance in 2024, securities profits, measured by broker/dealer operations of New York Stock Exchange (NYSE) member firms, soared to a record \$65.1 billion in 2025. This level was more than 30 percent above the previous year and surpassed the previous record set in 2009. Most revenue lines saw increases, with particular strength in securities trading, account supervision and advisory fees, underwriting activities, and other income.

In its latest economic update in May, New York City expected NYSE member firm profits to drop significantly in 2026 to \$45.3 billion, a decline of 30 percent, in anticipation of profits that more closely reflected historical norms. Profits have already exceeded that expectation in the first half of the year, totaling \$45.9 billion. Despite spikes in market volatility related to geopolitical conflicts, questions over the impact of artificial intelligence (AI), and escalating federal policy actions related to tariffs, immigration and government funding, firms continue to see increases in all revenue lines except for commodities trading, which has likely been impacted by increased crude oil prices. Global debt issuances and merger and acquisition activity set new records in 2025, and the first half of 2026 shows activity climbing higher still. Global equity issuances have surged in the first half of 2026 to the highest level since 2021. If the rate of profitability growth in the first half continues through the rest of the year, annual profits for 2026 could exceed \$90 billion, far outpacing last year's record level. This figure would also outpace even inflation-adjusted record levels in 2009.

The securities industry remains a key contributor to both the City's and State's economic and tax bases. New York City has more securities industry jobs than any other city, and, in fact, any other state in the nation, and in 2025 reported the largest total number of jobs since the dataset began in 2000. Preliminary data for the year to date show the positive employment trend continuing in 2026. Commensurate with record industry profitability, tax collections related to securities continue to reach new levels, with the industry contribution to City tax collections rising by 15.8 percent in FY 2026 compared to the prior fiscal year.

While the industry continues to see strong profits, there are growing concerns regarding ongoing geopolitical conflicts, inflation and interest rates, the outsized contributions of the burgeoning AI sector, and the deregulatory push of the current administration. Given the increasing contributions to both the City's and State's tax bases, the potential for an industry downturn presents an increasing risk to public finances and the broader regional economy.

Key Findings

- **Securities industry profits reached a record \$65.1 billion in 2025, rising more than 30 percent from the prior year.**
- **Profits totaled \$45.9 billion in the first half of 2026, a 51.3 percent increase over the same period in 2025 and the highest two-quarter result on record. If the current pace of growth continues, annual profits could exceed \$90 billion in 2026.**

- **Virtually all revenue lines saw increases in the first half of 2026, including underwriting activities (up 68 percent), account supervision (up 16.4 percent), commissions (up 24.4 percent), and other securities income (up 13.2 percent). Global debt and equity issuances and M&A activity also saw large increases during this period.**
 - **The industry contributed at least \$7.8 billion to the City’s budget in FY 2026 via business and personal income taxes, up 15.8 percent from the prior fiscal year driven by growth in profits and bonuses.**
 - **The industry contributed at least \$26.3 billion to the State’s budget in FY 2025-26 via business and personal income taxes, up 28.5 percent from the prior fiscal year, driven largely by growth in profits and bonuses.**
 - **The Office of the New York State Comptroller (OSC) estimates that in 2024 (the most recent year for which county-level data is available), the industry accounted for 18.8 percent of the City’s gross product, an increase from the prior year.**
 - **Securities industry employment reached 207,400 jobs in 2025, 7,000 jobs higher than the record level observed the prior year. Preliminary data for 2026 shows the industry on pace to add an additional 5,300 jobs this year.**
 - **In 2025, the average annual salary in the City’s securities industry reached a record \$561,770, an 11.1 percent increase from 2024. The 2025 bonus pool grew to a record high \$49.2 billion, up 9 percent, with further growth expected given strong 2026 profitability.**
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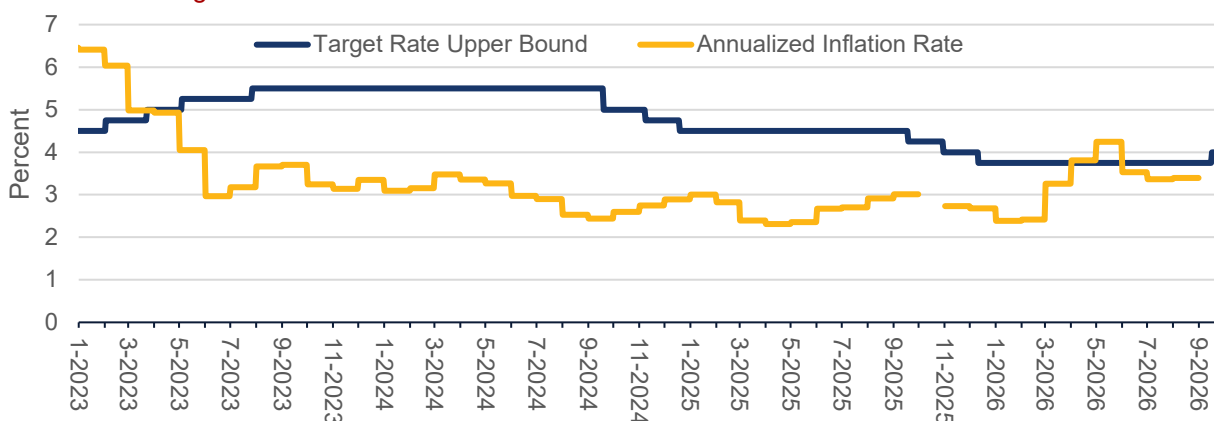
Economic Indicators and Market Conditions

Supply chain disruptions in the wake of the COVID-19 pandemic pushed inflation to the highest levels seen in over 40 years, peaking at an annualized rate of 9.1 percent in June 2022.¹ In response, the Federal Reserve raised its target interest rate 11 times between March 2022 and July 2023, reaching 5.5 percent (upper bound).² Inflation cooled considerably, falling to an annualized rate of 3 percent one year later in June 2023 (see Figure 1). This decrease, coupled with growing concerns about economic stagnation amid softness in the labor market led the Federal Reserve to reduce the target rate by 100 basis points (bps) in the second half of 2024 and another 75 bps in 2025 (see [OSC's 2025 Securities Report](#) for details). The rate held steady at 3.75 percent until September 2026, when the Federal Reserve increased the target rate by 25 bps to 4 percent, the first increase in over three years. Federal Reserve officials also signaled that an additional rate increase may be necessary before the end of the year, an expectation shared by the Federal Reserve Funds futures market.^{3,4}

During this time, inflation has remained above the Federal Reserve's stated target rate of 2 percent, and increased to an average of 3.3 percent in the first eight months of 2026 as measured by the Consumer Price Index.⁵ Price increases have been driven by multiple factors, including ongoing trade wars, with new rounds of tariffs introduced on a rolling basis, energy costs fueled by the Iran conflict that began in February 2026, and the rapidly expanding AI industry, which has driven up prices for computer components and consumer electronics generally. The Iran conflict has caused global supply chain disruptions across major sectors of commerce and trade. The price of a barrel of crude oil exceeded \$100 per barrel in September for the second time this year and was up over 80 percent since January. Other critical commodities have also seen strong price growth, including wheat (up 33.4 percent) and corn (up 13.5 percent) for the year through September, as fertilizer components such as sulfur and anhydrous ammonia have also seen prices increase dramatically.

The U.S. job market showed signs of a slowdown in June and July, adding 31,000 jobs and losing 10,000 jobs after data revisions in those months, respectively. However, August showed a

FIGURE 1
Federal Funds Target Interest Rate and Annualized Inflation Rate



Note: The CPI measurement for October 2025 was not published due to the federal government shutdown.
Sources: Federal Reserve Bank of St. Louis; U.S. Bureau of Labor Statistics; OSC analysis

significant unexpected increase of 133,000 jobs. Preliminary September jobs numbers were again weak, showing 29,000 jobs added and the national unemployment rate increasing to 4.2 percent. For the four-month period from June to September, health care added the most jobs (77,400) followed by manufacturing (57,000) and construction (48,000), while leisure and hospitality, information and financial activities posted significant declines (45,000, 43,000 and 24,000 jobs lost, respectively).

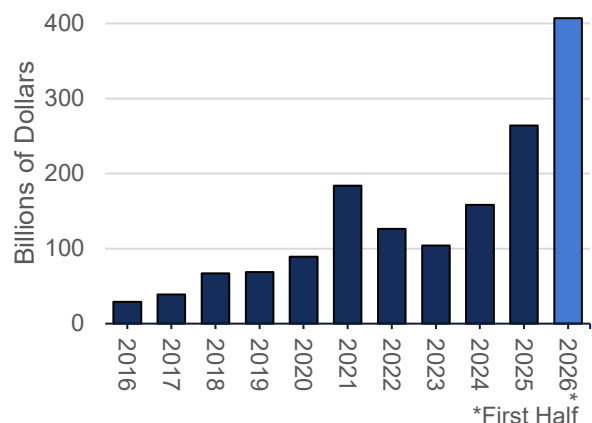
Despite these challenges, the securities industry has shown robust performance for the year to date, posting record-level profits. Major banks have seen some of their strongest earnings in recent quarters, while securities firms have seen increases in virtually all revenue lines. Investment in AI companies continues to drive the market, with AI-related venture capital reaching \$407 billion in the first half of the year, more than 50 percent higher than the annual total of \$264 billion in 2025 (see Figure 2; see [OSC's Venture Capital report](#) for details).⁶ Some analysts estimate that AI investment activity will exceed \$1 trillion globally this year.⁷

Rising yields for bonds issued by the U.S. and other governments in recent weeks are another concerning indicator for investors. Bond prices move inversely to yields, as higher yields indicate lower demand. Increasing yields suggest that investors are concerned about stubbornly high inflation and increasing government debt creating additional economic pressures on countries that are already running deficits.⁸ These increased yields can affect loan and mortgage rates, increasing borrowing costs across many sectors of the economy. The U.S. Treasury Secretary has announced interventions in currency and bond markets to reassure investors, the bond selloff has not abated, with the 10-year treasury yield at the end of September reaching its highest level since 2007.^{9,10}

The financial sector has also benefited from a more relaxed regulatory environment under the Trump administration. An executive order signed by President Trump less than two weeks after his inauguration laid out the deregulatory agenda, pledging that 10 existing regulations would be eliminated for every new regulation implemented.¹¹ The administration has moved to curtail the Consumer Financial Protection Bureau, abolish the Federal Deposit Insurance Corporation, abolish the Public Company Accounting Oversight Board, and eliminate requirements for climate risk disclosures. The administration has also halted the adoption of new rules from Basel III, the most recent set of guidelines for financial regulation from the international Basel Committee on Banking Supervision.

In addition to policy changes, the administration has significantly reduced the staff needed to enforce the regulations that remain. Staffing levels have been reduced by over 20 percent at the Federal Reserve, the Commodity Futures Trading Commission, the Securities and Exchange Commission and the National Credit Union Administration.¹² While these changes may have led to a reduction in

FIGURE 2
AI Venture Capital Deal Activity



Sources: Pitchbook; OSC analysis

the costs of managing regulatory requirements in the securities industry, they may also increase the potential risks to the sector in the future.

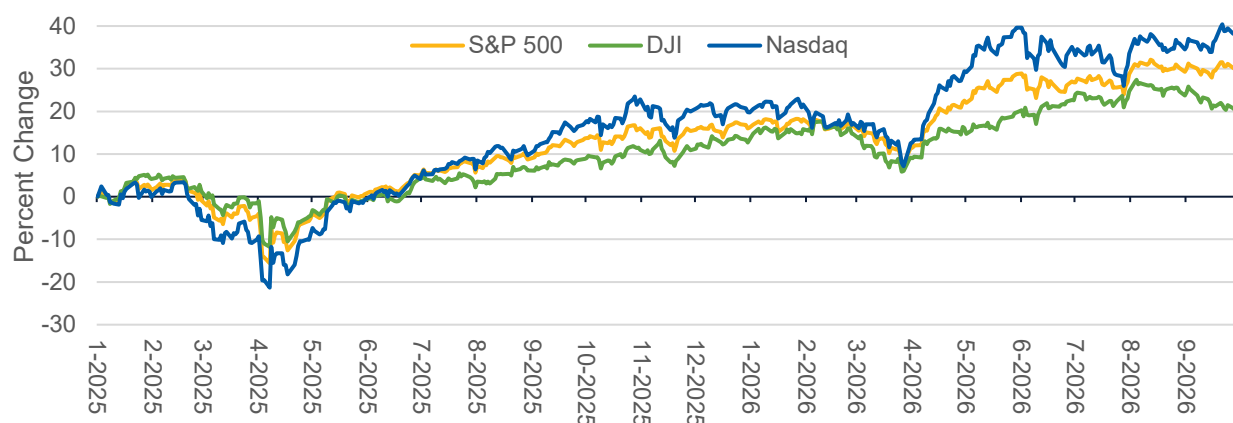
Market Impacts

Major market indices saw substantial gains in 2025, with annual returns of 16 percent for the S&P 500, 19.8 percent for the Nasdaq, and 12.7 percent for the Dow Jones Industrial Average (DJI; see Figure 3). Market volatility as measured by the CBOE Daily Volatility Index (VIX) averaged 18.9 in 2025, up 21.7 percent compared to the prior year, with large swings caused by the administration's ongoing tariff activities and geopolitical conflict. This was the highest annual VIX average since 2022, when global supply chain disruptions and the Ukraine conflict drove market volatility.¹³

All three market indices have seen strong performance for the year to date, with returns through September of 14.4 percent for the S&P 500, 11.2 percent for the Nasdaq, and 5.8 percent for the Dow Jones (DJI). At the onset of the Iran conflict in early March 2026, the VIX spiked to a measurement of 29.5, which was then eclipsed three weeks later when the Strait of Hormuz blockade drove the index to 31.1. The volatility index closed at 16.3 at the end of September, close to the lower end of its trading range for the year, though investors expect volatility to remain elevated for the remainder of the year.

Average daily trading volumes through September rose 6.3 percent for the S&P 500 and 2.7 percent for the Nasdaq, while DJI volume declined 8.4 percent compared to the same period in 2025. The Nasdaq was created as a more tech-focused index, while the S&P 500 has seen tech-focused stocks comprising an increasingly larger share of the index in recent years. Trading volume on the Nasdaq-100, an ETF with the top 100 non-financial Nasdaq companies, showed an increase of 6.1 percent in trading volume during this period. The Nasdaq's heavier tech focus drew more market participation, while broader market and value-oriented names saw lighter trading. Similar to trends seen in the VIX figures, OSC found that volatility for individual indices also declined in 2026. Trading volumes were more likely to be heavier on down days than up days, suggesting a change in retail and institutional investor strategies. Over the past five years, 14.1 percent more Nasdaq-100 shares, 2.5 percent more S&P 500 shares and about 2.3 percent more DJI shares changed hands on days that saw a decline.

FIGURE 3
Cumulative Returns for Major Indices Since January 2025



Sources: LSEG Data & Analytics; OSC analysis

Market performance has been buoyed by AI capital expenditures, which have generated significant economic activity. Expenditures in the U.S. are expected to exceed \$581 billion for the year, accounting for an estimated 1.8 percent of the nation's gross domestic product (GDP) in 2026.¹⁴ Some market signals suggest that investors see a risk of an AI bubble, as many of the largest AI companies have yet to generate an operating profit and are not expected to do so for years.¹⁵ Other companies have benefited from the massive spending on the infrastructure build-out. Two of the three largest equities by market valuation as of the end of September included in the S&P 500 are Nvidia, a manufacturer of graphic chips used to run large AI models (8 percent of the total valuation of the index), and Microsoft (5.6 percent), which is one of three companies with annual AI capital expenditures in the \$200 billion range (with Google and Amazon).^{16,17} With two of the 500 companies in the index accounting for an eighth of its total valuation, investors have increasing concern about the index's concentration risk.¹⁸

The Shiller price-to-earnings (P/E) ratio compares inflation-adjusted average earnings from the previous 10-year period (the Cyclically Adjusted Price-to-Earnings Ratio) to current share prices for companies in the S&P 500.¹⁹ The Shiller P/E ratio rose to 41.1 in August 2026, rapidly approaching the highest level recorded since December 1999, when the index hit 44.2 in the midst of the Dot Com bubble, but saw a slight decline to 40.6 in September (see Figure 4). The forward P/E ratio for the S&P 500, which compares valuations to expectations of future earnings, is down from the level at this time last year, suggesting that investors may feel the current level of AI capital investment spending is justified by expected future returns.²⁰

Since 2020, fund flows have shown a significant shift from mutual funds to exchange-traded funds (ETFs) that has accelerated in recent years. In 2025, ETF inflows increased 26.3 percent while the pace of mutual fund outflows nearly doubled. In the first three months of 2026, ETF inflows have reached a monthly average of \$152.7 billion, while mutual fund outflows have slowed. Although ETF inflows kept overall totals positive for most of the period, the widening gap underscores an investor shift driven by a strong stock market and liquidity advantages, with asset managers increasingly converting mutual fund strategies into ETFs.

Global debt issuance soared to a new all-time high in 2025 with \$12.1 trillion worth of global debt issued.²¹ Some of the major contributors to debt issuance are hyperscalers--large-scale cloud

FIGURE 4

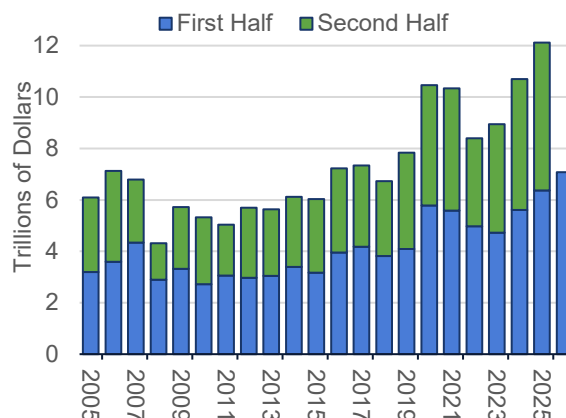
Shiller Price-to-Earnings Ratio



Sources: Shiller Data; OSC analysis

infrastructure providers supporting the heavy computational demands of AI, such as Amazon, Alphabet, Meta, Microsoft, and Oracle.²² Debt issuance by these firms is expected to continue at comparable levels through 2029, according to J.P. Morgan.²³ The first half of 2026 saw the pace of debt issuance rise further to \$7.1 trillion, 11.3 percent higher than the same period in 2025 and a new record high (see Figure 5). The vast majority (97.6 percent) is long-term debt, held predominately by governments and corporations. About 48 percent of the global debt was characterized as investment grade corporate debt, with J.P. Morgan underwriting \$181.8 billion worth in the first half of 2026, the most of any firm.

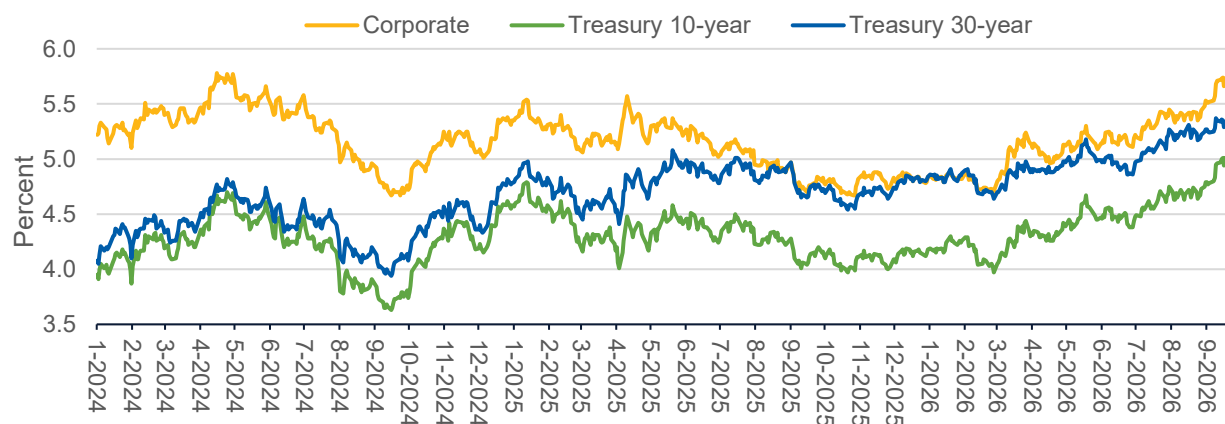
Figure 5
Annual Global Debt Issuance



Sources: LSEG Data & Analytics; OSC analysis

The average U.S. investment grade corporate bond rated as BBB or better was 5.7 percent in September 2026, compared to 5 percent for the U.S. 10-year treasury bond (corporate bonds included in the index have an average maturity of 7.5 years). Yields for 10-year treasury bonds have increased 25.8 percent for the year to date, and the 30-year bond was up to 5.6 percent in late September, its highest level since 2007 (see Figure 6). The Congressional Budget Office estimates that if interest rates remain above projections through the end of the decade, bond liability could add an additional \$3.5 trillion to the national debt.²⁴ Increasing debt issuance despite higher rates suggests that investors do not yet see this as a barrier to investing, and in its most recent guidance, the U.S. Treasury suggested that it expects no changes in debt issuance through 2027.

FIGURE 6
Rates of Return for U.S. Corporate and Treasury Bonds



Sources: Federal Reserve Bank of St. Louis; OSC analysis

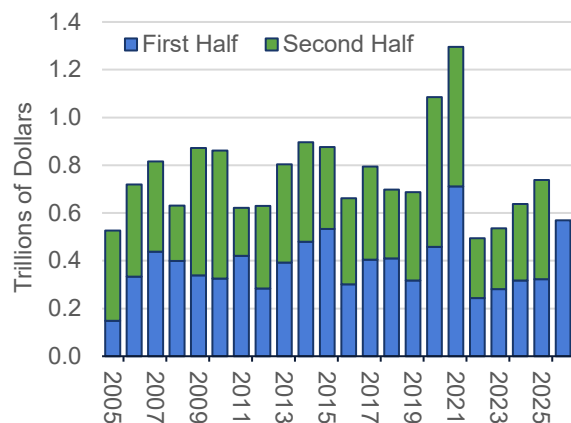
Global equity capital markets activity surged to \$569 billion during the first half of 2026, an increase of 76.5 percent compared with the first half of 2025 (see Figure 7).²⁵ The increase was driven by the highly-anticipated initial public offering (IPO) for SpaceX, the largest IPO in history, with gross proceeds of \$75 billion, nearly three times the previous record holder (Saudi Aramco in 2019).²⁶ In all, global IPOs totaled \$170.1 billion in the first half of 2026, the highest level since 2021. However, global IPO activity was more concentrated that year, with 519 companies being taken public around the world, a drop of 2.4 percent over the prior year. IPO activity in the U.S. increased 12.7 percent during this period to 186 offerings, compared to 165 offerings during the same period in 2025.²⁷ With AI firm Anthropic expected to hold its IPO this fall and OpenAI expected in 2027, M&A activity is likely to see continued strength over the next few quarters.

Worldwide M&A activity totaled \$2.8 trillion in the first half of 2026, an increase of 44.2 percent compared to the first half of 2025 and the highest amount of global M&A activity for any half year on record (see Figure 8). The total number of announced M&A deals globally increased by 2.2 percent to 24,600 deals during this period. Of the global total, 23.3 percent of those deals occurred within the U.S., a slightly lower share than in the first half of 2025 (24.9 percent), though the U.S.' share by value increased to 51.4 percent. Among the largest U.S deals was NextEra Energy's purchase of Dominion Energy, worth \$119.8 billion and expected to create the largest regulated electric utility company by market capitalization in the U.S.²⁸ The two energy providers currently serve roughly 10 million customers across Florida, Virginia, and North and South Carolina, including the largest data center market in the world (an estimated 13 percent of all global data center capacity is in the state of Virginia).²⁹

The global crypto currency market has a total market capitalization of \$2.6 trillion as of August 2026, a year-over-year decline of 32.9 percent.³⁰ The declines were partially caused by investors rebalancing their portfolios to increase investment in AI-related firms.³¹

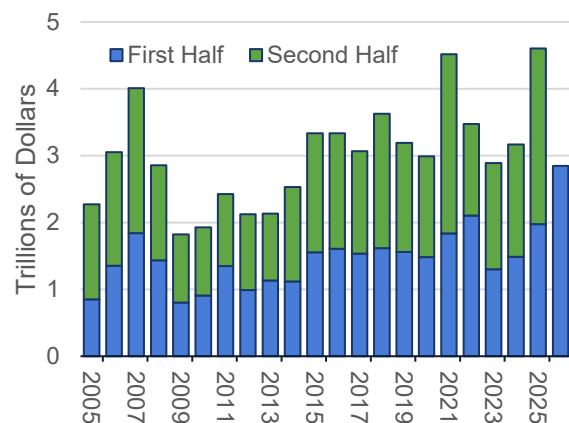
The current federal administration has taken a supportive approach to cryptocurrencies, signing an executive order shortly after being sworn in to support and promote digital assets and blockchain technology, and another to create a "Strategic Bitcoin Reserve."³² The administration has also appointed pro-crypto officials to key regulatory positions that have since dropped

FIGURE 7
Annual Global Equity Issuances



Sources: LSEG Data & Analytics; OSC analysis

FIGURE 8
Annual Global Mergers & Acquisitions



Sources: LSEG Data & Analytics; OSC analysis

ongoing federal lawsuits or dismissed charges against a variety of firms including Coinbase, Consensys and Robinhood, and pardoned BitMEX, the first presidential pardon of a corporation in history.³³ Regulators have also been ordered to reexamine rules that prevent workplace retirement accounts from including cryptocurrencies in their portfolios.³⁴

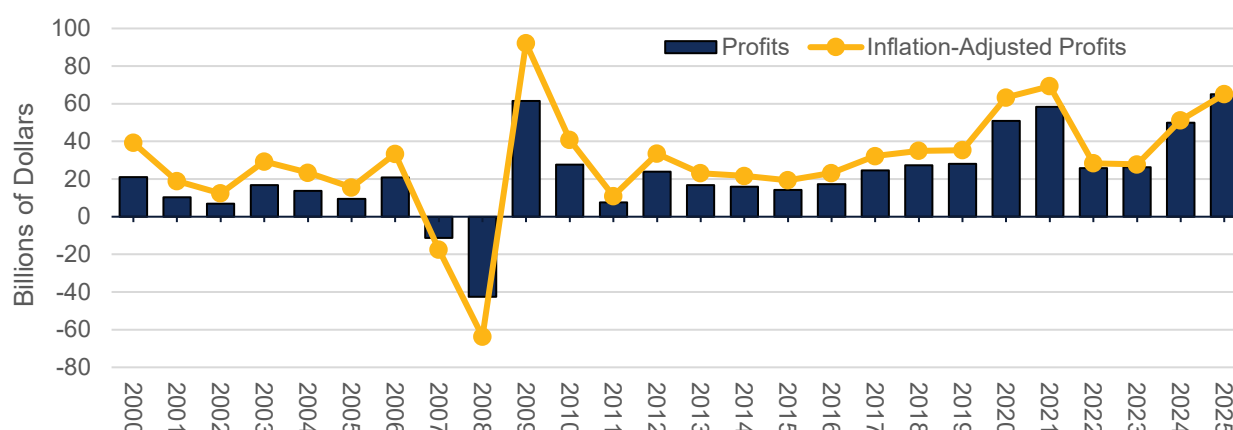
The proposed Digital Asset Market Clarity Act, designed to establish a federal regulatory framework for cryptocurrencies and digital assets, passed in the House of Representatives in July 2025 but had been stalled in the Senate amid ongoing ethics debates. The bill would allow market oversight of digital commodities by the Commodity Futures Trading Commission, require registered brokers and exchanges to segregate customer funds, and compel firms to report more detailed information on risks.³⁵ On September 15, the Clarity Act failed a procedural vote in the Senate and is unlikely to be reintroduced this year.³⁶

Industry Profitability

After surging in the wake of the pandemic, the profitability of NYSE member firms, which serves as the traditional profitability measure for the securities industry, returned to more typical levels in 2022 and 2023. In 2024, profits grew to \$49.9 billion, a 90 percent increase over the prior year (see OSC's [2024 Securities Industry Report](#) for details).³⁷ This was more than double the pre-pandemic average of \$24.3 billion annually from 2016 to 2019.

In 2025, industry profits soared to \$65.1 billion, a 30.4 percent increase over 2024 (see Figure 9). This was the highest level of annual profits on record, surpassing the previous high of \$61.4 billion in 2009, which followed a loss of \$42.6 billion in 2008 and was inflated by federal actions in the wake of the Great Recession. When adjusted for inflation, 2025 marked the third-highest year of profits on record, eclipsed only by 2009 and 2021.

FIGURE 9
Annual Securities Industry Profits



Note: Pretax profits for broker/dealer operations of New York Stock Exchange member firms.
Sources: NYSE/Intercontinental Exchange; U.S. Bureau of Labor Statistics; OSC analysis

Total revenues for member firms grew faster than expenses, leading to growth in profits. Revenues at member firms in 2025 rose by 5.5 percent from 2024, reaching \$510.5 billion. Excluding interest expenses, net revenues increased by 16.5 percent during this period. Growth was largely driven by increases in securities trading, which reached \$65 billion in 2025 (a 23.8 percent increase), followed by account supervision fees (up 11.3 percent to \$99.9 billion), underwriting activities (up 22.2 percent to \$32.4 billion), and other income unrelated to securities (up 7.3 percent to \$85.1 billion).

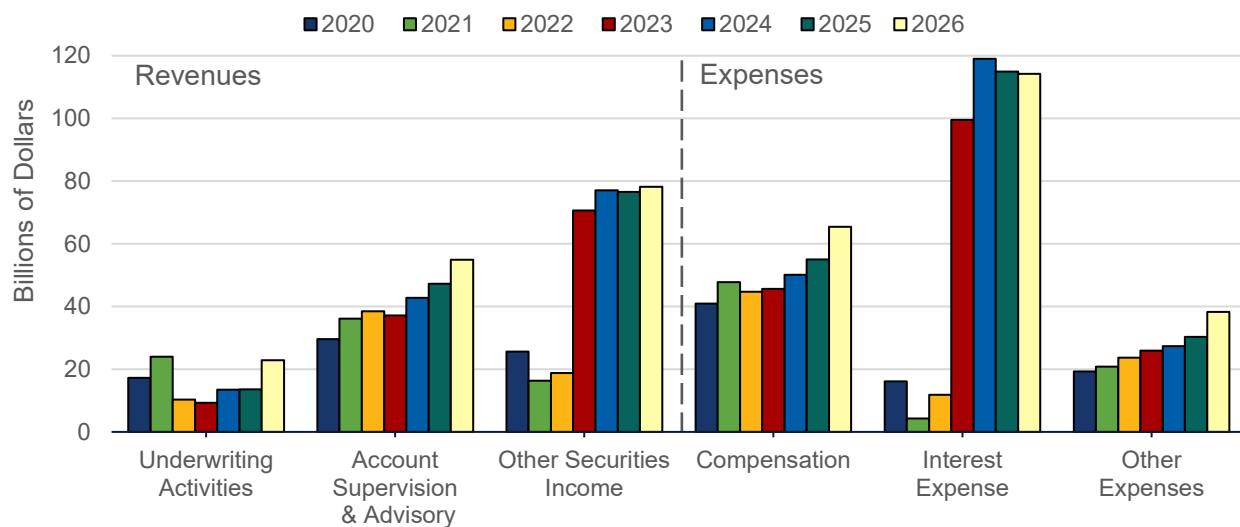
Total expenses grew by 2.6 percent in 2025 to reach \$445.4 billion. Compensation was the driving factor for increased expenses, up 13 percent in 2025 to \$115.5 billion, followed by commissions and clearances paid to other brokers (up 57.2 percent to \$10.6 billion), and other expenses (up 12.8 percent to \$64.2 billion). In previous years, interest obligations were the

leading factor for increased expenses, but they declined 5.8 percent in 2025 to \$226.1 million, the first drop since 2021.

Despite continuing volatility from economic indicators amid geopolitical conflicts, strong industry performance has continued in 2026. Member firm profits for the first half of the year reached \$45.9 billion, an increase of 51.3 percent over the same period in 2025 and a record high for any two-quarter period. Virtually all revenue lines saw increases during this period, including underwriting activities (up 68 percent), account supervision (up 16.4 percent), commissions (up 24.4 percent), and other securities income (up 13.2 percent; see Figure 10). Compensation expenses increased 18.8 percent, and interest expenses were little changed (down 0.6 percent), despite interest rate reductions last year. If the growth rate in the first half continues through the rest of the year, profits could soar into the range of \$90 billion in 2026, far above the City's most recent forecasted level of \$45.3 billion, which has already been exceeded. However, the recent increase to the Federal Reserve's target interest rate, and the expectation of additional hikes in the near future may dampen profitability if the firms' interest liabilities increase significantly or dealmaking slows.

FIGURE 10

Select Income and Expense Line Items for NYSE Member Firms
First Half of Year, 2020-2026



Sources: NYSE/Intercontinental Exchange; OSC analysis

Employment

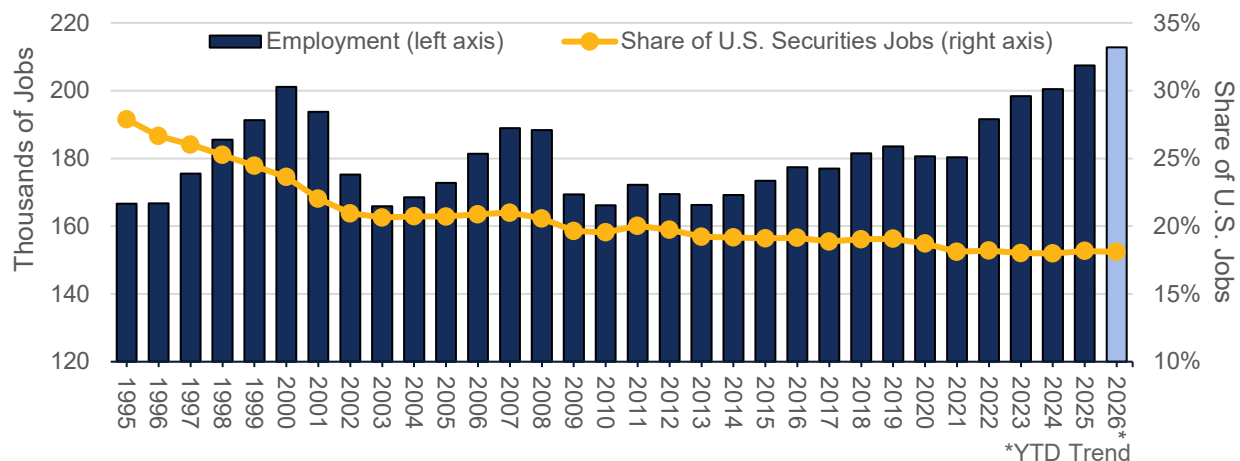
In 2025, the Current Employment Statistics (CES) data showed employment at securities firms in the City increased to a total of 207,400 jobs, an increase of 7,000 jobs (3.5 percent) over the record-high 2024 level (see Figure 11).³⁸ Monthly employment increased significantly in the summer months, following a seasonal trend reflecting firms' summer intern programs, but was consistently above the 2024 level throughout the year. The increase marks the fourth consecutive year of increases and the largest increase since 2022, which saw 11,300 jobs added as employment rebounded from pandemic declines (see [OSC's Industry Sector Dashboards](#) for details). Preliminary data for the first 8 months of 2026 shows the industry is on pace to add an additional 5,300 jobs this year.

The financial industry is one of the leaders in in-office attendance in the City. According to the Kastle Back-to-Work Barometer from the week of September 2, 2026, in-office attendance for all sectors in New York City reached 53.9 percent of pre-pandemic levels.³⁹ This was significantly above the 10-city average of 53.2 percent for the same week (see [OSC's Industry Sector Dashboards](#) for details). The financial services sector was an early leader in return-to-office in the wake of the pandemic.

The City remains the center of securities employment in the nation, with an industry workforce larger than any other city or state. However, its share of the nation's industry jobs has declined steadily for decades, from nearly one-quarter in 2000 to 18.1 percent in 2026 based on year-to-date data. However, the share has been relatively unchanged in the wake of the pandemic, hovering between 18 percent and 18.2 percent every year since 2021.

As of 2025, 88.7 percent of securities jobs in New York State are located in New York City (with 87.7 percent of statewide jobs in Manhattan), a share that has been stable for several years.⁴⁰ Of the jobs located outside the City, nearly half were located in nearby Long Island (8,000 jobs, 31.4 percent of jobs in the rest of the State) and Westchester County (4,300 jobs, 17 percent).

FIGURE 11
New York City Securities Industry Employment



Sources: New York State Department of Labor; U.S. Bureau of Labor Statistics; OSC analysis

The remainder of securities employment is distributed throughout the State, with concentrations in the metropolitan areas around Albany, Buffalo, Rochester and Saratoga Springs.

Since 2019, New York State's total employment in the industry grew by 12.2 percent through 2025, adding 24,300 jobs (see Figure 12). This was the largest number of jobs added in any state during this period, followed closely by Texas, which added 18,800 jobs. Texas started with fewer industry jobs, and so its growth rate was significantly higher at 25.8 percent. Utah had the nation's highest growth rate of 46.1 percent during this period, increasing to 10,900 securities jobs; see [OSC's Industry Sector Dashboards](#) for details.

In the first quarter of 2026 (the most recent available data), New York State showed an increase of 6,400 jobs compared to the same period in 2025, a growth rate of 2.9 percent. This was the largest number of jobs added by any state and outpaced the national growth rate of 2.4 percent. These figures are based on preliminary data and may change with subsequent data releases.

FIGURE 12
State Ranking of Securities Employment

Rank	State	Jobs in 2025	Added from 2019 to 2025	Added in 2026 Q1*
1	New York	223,600	24,300	6,400
2	California	102,600	8,200	700
3	Texas	91,800	18,800	3,500
4	Florida	64,800	16,600	3,100
5	Illinois	57,900	6,400	1,600
6	Massachusetts	50,700	5,800	1,200
7	Pennsylvania	50,500	5,900	700
8	New Jersey	44,000	5,700	400
9	North Carolina	33,400	7,400	700
10	Colorado	26,700	3,300	200
U.S. Total		1,103,400	153,600	25,800

*Note: Preliminary and based on comparison to 2025 Q1.
Sources: U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages; OSC analysis

Workforce Characteristics

In 2024 (the latest data available), 66.9 percent of the employees in New York City's securities industry resided in the City (see Figure 13).⁴¹ Commuters represented 33.1 percent of industry employees, the highest share among any major industry.

Over 17.4 percent of commuters came from New Jersey, 5.3 percent came from Long Island, and 5.3 percent came from Westchester County, followed by Connecticut at 2.9 percent.

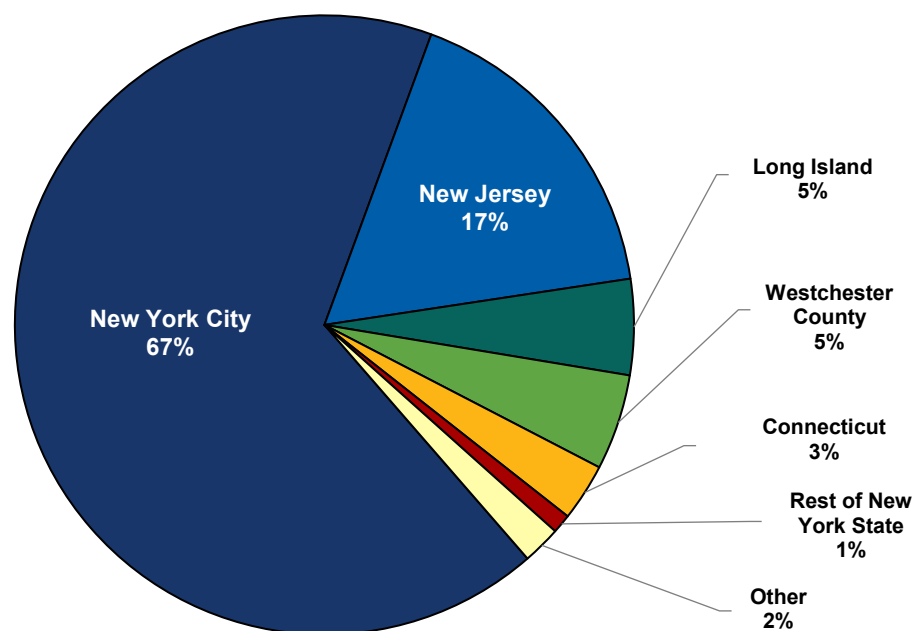
While one-third (33 percent) of City residents employed in the industry earned more than \$250,000, over half (59 percent) of the commuters from Westchester County and 51 percent from Connecticut earned more than \$250,000. This figure was 30 percent for workers in the industry commuting from Long Island. Commuters accounted for 36 percent of the wages paid by the industry in New York City.

Over half (57 percent) of industry employees were non-Hispanic White, 23 percent were non-Hispanic Asian, 8 percent were Hispanic and 7 percent were non-Hispanic Black or African American. The share of non-Hispanic White employees was 65 percent in 2014, suggesting the industry has become more diverse over the last decade.

Immigrants made up 31 percent of the industry employees, lower than the immigrant share of all City employment (41 percent). Over three quarters of the immigrant industry employees were born in Asia (51 percent) and Europe (26 percent). In comparison, almost 80 percent of the City's immigrant workforce were from Latin America (47 percent) and Asia (32 percent).

FIGURE 13

Place of Residence for Employees in New York City's Securities Industry in 2024



Sources: U.S. Census Bureau; OSC analysis

Almost two-thirds (66 percent) of the employees in the industry were men, a share that has remained relatively constant over the past decade. Over 90 percent of employees had earned at least a bachelor's degree, a higher share than all other major sectors. In addition, 36 percent of industry employees had an advanced degree, much higher than the citywide share (22 percent). Employees in tech occupations made up 13 percent of the workers in the securities industry.

Besides direct employees, the securities industry also enters into contracts with individuals (e.g., financial advisors or sales agents). These self-employed workers accounted for only a small share of the securities workforce (4 percent). Compared with industry employees, self-employed workers were less likely to earn more than \$250,000. A larger share of these workers lived in the City, a larger share were immigrants, and they were less likely to have advanced degrees.

Average Salaries

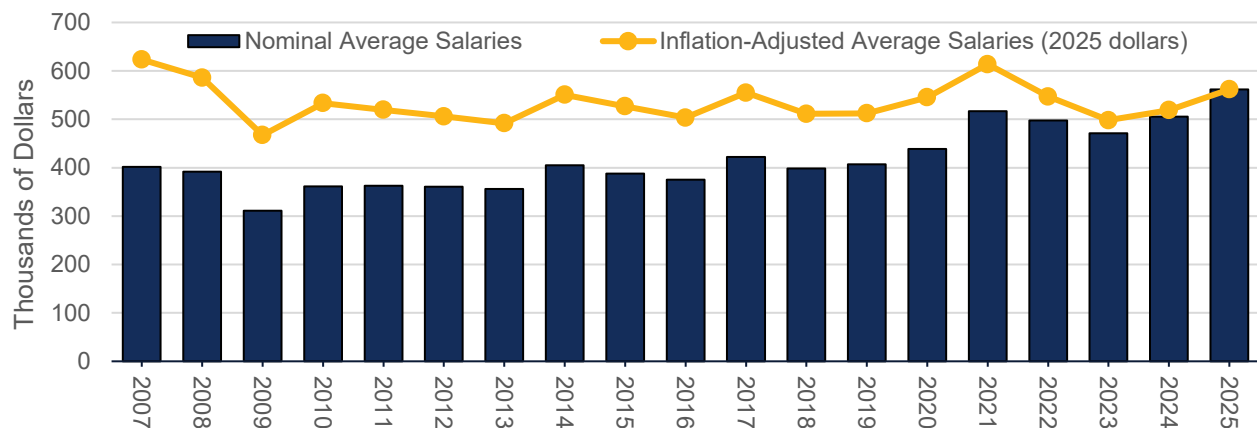
In 2025, the average annual salary (including bonuses) in New York City's securities industry increased by 11.1 percent to \$561,770 (see Figure 14), surpassing the previous record level of \$516,520 in 2021. When adjusting for inflation, average salaries increased 8.2 percent in 2025 but remain below record levels seen in 2007 and 2021. Increases were driven by higher bonuses after the record level of profits observed in 2025.

Securities workers in Manhattan, where 98.9 percent of the City's industry jobs are located, had average salaries of \$565,630 in 2025, while salaries in the outer boroughs averaged \$208,460. Though well below the level in Manhattan, outer borough salaries saw growth of 30.1 percent in 2025 (compared to only 11 percent in Manhattan), much higher than their own average annual increase of 5.1 percent between 2020 and 2024. In 2024 (the most recent data available), 36 percent of industry employees who worked in the City had salaries of more than \$250,000, compared with 12 percent of securities workers in the rest of the nation.⁴²

High securities industry average salaries are also observed in other parts of the larger metro area. Suffolk County in Long Island saw the highest average salaries of any county in the State at \$662,910 in 2025, though they fell by 11.4 percent from 2024. Suffolk County hosts a high concentration of hedge funds, which had strong performance in 2025 but trailed the S&P 500's overall return for the year. Nassau County saw average salaries of \$301,120, bringing the average for Long Island to \$476,050 in 2025, while average salaries in Westchester County were \$314,670.

Suffolk County had the highest average securities industry salary of any county in the nation (among those with over 1,000 employees), followed closely by Manhattan (New York County) and San Francisco County, CA, which averaged \$537,270 in 2025. In recent years, the data has shown higher salaries in some areas with far fewer employees, such as Cocke County, TN, which had an average salary of \$1.7 million in 2025, but only three employees.

FIGURE 14
Securities Industry Average Salaries in New York City



Sources: New York State Department of Labor; U.S. Bureau of Labor Statistics; OSC analysis

The securities industry had the highest average salary of any major industry in the City and was 57.4 percent higher than the next-highest industry--fund and trust management (\$356,820 in 2025). Other high-paying industries include web search portals and other information services (\$346,060), broadcasting and content providers (\$318,380), and banking (\$284,070). The average salary in the securities industry was more than five times the average salary of the rest of the private sector (\$106,880) in New York City.

The average salary in the securities industry in New York State was \$534,900, more than twice the average in the rest of the nation (\$256,620) and the highest average of any state.

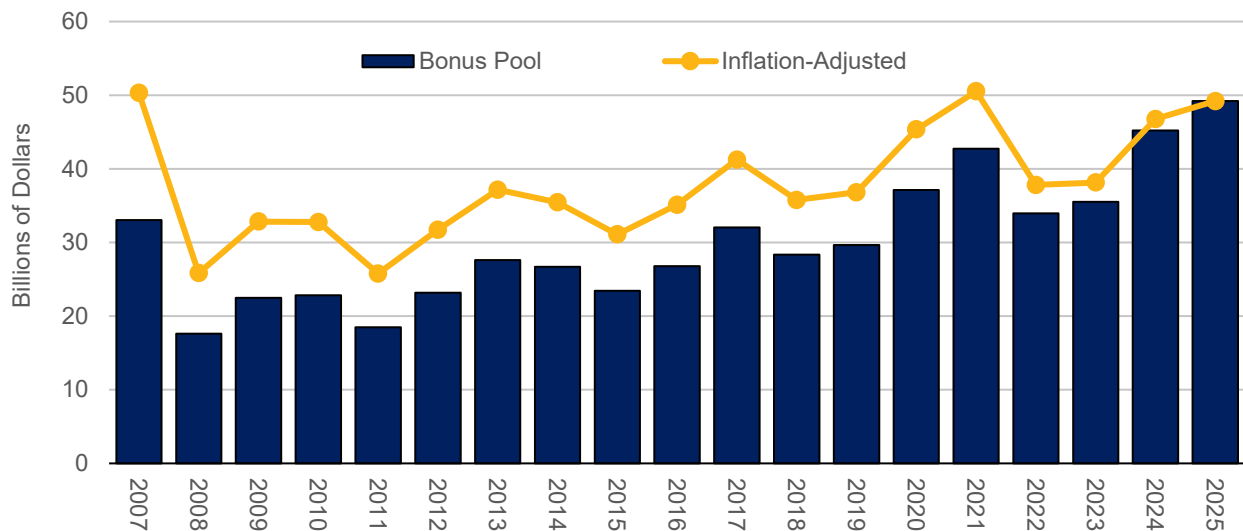
Connecticut previously had the highest average salary until 2007, when it was eclipsed by New York. The high average salary in New York reflects the concentration of highly compensated industry employees, such as chief executive officers (CEOs) and traders, in New York City.

The Dodd-Frank Act requires a publicly traded company to report on the ratio of the salary for its CEO to the median salary for all employees. According to data for 2025, the CEOs for finance companies (including securities firms) listed in the S&P 500 that were headquartered in New York State earned an average of 344 times more than the median for all employees of their companies. This represented a significant increase from the prior year (a ratio of 190-to-1 in 2024), and was higher than the ratios seen in 2022 or 2023 (276-to-1 and 206-to-1, respectively). The gap was higher in the State than in the rest of the nation, where CEO compensation was 276 times higher, on average, than the median for all workers.

Bonuses

In March 2026, OSC estimated that the [bonus pool](#) for industry employees in New York City during the traditional December-March bonus season had increased by 9 percent to reach a record high of \$49.2 billion (see Figure 15).⁴³

FIGURE 15
Securities Industry Bonus Pool

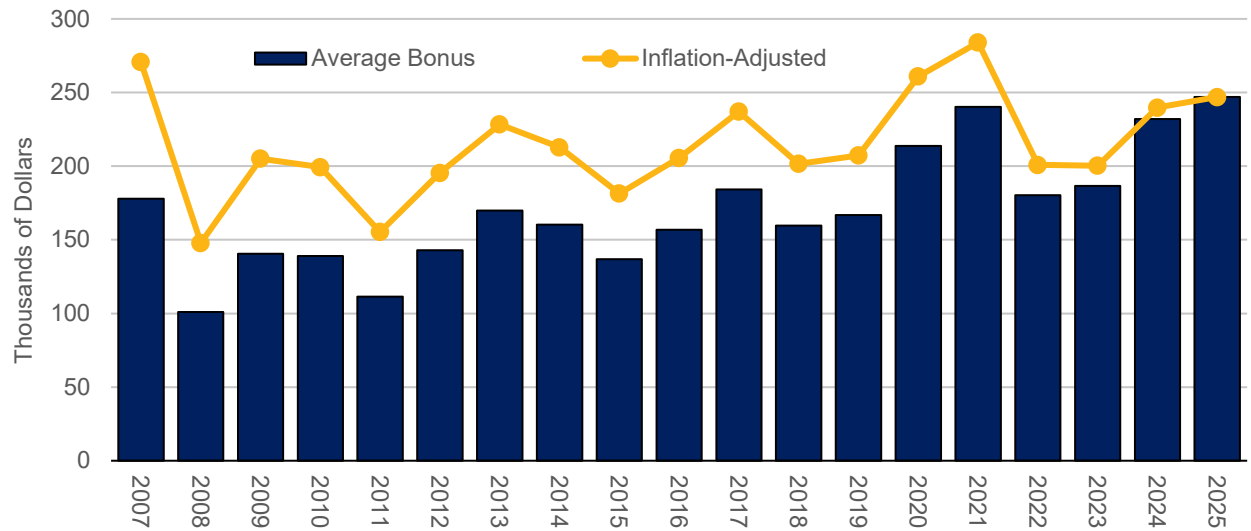


Sources: NYS Department of Labor; U.S. Bureau of Labor Statistics; OSC analysis

This amounts to an average bonus of \$246,900 per industry employee in 2025, also a record high and 6 percent higher than the 2024 average (see Figure 16). Bonuses accounted for an estimated 43 percent of securities industry wages, a larger share than in any other major industry in the City. The industry accounted for more than half (59 percent) of all private sector bonus payments and 21.2 percent of private sector wages in New York City in 2025, while accounting for a relatively small share (4.9 percent) of private sector employment.

In the first half of 2026, NYSE member firms increased compensation expenses by 18.8 percent from the prior year, as noted above. As market activity and profits have increased, the overall bonus pool in 2026 is likely to increase as well. An August report by Johnson Associates (a compensation consulting firm) suggests that bonuses at financial firms for 2025 will likely increase, with a large range between the different business segments.⁴⁴ The report suggested that while bonuses in investment banking (including equity and fixed income sales and trading) are expected to increase by more than 20 percent, those in underwriting and commercial banking may increase by 5 percent.

FIGURE 16
Securities Industry Average Bonuses



Sources: NYS Department of Labor; U.S. Bureau of Labor Statistics; OSC analysis

The City's latest forecast expects the bonus pool to decrease by 20 percent in 2026. With the increase in profits in the first half of 2026, OSC anticipates that bonuses are very likely to exceed budget projections. In March 2027, OSC will release its 2026 bonus estimate for industry employees in New York City based on tax withholding trends.

Economic Contribution

OSC estimates that in 2024, the most recent year for which county-level data is available, the securities industry was responsible for 18.8 percent of gross City product.⁴⁵ This represented a notable increase from the prior year (18.1 percent in 2023) and was also above the pre-pandemic level (an average of 17.8 percent for years 2015 to 2019). This figure is based on county-level gross product data from the U.S. Bureau of Economic Analysis (BEA) and wage data from the NYS Department of Labor. Overall output of the industry increased by 11.5 percent in 2024, the largest annual increase since 2021 (14.9 percent), and well above the overall increase in private sector output of 7.2 percent. However, given that NYSE member firm profits increased by 30.4 percent in 2025, OSC anticipates that the industry share of economic contribution is likely to increase significantly when the data for last year is released.

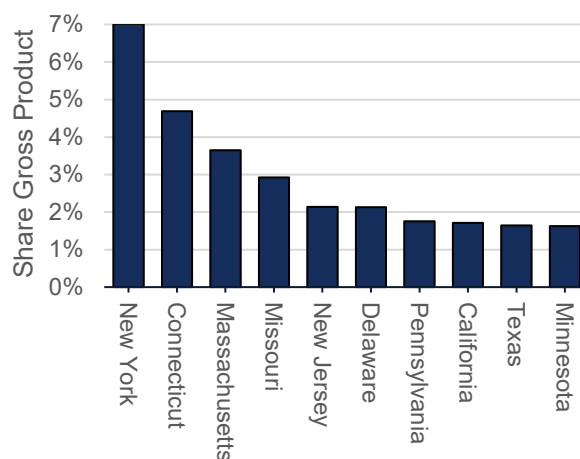
The securities industry also makes up a larger share of the State's economy compared to the rest of the nation. In total, the securities industry comprised 7 percent of the State's gross product in 2025, according to the BEA (see Figure 17), an increase from 6.4 percent in 2024. The industry's share of the New York State's economy is well above the states with the next-largest shares: Connecticut (4.7 percent), Massachusetts (3.6 percent) and Missouri (2.9 percent), New Jersey (2.1 percent) and Delaware (2.1 percent).

All other states' securities industries accounted for less than 2 percent of their economies, with the majority at less than 1 percent. Nationally, the industry accounts for 1.8 percent of the country's gross domestic product.

The high incomes earned by many industry employees create economic activity in other employment sectors as well. Using IMPLAN, an economic modeling software, OSC estimates that 1 in 13 jobs (8 percent) in New York City was associated with the securities industry in 2024 (the latest year for which data is available), unchanged from the prior year but below the 1 in 9 share from 2019. This decline may reflect the fact that there were fewer workers in the office on a daily basis than in 2019.

In New York State, 1 in 21 jobs (less than 5 percent) was associated with the industry in 2024, unchanged from the prior year but below the 2019 ratio of 1 in 16. OSC also estimates that each job gained or lost in the industry leads to the creation or loss of more than one additional job in other industries in the State.

FIGURE 17
Securities Industry as a Share of Total State Gross Product in 2025



Sources: U.S. Bureau of Economic Analysis Regional GDP & Personal Income; OSC analysis

Tax Contribution

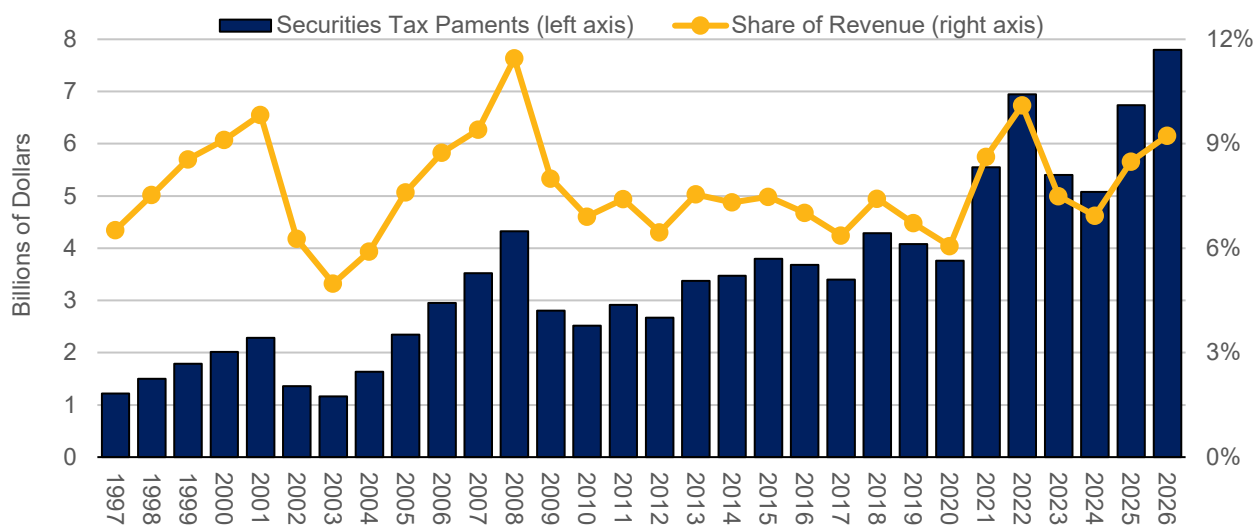
The securities industry is a major source of tax revenue for the State and the City. Firms pay business taxes on their profits, and employees pay personal income taxes on their salaries and bonuses. Nonwage income derived from the industry's activities, such as capital gains, also generates personal income tax revenue.⁴⁶ Revenue from sales tax, property tax and real estate transaction taxes are not included in OSC's industry estimates of City and State tax contributions, as they are not quantifiable, but the industry also contributes to these taxes.

New York City

OSC estimates that tax collections attributable to the industry reached \$7.8 billion in City fiscal year (CFY) 2026, up 15.8 percent from the previous year and exceeding CFY 2022's record high of \$6.9 billion by 12.2 percent (see Figure 18). This performance reflects strong bonuses and record-high profits. Most (66 percent) of the industry's tax contribution came from personal income taxes, with securities industry receipts accounting for 24 percent of the city's total personal income tax collections. The industry accounted for an estimated 9.2 percent of City tax collections in CFY 2026, an increase from the prior year's share of 8.5 percent and above pre-pandemic levels.⁴⁷

FIGURE 18

Securities Industry-Related Tax Payments in New York City



Sources: NYC Department of Finance; OSC analysis

In the five-year period from CFY 2016 to CFY 2020, collections attributable to the industry averaged \$3.8 billion annually and accounted for an average share of 6.7 percent of total tax collections. In CFY 2026, collections surpassed these levels as the City's budget shows growth in non-property tax collections, a large portion of which is reliant on the securities industry.

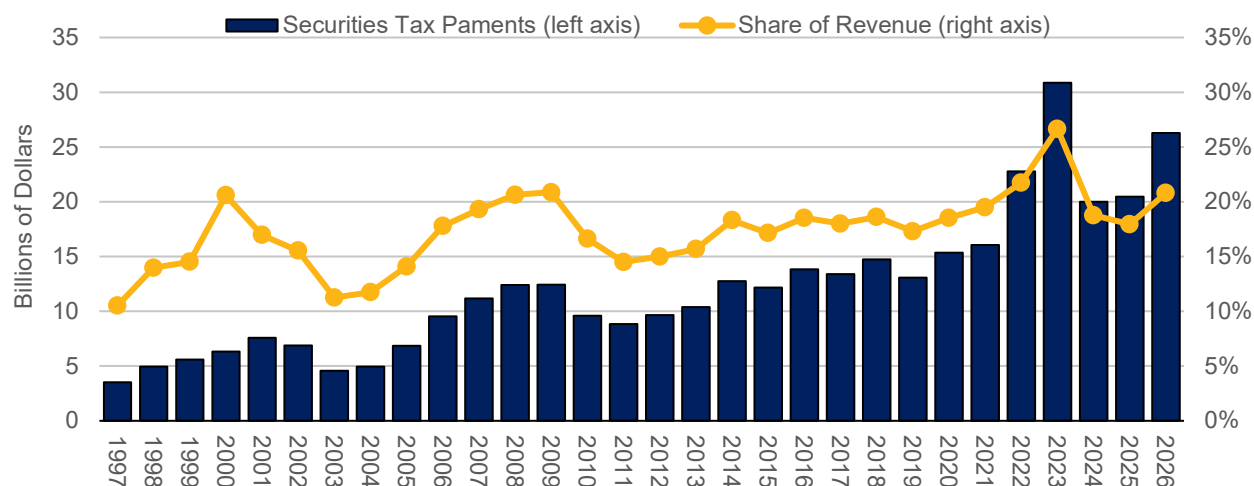
New York State

New York State depends on Wall Street tax revenues even more than the City, because the State relies more heavily on revenue from personal income taxes and does not levy a general real property tax. As a result, the industry accounted for an estimated 20.8 percent of total tax collections in State fiscal year (SFY) 2025-26, which ended March 31, 2026 (see Figure 19). The City and State fiscal years begin in different months, leading to some timing effects on the industry's tax contribution to their respective budgets.

OSC estimates that tax payments attributable to the securities industry in SFY 2025-26 grew from the prior year by 28.5 percent to reach \$26.3 billion (higher than pre-pandemic levels). Personal income tax collections accounted for 88.3 percent of this amount. During SFY 2015-16 through 2019-20, securities-related tax collections averaged \$14.1 billion and accounted for an average of 18.2 percent of total tax collections. The State assumed the larger finance and insurance industry bonuses would increase by 7.3 percent in its enacted budget for SFY 2026-27, up from the forecast in its executive plan.

FIGURE 19

Securities Industry-Related Tax Payments in New York State



Sources: NYS Department of Taxation; OSC analysis

Unquantified Impacts

In addition to personal income tax collections, the securities industry contributes to City property-related tax revenues as the largest segment of financial services office space tenants in the City. Property taxes are the largest component of City tax revenues, and office properties accounted for 53.2 percent of Class 4 commercial property taxable values in CFY 2027. The office sector accounts for over one-fifth of overall property tax revenues, which the City forecasts to be \$37.2 billion in CFY 2027. Office properties are also a major component of real estate transaction taxes and the commercial rent tax.

The broader financial services sector, which includes insurance and real estate firms, accounts for an estimated 40 percent of all office space demand in the City, and tends toward the higher-

value Class A properties.⁴⁸ In addition, purchases made by securities firms and their employees contribute to the City's economy and support revenues via sales taxes.

Endnotes

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