

2021 FINRA Industry Snapshot



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2021 FINRA Industry Snapshot – Introduction

FINRA regulates a critical part of the securities industry – brokerage firms doing business with the public in the United States. In an effort to increase public awareness and understanding about the broad range of FINRA-registered firms and individuals, FINRA shares an annual snapshot of some of the data collected in the course of its work.

The *2021 FINRA Industry Snapshot* provides a high-level overview of the industry, ranging from the number of FINRA-registered individuals to the overall revenues of firms, and from trading activity to how firms market their products and services. All of the data are reported in aggregate to respect the confidentiality of regulatory information.

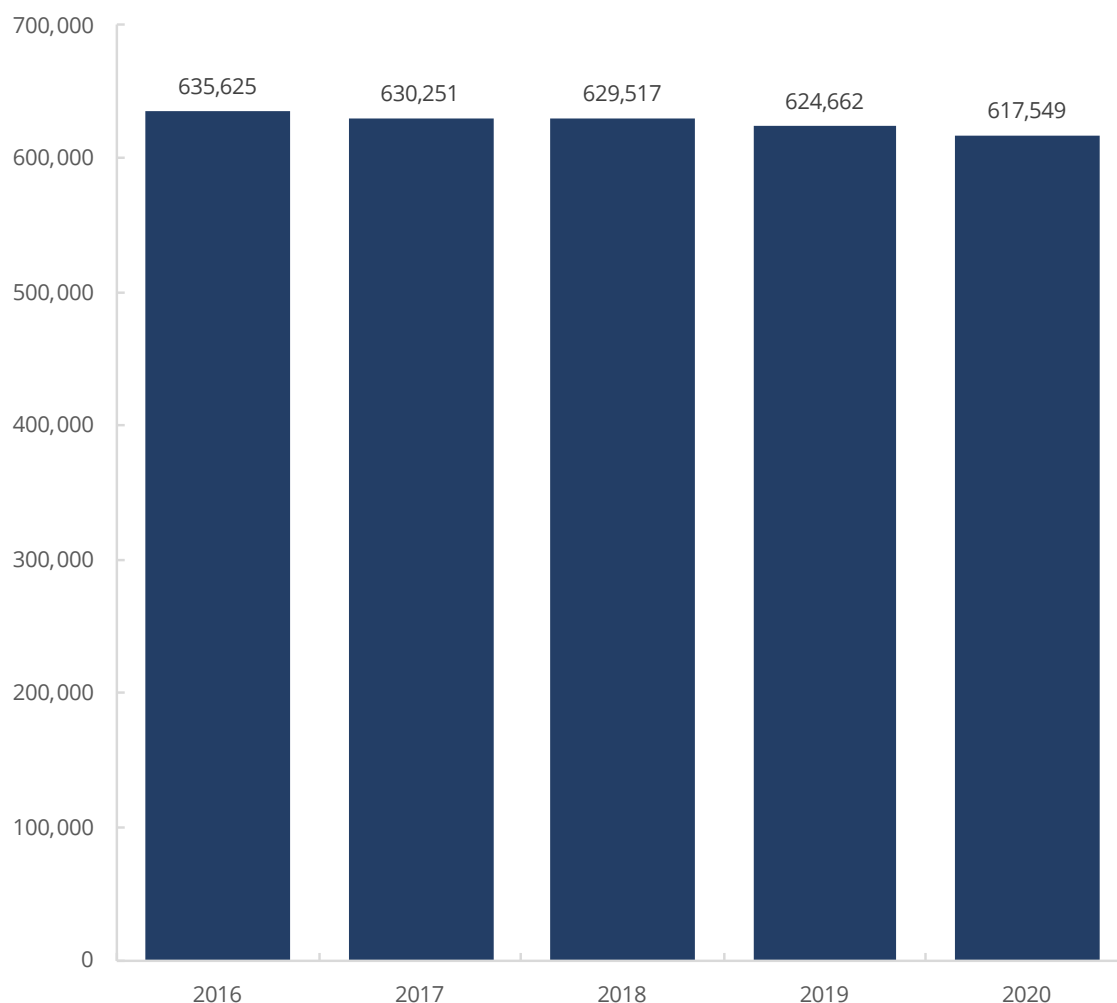
Note: FINRA regularly updates historical data series due to data revisions by reporting firms.

I. FINRA-Registered Representatives

Anyone actively involved in a FINRA-registered firm's investment banking or securities business must be registered as a representative with FINRA (FINRA-registered representative). To become registered, securities professionals are required to pass qualification exams to demonstrate competence in their particular securities activities. A FINRA-registered representative's duties may include supervision, sales of securities or training of persons associated with the member firm.

Figure 1.1 Total Number of FINRA-Registered Representatives, 2016–2020

(Count as of year-end)

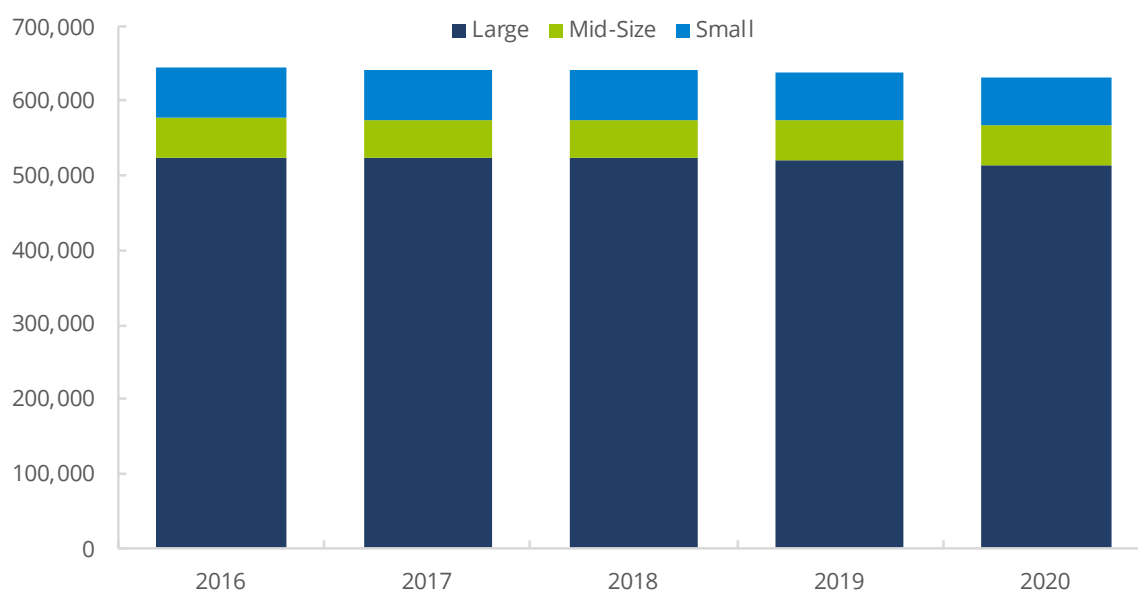


Source: Financial Industry Regulatory Authority.

I. FINRA-Registered Representatives

Figure 1.2 FINRA-Registered Representatives by Firm Size, 2016–2020¹

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

- 1 Registrations by firm size differ from the total number of registrations as individuals registered with multiple firms are counted for each firm they represent, potentially in the same size class or in multiple size classes depending on the sizes of the employing firms. Large firm = 500 or more registered representatives; Mid-Size firm = 151-499 registered representatives; Small firm = 1-150 registered representatives.

Table 1.2 FINRA-Registered Representatives by Firm Size, 2016–2020¹

(Count as of year-end)

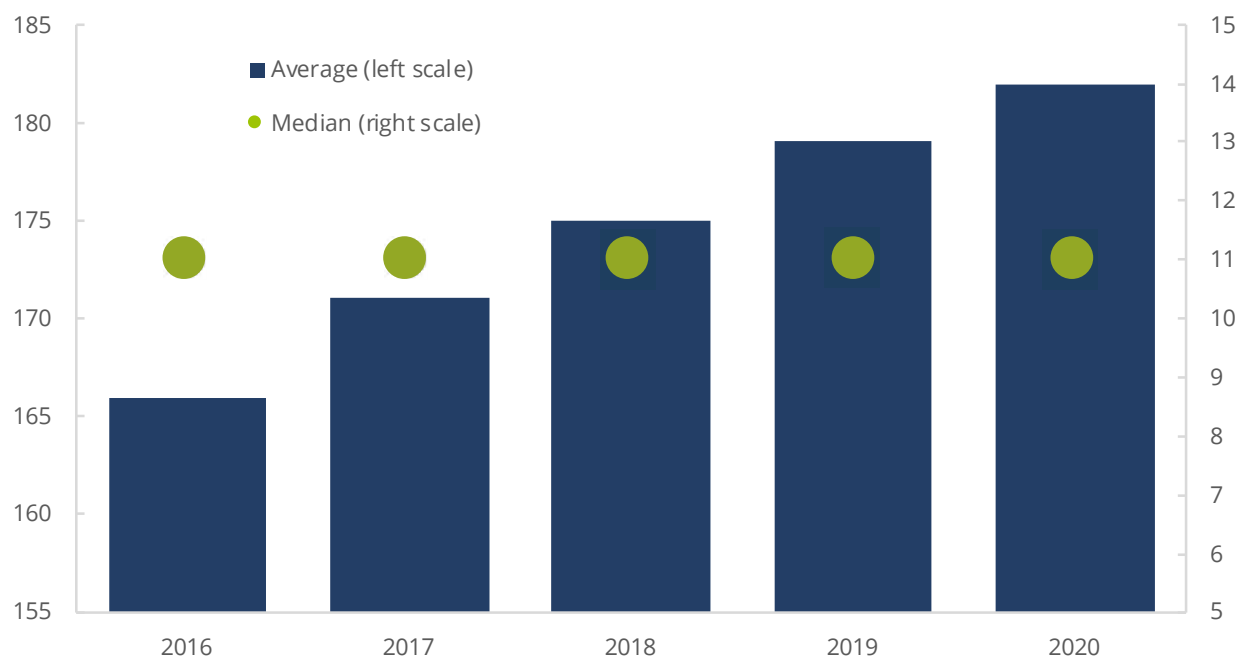
Firm Size	2016		2017		2018		2019		2020	
	Total	%	Total	%	Total	%	Total	%	Total	%
Large	525,183	81%	522,484	81%	522,940	82%	519,726	82%	513,939	82%
Mid-Size	53,000	8%	52,632	8%	52,449	8%	53,763	8%	52,486	8%
Small	67,922	11%	66,449	10%	66,050	10%	64,168	10%	64,100	10%
Total	646,105	100%	641,565	100%	641,439	100%	637,657	100%	630,525	100%

Source: Financial Industry Regulatory Authority.

- 1 Registrations by firm size differ from the total number of registrations as individuals registered with multiple firms are counted for each firm they represent, potentially in the same size class or in multiple size classes depending on the sizes of the employing firms. Large firm = 500 or more registered representatives; Mid-Size firm = 151-499 registered representatives; Small firm = 1-150 registered representatives.

I. FINRA-Registered Representatives

Figure 1.3 Average and Median Number of FINRA-Registered Representatives per Firm, 2016–2020
(Count as of year-end)



Source: Financial Industry Regulatory Authority.

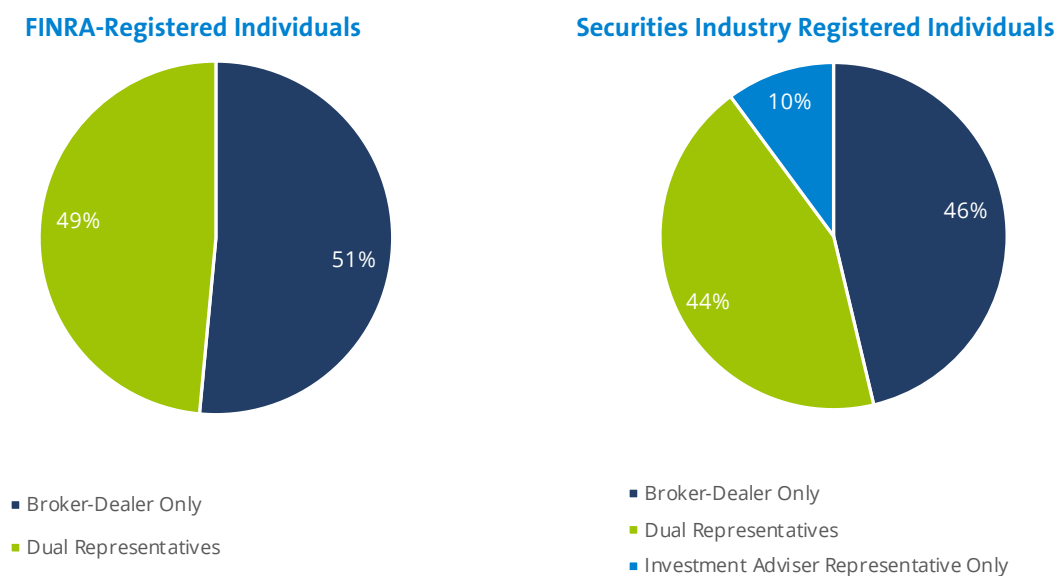
Table 1.3 Average and Median Number of FINRA-Registered Representatives per Firm, 2016–2020
(Count as of year-end)

	2016	2017	2018	2019	2020
Average	166	171	175	179	182
Median	11	11	11	11	11

Source: Financial Industry Regulatory Authority.

I. FINRA-Registered Representatives

Figure 1.4 Registered Individuals by Type of Registration, 2020¹



Source: Financial Industry Regulatory Authority.

- 1 "Broker Dealer Representatives Only" refers to FINRA-registered representatives. "Dual Representatives" refers to FINRA-registered representatives who are also registered as investment adviser representatives. "Investment Adviser Representatives Only" refers to individuals who are registered only as investment adviser representatives and are overseen by the SEC or state regulators. "Securities Industry Registered Persons" represents the totality of registered individuals. Individuals are counted only once regardless of how many firms they represent.

Table 1.4 Securities Industry Registered Individuals by Type of Registration, 2020¹

(Count as of year-end)

	Total Number of Individuals
Broker-Dealer Only	317,936
Dual Broker-Dealer Investment Adviser Representative	299,613
All BD Registered Individuals	617,549
Investment Adviser Representative Only	69,482
Total Registered Individuals	687,031

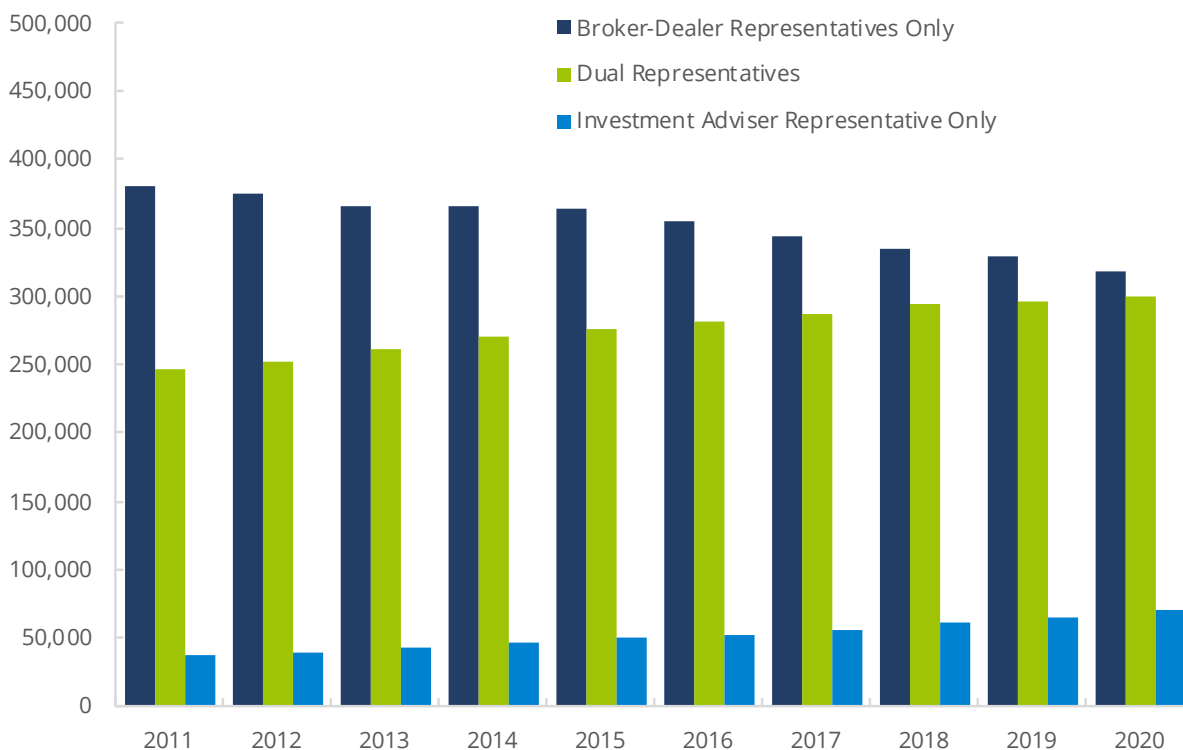
Source: Financial Industry Regulatory Authority.

- 1 "Broker Dealer Representatives Only" refers to FINRA-registered representatives. "Dual Representatives" refers to FINRA-registered representatives who are also registered as investment adviser representatives. "Investment Adviser Representatives Only" refers to individuals who are registered only as investment adviser representatives and are overseen by the SEC or state regulators. "Securities Industry Registered Persons" represents the totality of registered individuals. Individuals are counted only once regardless of how many firms they represent.

I. FINRA-Registered Representatives

Figure 1.5 Securities Industry Registered Individuals by Type of Registration, 2011–2020^{1,2}

(Count as of year-end)



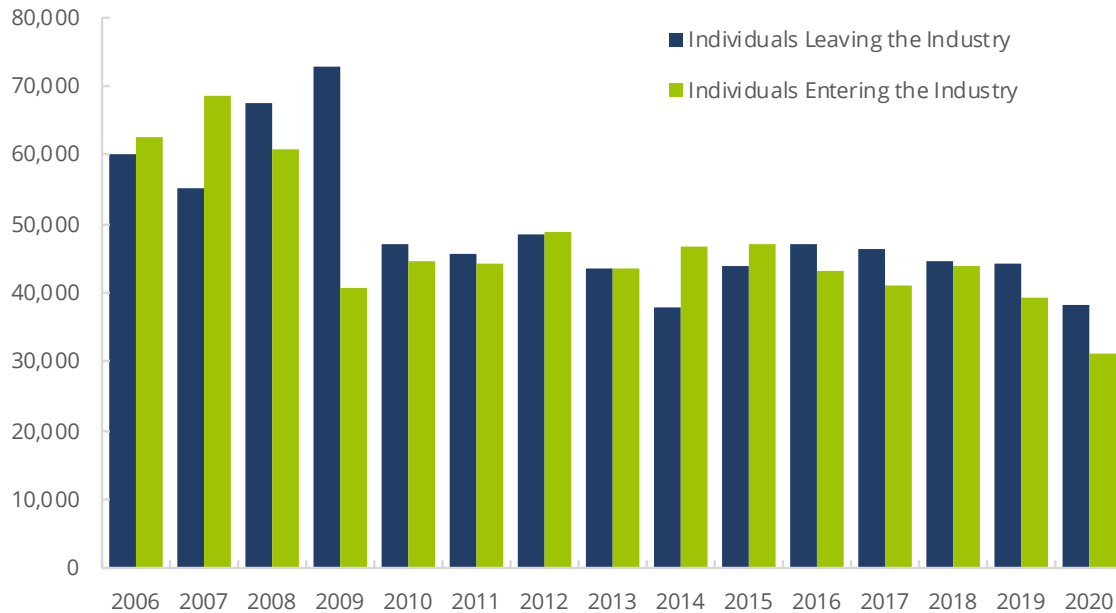
Source: Financial Industry Regulatory Authority.

- 1 “Broker Dealer Representatives Only” refers to FINRA-registered representatives. “Dual Representatives” refers to FINRA-registered representatives who are also registered as investment adviser representatives. “Investment Adviser Representatives Only” refers to individuals who are registered only as investment adviser representatives and are overseen by the SEC or state regulators. Individuals are counted only once regardless of how many firms they represent.
- 2 Investment adviser representatives who solely deal with customers in New York, or who were solely dealing with customers in Wyoming prior to July 1, 2017, are not captured in the Central Registration Depository (CRD) system. Furthermore, owners of investment advisory firms are exempt from registering as Investment Adviser Representatives. Accordingly, these Investment Adviser Representatives are not included in the table.

I. FINRA-Registered Representatives

Figure 1.6 FINRA-Registered Representatives – Leaving/Entering the Industry, 2006–2020

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

Table 1.6 FINRA-Registered Representatives – Leaving/Entering the Industry, 2006–2020

(Count as of year-end)

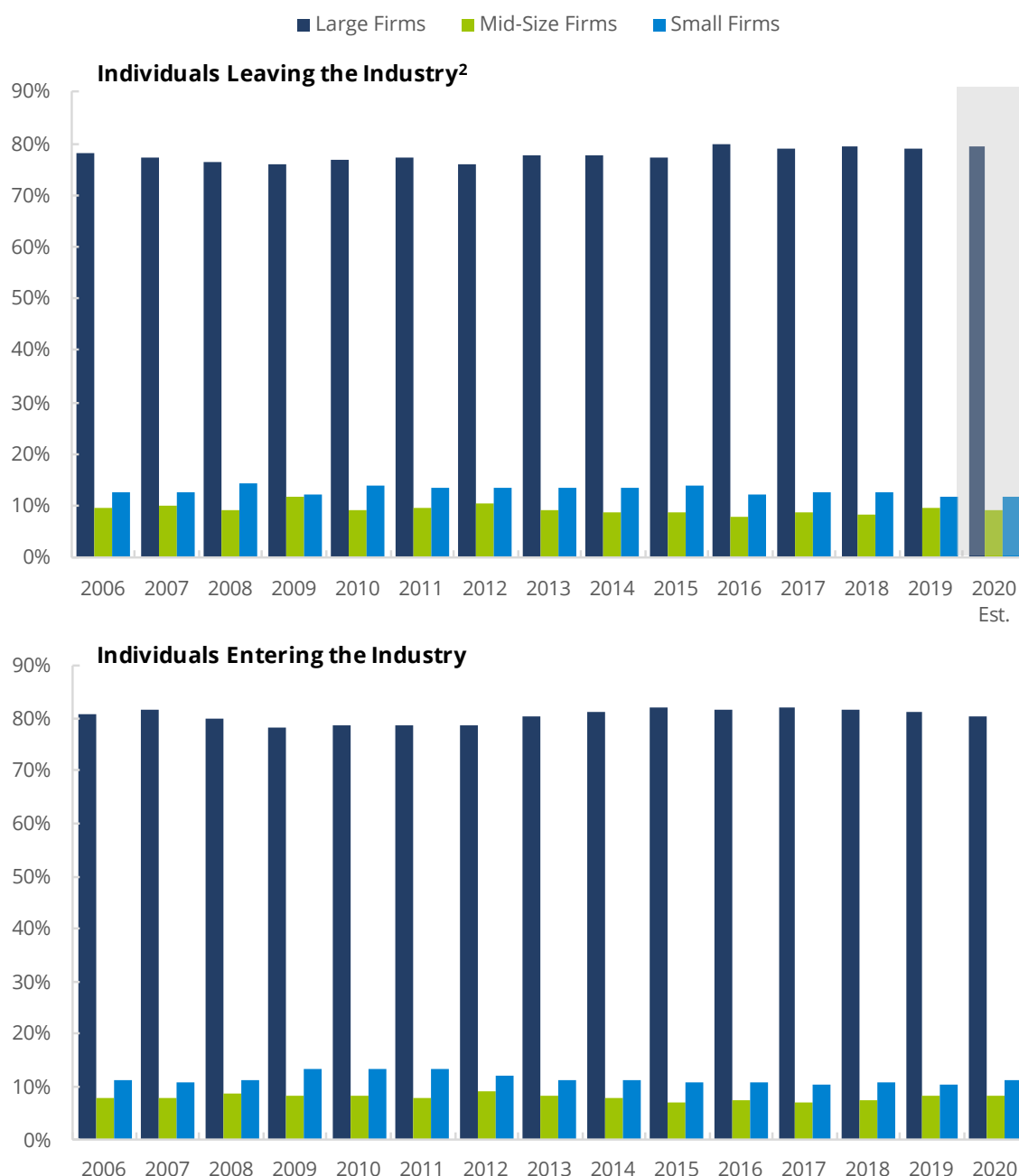
Year	Individuals Leaving	% of Total	Individuals Entering	% of Total	End-of-Year Total Registered Representatives
2006	-60,044	-9%	62,709	10%	656,381
2007	-55,269	-8%	68,682	10%	669,794
2008	-67,610	-10%	60,715	9%	662,899
2009	-72,864	-12%	40,869	6%	630,904
2010	-47,091	-7%	44,649	7%	628,462
2011	-45,776	-7%	44,381	7%	627,067
2012	-48,584	-8%	49,009	8%	627,492
2013	-43,647	-7%	43,643	7%	627,488
2014	-37,914	-6%	46,604	7%	636,178
2015	-43,772	-7%	47,036	7%	639,442
2016	-47,038	-7%	43,221	7%	635,625
2017	-46,276	-7%	40,902	6%	630,251
2018	-44,544	-7%	43,810	7%	629,517
2019	-44,103	-7%	39,248	6%	624,662
2020	-38,145	-6%	31,032	5%	617,549

Source: Financial Industry Regulatory Authority.

I. FINRA-Registered Representatives

Figure 1.7 Firm Size Distribution of FINRA-Registered Representatives Leaving/Entering the Industry, 2006–2020^{1, 2}

(Percentage of Total)



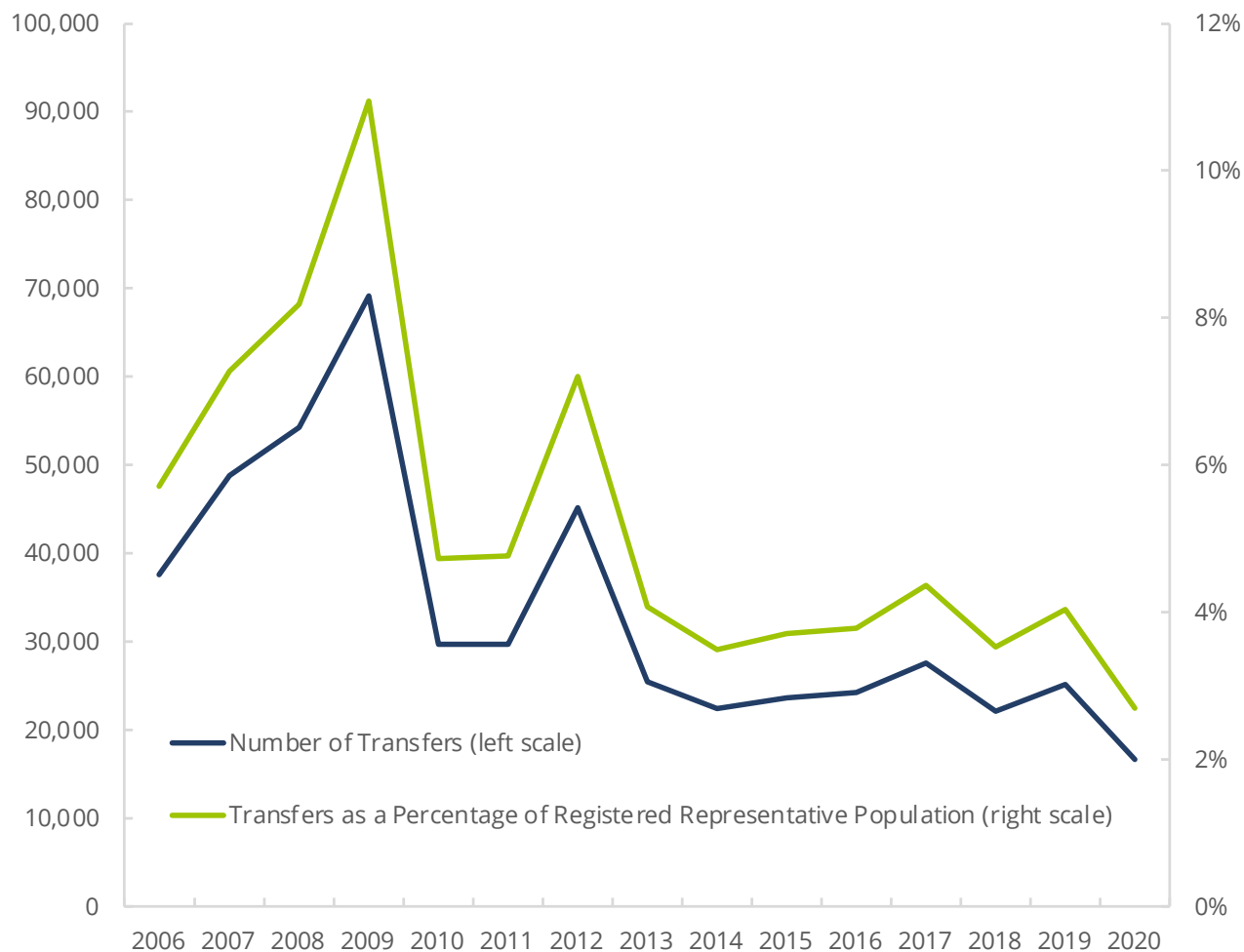
Source: Financial Industry Regulatory Authority.

1 Individuals entering and exiting by firm size may differ from the total number of individuals entering and exiting the industry as individuals registered with multiple firms are counted for each firm they represent, potentially in the same size class or in multiple size classes depending on the sizes of the employing firms. Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-499 registered representatives; Small Firm = 1-150 registered representatives.

2 An individual is considered to have left the industry when the individual has no open registration with any FINRA-registered firm from the date of their last registration through the end of the next calendar year. Values for 2020 are estimates given that a full year's worth of 2021 data is required to compute individuals leaving the industry.

I. FINRA-Registered Representatives

Figure 1.8 FINRA-Registered Representatives' Transfers Between Firms Within the Industry, 2006–2020¹
(Count as of year-end)



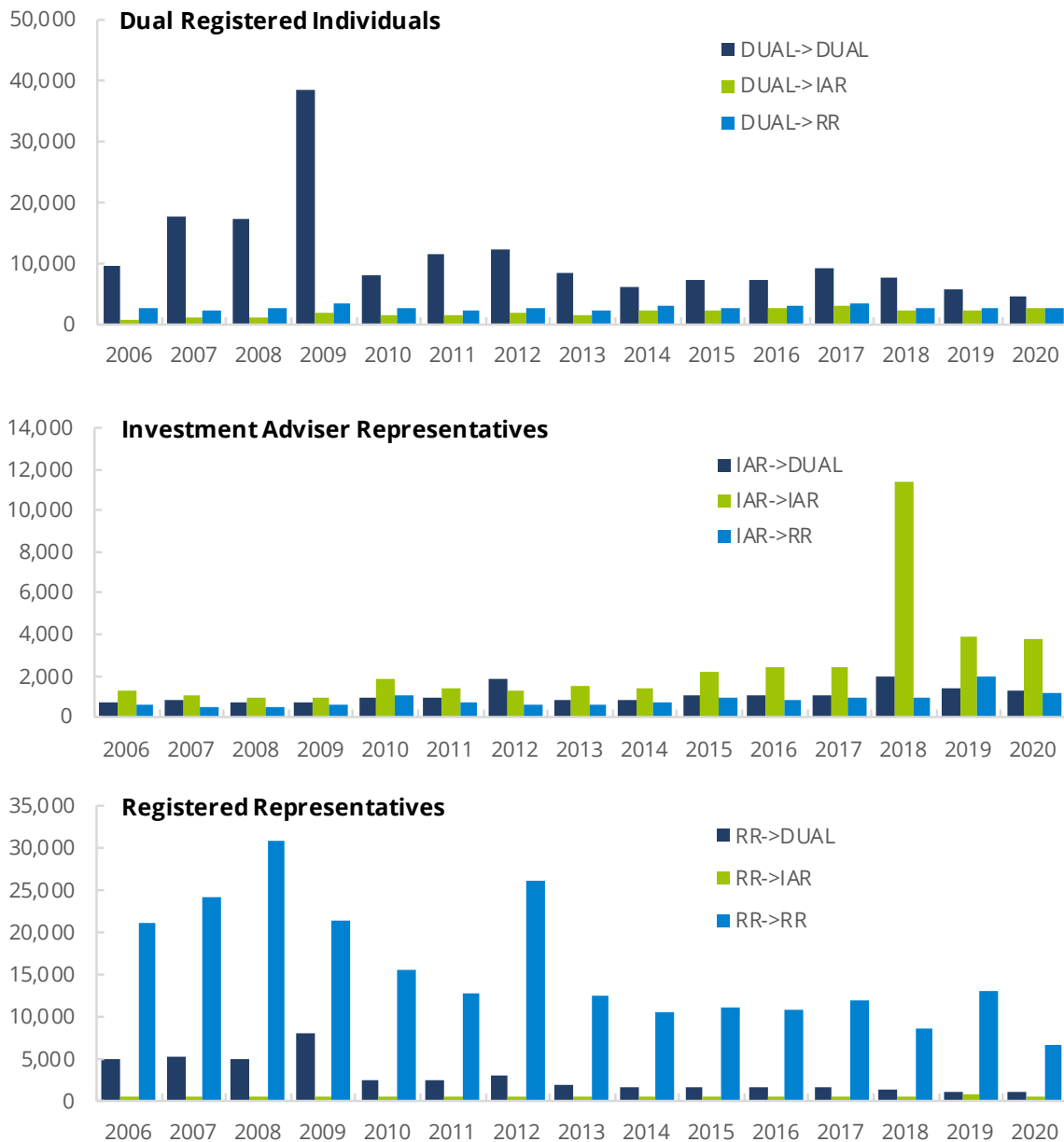
Source: Financial Industry Regulatory Authority.

1 The number of transfers in a given year includes all transfers associated with FINRA-registered representatives who dropped a registration with a member firm and added a registration with another member firm within 15 days before or 60 days after dropping the registration. These individuals represent a subset of all FINRA-registered representatives changing jobs within the industry.

I. FINRA-Registered Representatives

Figure 1.9 Securities Industry Registered Individuals' Transfers Between Firms by Registration Type, 2006–2020^{1, 2}

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

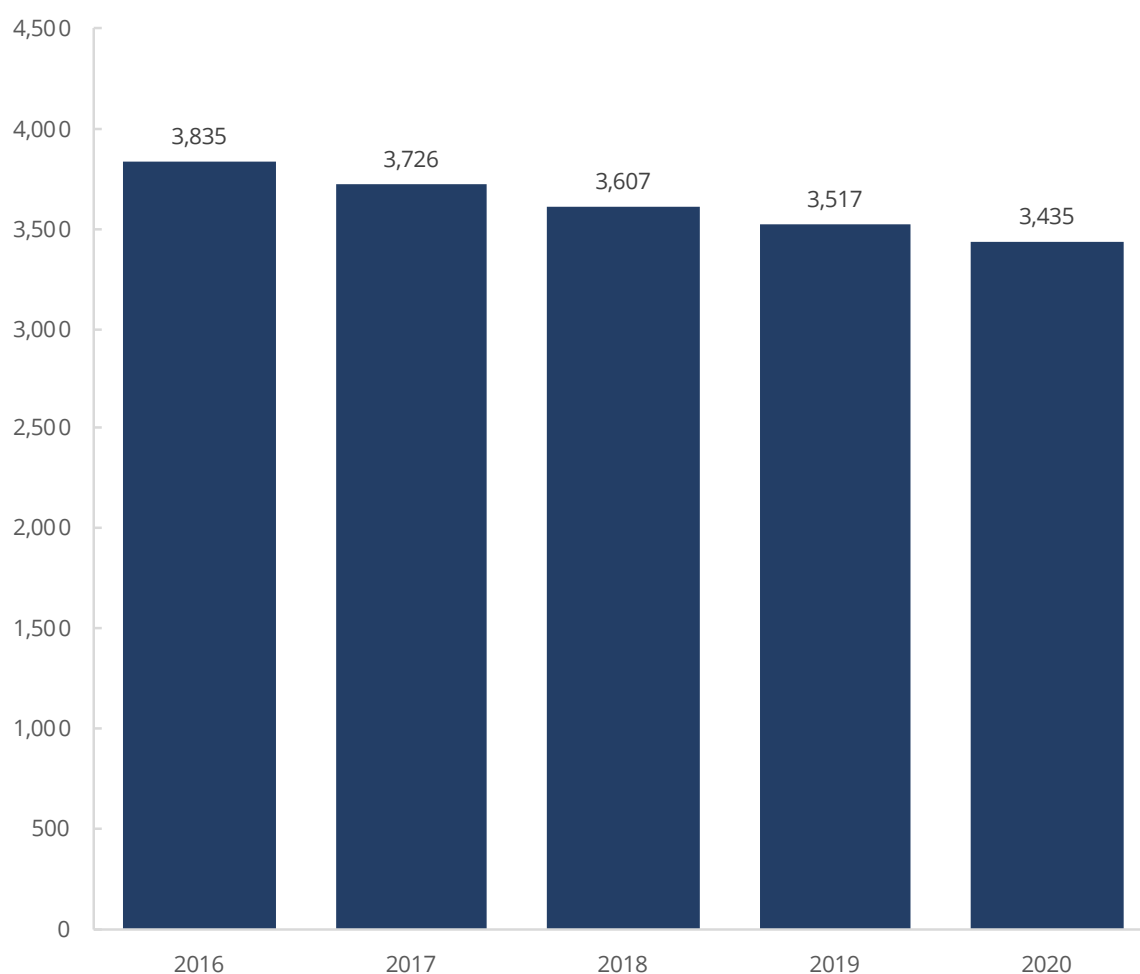
* The number for "IAR -> IAR" in 2018 reflects transfers of more than 8,000 individuals transferring within affiliates.

- 1 The number of transfers in a given year includes all transfers associated with Securities Industry Registered Individuals (including FINRA-registered representatives and investment adviser representatives), who dropped a registration with a member firm and added a registration with another member firm within 15 days before or 60 days after dropping the registration. These transfers between firms include transfers from one registration type to another registration type (e.g. investment adviser registration at previous firm to registered representative registration at the new firm, "IAR -> RR"), as well as transfers for the same registration type (e.g. investment adviser registration at previous firm to same registration at the new firm, "IAR -> IAR").
- 2 Investment adviser representatives who solely deal with customers in New York, or who were solely dealing with customers in Wyoming prior to July 1, 2017, are not captured in the Central Registration Depository (CRD) system. Furthermore, owners of investment advisory firms are exempt from registering as investment adviser representatives. Accordingly, these investment adviser representatives are not included.

II. FINRA-Registered Firms

Figure 2.1 Total Number of FINRA-Registered Firms, 2016–2020¹

(Count as of year-end)



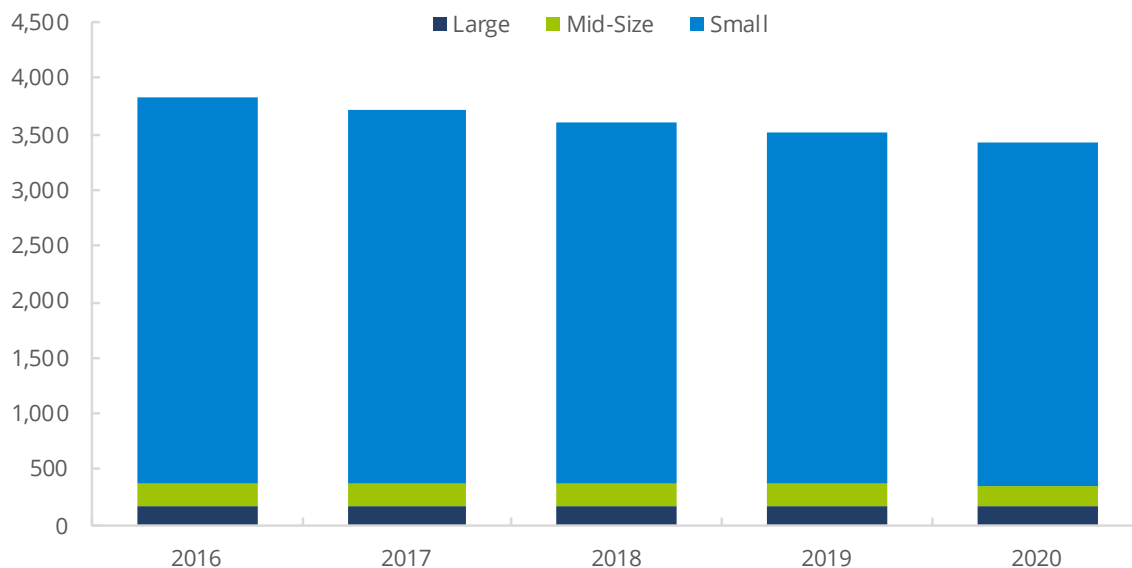
Source: Financial Industry Regulatory Authority.

1 Firms conducting securities transactions and business with the investing public must be registered with FINRA. Firms must meet certain membership standards to attain registration.

II. FINRA-Registered Firms

Figure 2.2 Firm Distribution by Size, 2016–2020¹

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

1 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-499 registered representatives; Small Firm = 1-150 registered representatives.

Table 2.2 Firm Distribution by Size, 2016–2020¹

(Count as of year-end)

	2016	2017	2018	2019	2020
Large	179	178	173	168	165
Mid-Size	194	195	192	198	191
Small	3,462	3,353	3,242	3,151	3,079
Total	3,835	3,726	3,607	3,517	3,435

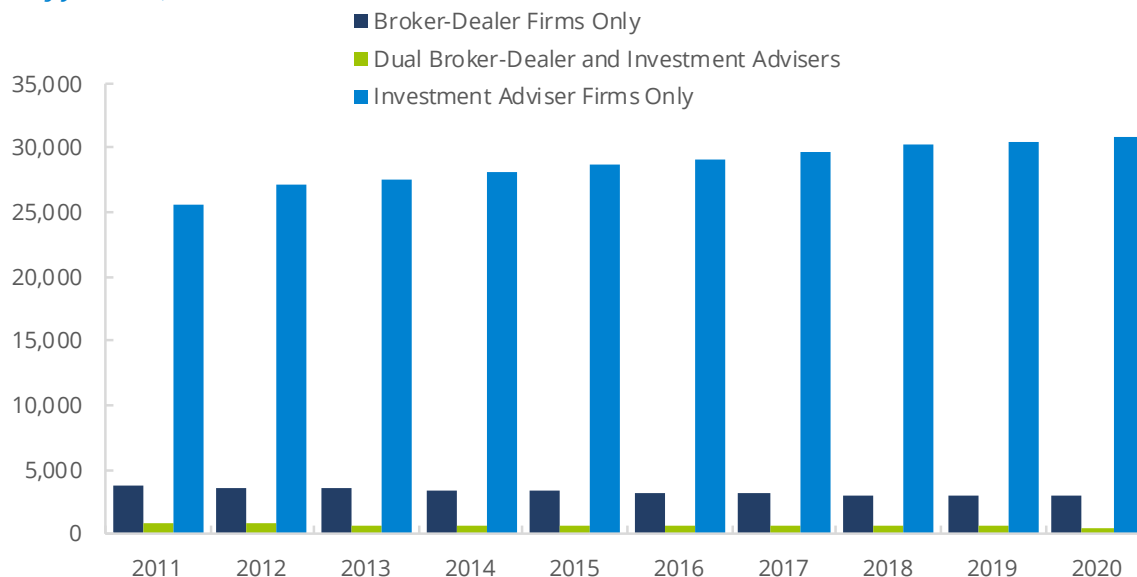
Source: Financial Industry Regulatory Authority.

1 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-499 registered representatives; Small Firm = 1-150 registered representatives.

II. FINRA-Registered Firms

Figure 2.3 Securities Industry Registered Firms by Type of Registration, 2011–2020¹

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

¹ "Broker-Dealer Firms Only" refers to firms that are solely registered with FINRA as broker-dealers. "Dual Broker-Dealer and Investment-Adviser Firms" refers to FINRA-registered broker-dealers who are also registered as investment adviser firms. "Investment Adviser Firms Only" refers to firms that are registered only as investment advisers and are overseen by the SEC or state regulators. "Securities Industry Registered Firms" refers to the totality of registered firms.

Table 2.3 Securities Industry Registered Firms by Type of Registration, 2011–2020¹

(Count as of year-end)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Broker-Dealer Firms Only	3,673	3,545	3,449	3,391	3,303	3,226	3,130	3,045	2,989	2,930
Dual Broker-Dealer and Investment-Adviser Firms	782	744	697	677	640	609	596	562	528	505
All FINRA-Registered Broker-Dealer Firms	4,455	4,289	4,146	4,068	3,943	3,835	3,726	3,607	3,517	3,435
Investment Adviser Firms Only	25,524	27,131	27,511	28,135	28,712	29,081	29,600	30,246	30,534	30,888
Total Registered Firms	29,979	31,420	31,657	32,203	32,655	32,916	33,326	33,853	34,051	34,323

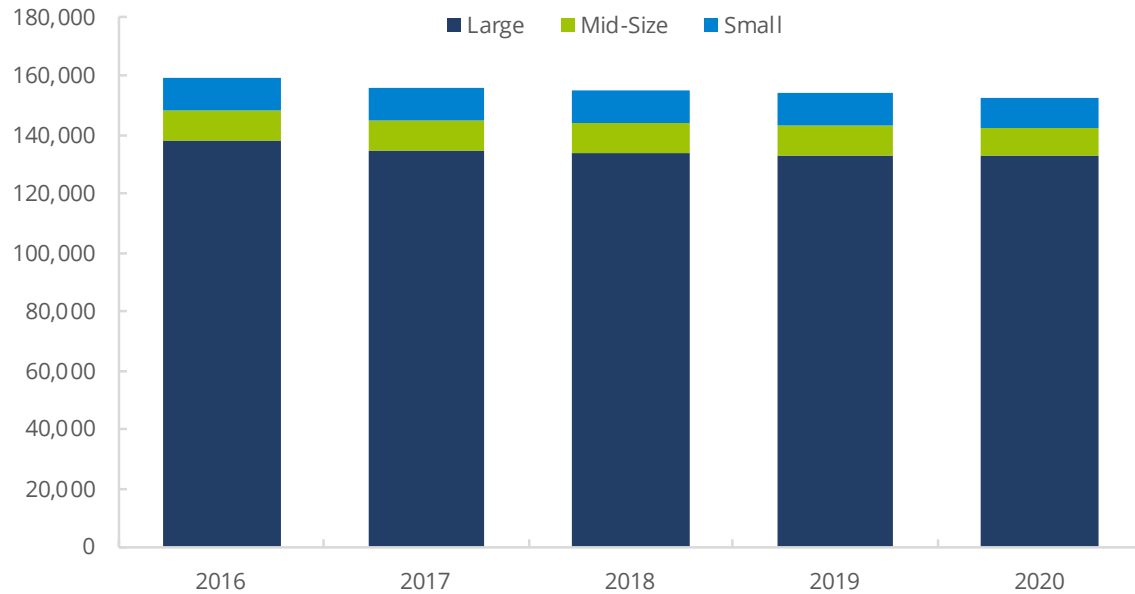
Source: Financial Industry Regulatory Authority.

¹ "Broker-Dealer Firms Only" refers to firms that are solely registered with FINRA as broker-dealers. "Dual Broker-Dealer and Investment-Adviser Firms" refers to FINRA-registered broker-dealers who are also registered as investment adviser firms. "Investment Adviser Firms Only" refers to firms that are registered only as investment advisers and are overseen by the SEC or state regulators. "Securities Industry Registered Firms" refers to the totality of registered firms.

II. FINRA-Registered Firms

Figure 2.4 Distribution of Branches by Firm Size, 2016–2020^{1, 2}

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

1 For each branch office, a FINRA-registered firm must file a Form BR (the Uniform Branch Office Registration Form).

2 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-499 registered representatives; Small Firm = 1-150 registered representatives.

Table 2.4 Distribution of Branches by Firm Size, 2016–2020^{1, 2}

(Count as of year-end)

	2016	2017	2018	2019	2020
Large	137,806	134,473	133,760	132,758	132,719
Mid-Size	10,137	10,216	9,837	10,660	9,766
Small	11,521	11,278	11,064	10,489	10,376
Total	159,464	155,967	154,661	153,907	152,861

Source: Financial Industry Regulatory Authority.

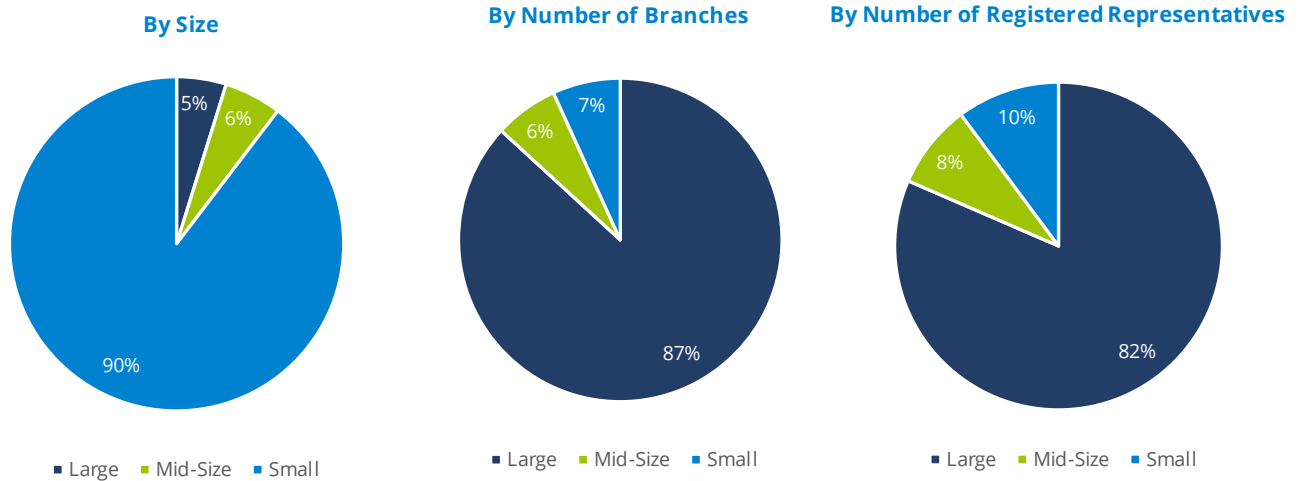
1 For each branch office, a FINRA-registered firm must file a Form BR (the Uniform Branch Office Registration Form).

2 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-499 registered representatives; Small Firm = 1-150 registered representatives.

II. FINRA-Registered Firms

Figure 2.5 Firm Distribution by Specified Demographics, 2020

(As of year-end, percent of total)



Source: Financial Industry Regulatory Authority.

Table 2.5 Firm Distribution by Number of Registered Representatives: Additional Breakdown, 2016–2020

(Count as of year-end)

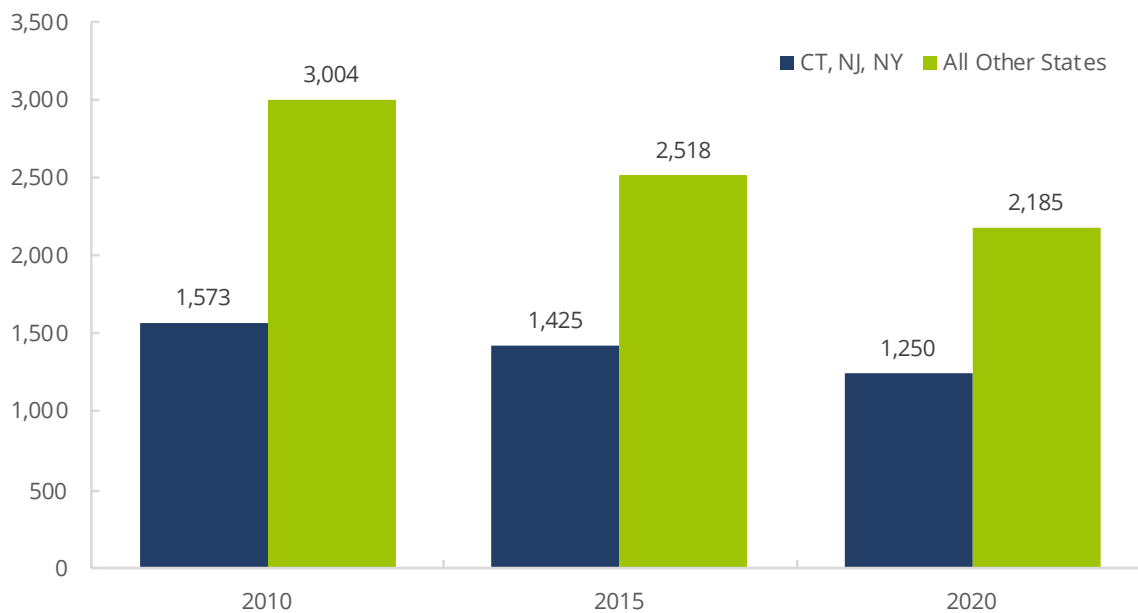
Size Category	2016	2017	2018	2019	2020
>1000	102	99	93	95	93
500-1000	77	79	80	73	72
301-499	69	67	65	69	66
151-300	125	128	127	129	125
101-150	100	102	101	107	112
76-100	101	85	94	83	78
51-75	164	161	165	157	174
41-50	107	116	100	100	102
31-40	166	166	167	159	133
26-30	109	118	129	114	119
21-25	167	167	155	164	124
16-20	254	260	257	236	248
11-15	405	378	378	370	374
10 or Fewer	1,889	1,800	1,696	1,661	1,615
Total	3,835	3,726	3,607	3,517	3,435

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.6 10-Year Change in Number of FINRA-Registered Firms, 2010–2020

(Count as of year-end)

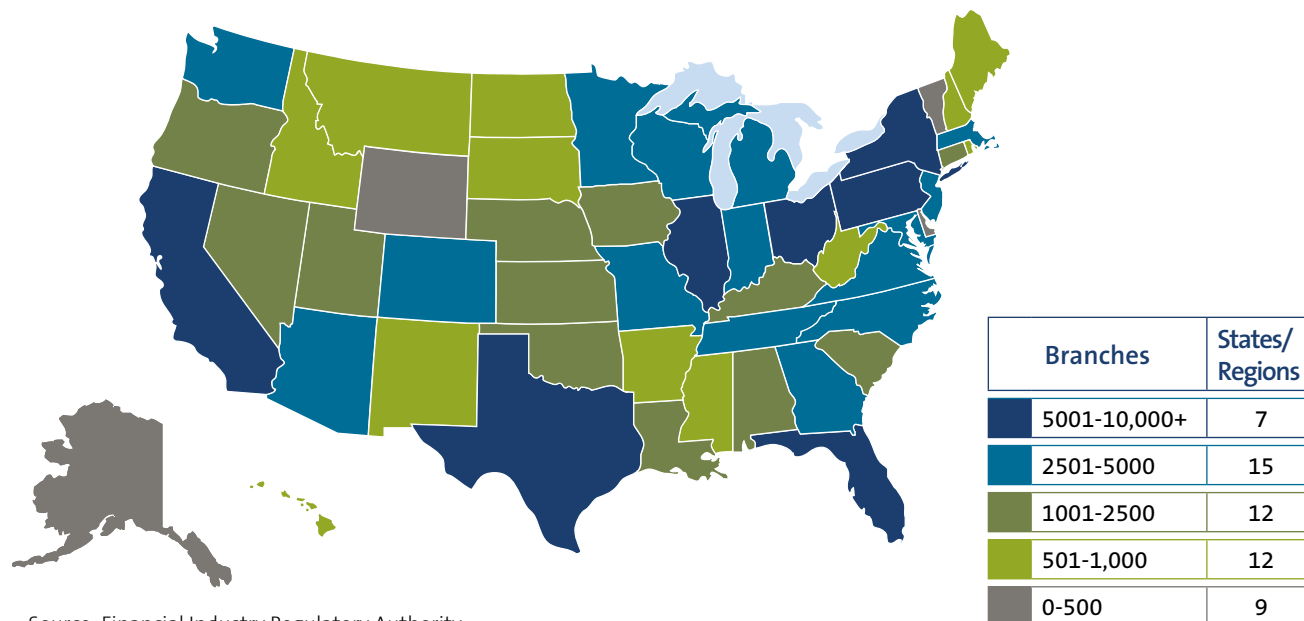


Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.7 Geographic Distribution of Firms by Number of Branches, 2020¹

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

1. Not shown: Puerto Rico, Virgin Islands, Guam, Foreign.

Table 2.7 Branches By State/Region, 2016–2020

Branches By State/ Region	2016		2017		2018		2019		2020	
	Branches	Firms	Branches	Firms	Branches	Firms	Branches	Firms	Branches	Firms
Alabama	1,793	170	1,724	161	1,674	155	1,702	158	1,681	161
Alaska	251	52	246	51	251	53	247	52	244	51
Arizona	3,201	258	3,135	261	3,130	253	3,079	253	3,094	247
Arkansas	1,001	119	975	116	959	113	961	114	963	113
California	17,420	1,033	17,051	1,022	16,757	987	16,585	969	16,573	948
Colorado	3,470	365	3,398	361	3,359	362	3,340	344	3,337	342
Connecticut	2,610	408	2,580	407	2,543	403	2,499	400	2,396	383
Delaware	478	107	462	104	465	101	461	97	472	99
District of Columbia	299	122	294	127	305	121	321	128	322	126
Florida	10,296	692	10,236	700	10,436	691	10,503	685	10,700	690
Georgia	4,115	379	3,984	375	3,990	377	3,985	380	3,988	370
Hawaii	573	109	544	103	555	100	565	96	585	94
Idaho	886	115	863	116	867	115	884	115	902	117
Illinois	7,539	662	7,295	643	7,193	636	7,124	632	7,034	616
Indiana	3,240	212	3,148	208	3,075	205	3,055	196	3,024	194
Iowa	2,221	179	2,162	172	2,144	169	2,131	168	2,149	168
Kansas	1,803	196	1,771	191	1,751	180	1,770	174	1,749	176
Kentucky	1,592	162	1,548	156	1,523	155	1,509	147	1,502	143

II. FINRA-Registered Firms

Table 2.7 Branches By State/Region, 2016–2020 (*continued*)

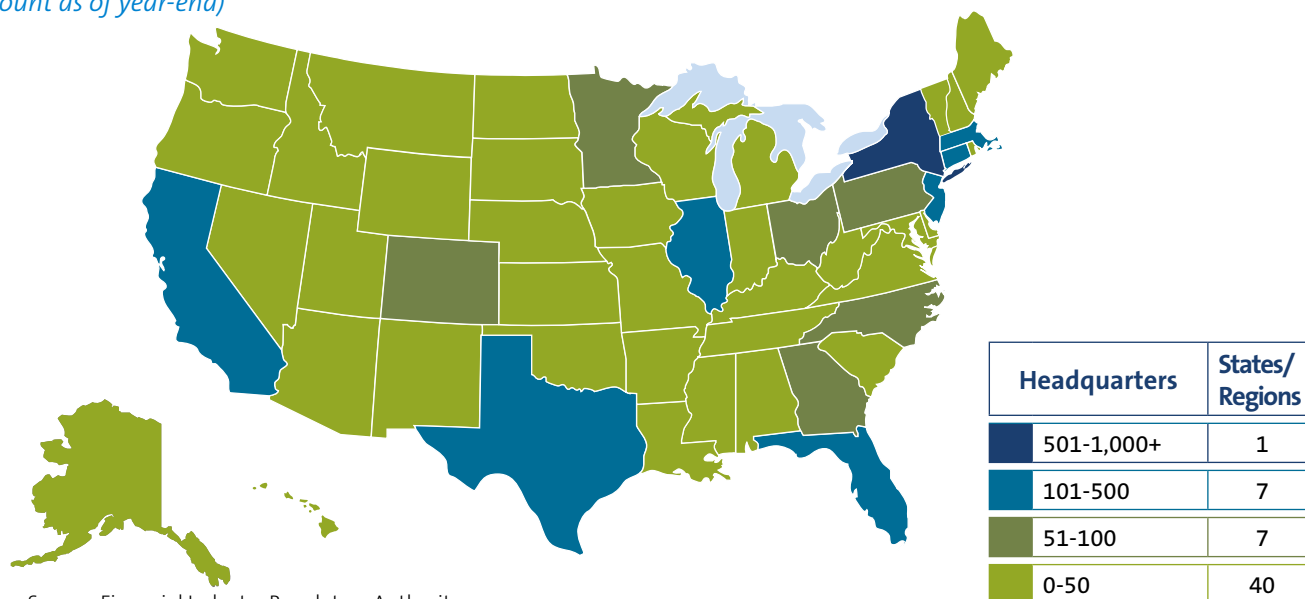
Branches By State/ Region	2016		2017		2018		2019		2020	
	Branches	Firms	Branches	Firms	Branches	Firms	Branches	Firms	Branches	Firms
Louisiana	1,775	173	1,792	160	1,766	159	1,784	156	1,776	156
Maine	640	124	610	119	597	116	583	116	581	112
Maryland	2,797	289	2,717	287	2,724	269	2,708	273	2,692	266
Massachusetts	3,687	495	3,624	484	3,571	469	3,568	463	3,497	447
Michigan	5,266	283	5,107	269	5,027	254	5,009	255	4,954	251
Minnesota	3,686	281	3,617	273	3,582	267	3,592	269	3,603	263
Mississippi	736	103	707	99	702	97	687	94	695	91
Missouri	3,070	296	2,969	273	2,901	257	2,887	255	2,902	233
Montana	629	94	599	91	595	88	588	83	587	83
Nebraska	1,305	143	1,250	138	1,259	136	1,240	135	1,248	137
Nevada	1,267	184	1,277	173	1,254	170	1,233	170	1,212	172
New Hampshire	810	133	798	128	798	130	811	130	774	127
New Jersey	5,127	477	4,945	469	4,865	454	4,827	458	4,792	453
New Mexico	791	106	785	105	786	107	773	104	757	103
New York	10,642	1,571	10,524	1,606	10,335	1,579	10,240	1,538	9,962	1,482
North Carolina	4,617	345	4,535	345	4,564	339	4,576	346	4,614	346
North Dakota	567	88	553	86	543	83	544	84	548	82
Ohio	6,676	339	6,462	330	6,418	325	6,287	326	6,116	318
Oklahoma	1,902	157	1,853	151	1,804	144	1,785	142	1,728	139
Oregon	2,276	192	2,232	185	2,199	177	2,181	178	2,114	169
Pennsylvania	7,349	443	7,152	425	6,937	423	6,843	414	6,709	396
Rhode Island	516	111	509	108	516	112	509	109	509	103
South Carolina	1,946	204	1,939	206	2,010	203	2,013	199	2,077	204
South Dakota	582	86	560	82	552	77	557	78	554	79
Tennessee	2,627	258	2,544	251	2,540	248	2,562	251	2,573	243
Texas	11,172	645	10,997	651	10,957	653	10,912	648	10,845	609
Utah	1,297	176	1,269	169	1,258	162	1,282	163	1,291	167
Vermont	407	101	375	90	363	85	367	83	330	82
Virginia	3,669	299	3,607	295	3,631	280	3,624	277	3,630	272
Washington	3,726	253	3,670	259	3,679	251	3,678	247	3,586	234
West Virginia	630	99	584	100	581	94	560	92	547	92
Wisconsin	3,564	228	3,462	216	3,441	214	3,452	207	3,415	215
Wyoming	377	68	363	68	361	66	350	65	355	66
Puerto Rico	150	42	145	45	145	49	147	47	150	49
Virgin Islands	9	8	6	5	7	6	7	6	7	6
Guam	9	7	10	7	10	7	11	8	11	8
Foreign	380	189	403	195	406	203	409	193	405	192
Total	159,464		155,967		154,661		153,907		152,861	

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.8 Geographic Distribution of Firms by Headquarters, 2020¹

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

1 Not shown: Puerto Rico, Virgin Islands, Guam, Foreign.

Table 2.8 Geographic Distribution of Firms by Headquarters, 2016–2020

Locations by State/Region	2016	2017	2018	2019	2020
Alabama	22	21	20	21	20
Alaska	1	0	0	0	0
Arizona	29	29	31	28	29
Arkansas	10	10	9	8	8
California	435	428	409	406	399
Colorado	80	75	66	63	61
Connecticut	135	129	126	120	121
Delaware	4	4	4	3	2
District of Columbia	25	22	21	21	22
Florida	185	188	183	178	180
Georgia	74	76	78	71	76
Hawaii	6	5	5	5	5
Idaho	2	2	2	2	2
Illinois	229	217	211	205	205
Indiana	26	22	22	22	23
Iowa	23	22	19	18	18
Kansas	20	21	22	21	21
Kentucky	11	10	10	9	9
Louisiana	16	14	13	12	12
Maine	17	18	18	18	15
Maryland	51	48	42	42	41

II. FINRA-Registered Firms

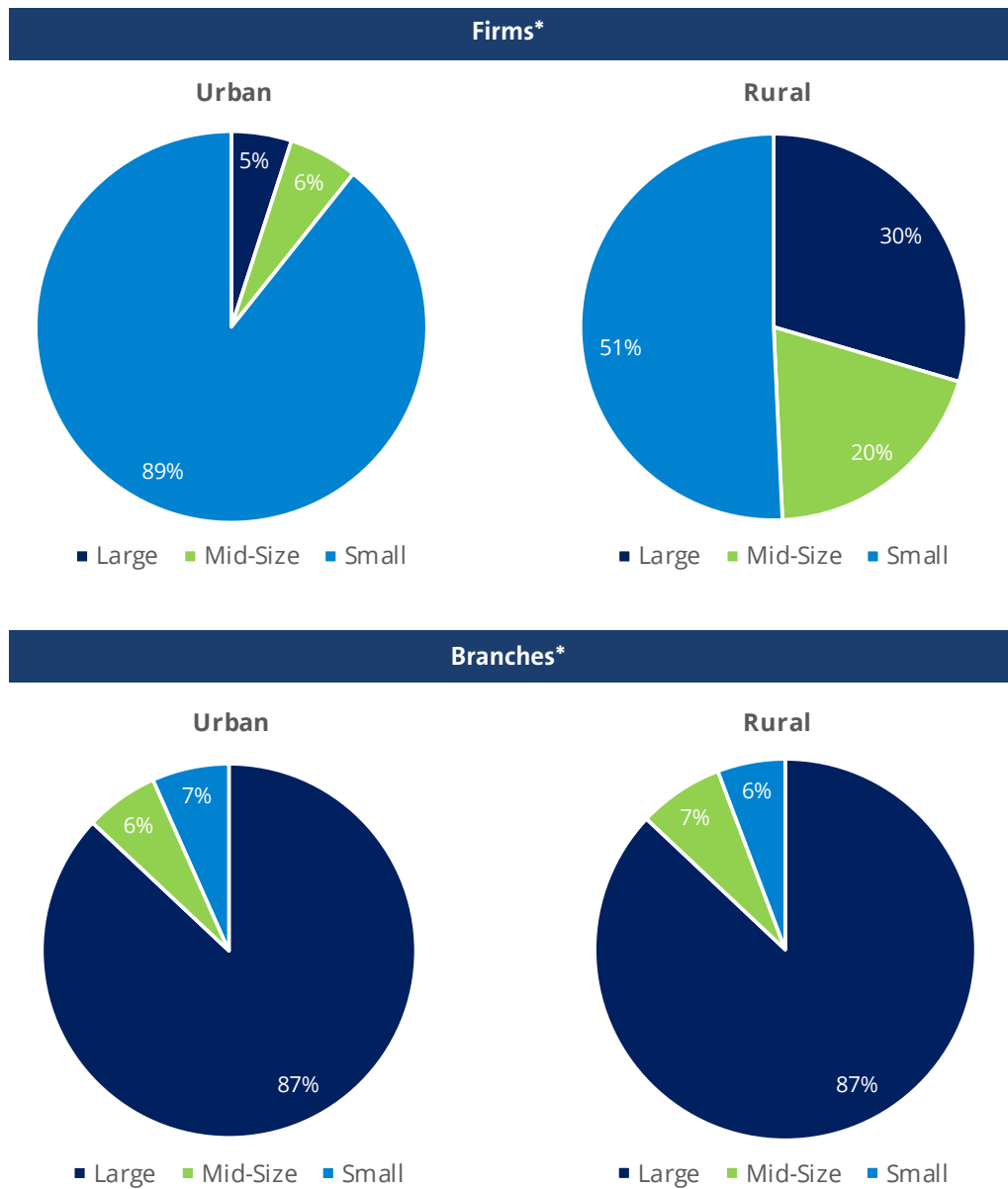
Table 2.8 Geographic Distribution of Firms by Headquarters, 2016–2020 (*continued*)

Locations by State/Region	2016	2017	2018	2019	2020
Massachusetts	141	138	129	132	125
Michigan	45	44	39	38	35
Minnesota	60	55	56	54	54
Mississippi	2	2	2	2	2
Missouri	64	63	54	52	49
Montana	2	2	2	2	2
Nebraska	15	15	15	16	16
Nevada	12	13	10	8	9
New Hampshire	7	6	6	5	5
New Jersey	149	154	147	145	140
New Mexico	1	1	1	1	1
New York	1,122	1,095	1,070	1,038	989
North Carolina	69	65	61	60	64
North Dakota	8	8	7	7	6
Ohio	71	66	65	66	67
Oklahoma	13	11	11	10	10
Oregon	18	16	17	20	19
Pennsylvania	108	100	103	99	90
Rhode Island	12	12	12	11	11
South Carolina	19	18	21	21	21
South Dakota	2	2	2	2	2
Tennessee	43	41	40	39	39
Texas	212	205	201	201	199
Utah	23	21	24	25	25
Vermont	4	3	3	3	4
Virginia	55	55	51	47	46
Washington	43	42	40	38	32
West Virginia	2	2	2	2	2
Wisconsin	41	38	37	35	31
Wyoming	0	0	0	0	1
Puerto Rico	12	13	11	11	14
Virgin Islands	1	1	1	0	1
Guam	1	1	1	1	1
Foreign	57	57	55	53	54
Total	3,835	3,726	3,607	3,517	3,435

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.9 Urban-Rural Breakdown of FINRA-Registered Firms and Branches by Firm Size—2020^{1, 2}
(Percent of total, as of year-end)



Sources: U.S. Census Bureau; and FINRA staff calculations.

*A firm is counted if it has a branch in that area. Not included are firms and branches that do not report a zip code in CRD.

1 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-400 registered representatives; Small Firm = 1-150 registered representatives.

2 Branch and firm zip codes are linked to the 2010 Urban Area to Zip Code Tabulation Area (ZCTA) Relationship File. The Census Bureau identifies two types of urban areas: i) Urbanized Areas (UAs) of 50,000 or more people; ii) Urban Clusters (UCs) of at least 2,500 and less than 50,000 people. "Rural" encompasses all population, housing, and territory not included within an urban area.

II. FINRA-Registered Firms

Table 2.9 Urban-Rural Breakdown of FINRA-Registered Firms and Branches by Firm Size—2020^{1, 2}

	Firms*				Branches*			
	Urban	% Urban	Rural	% Rural	Urban	% Urban	Rural	% Rural
Large	165	5%	123	30%	128,392	87%	4,238	87%
Mid-Size	190	6%	82	20%	9,360	6%	352	7%
Small	2,963	89%	211	51%	9,823	7%	280	6%
Total	3,318	100%	416	100%	147,575	100%	4,870	100%

Sources: U.S. Census Bureau; and FINRA staff calculations.

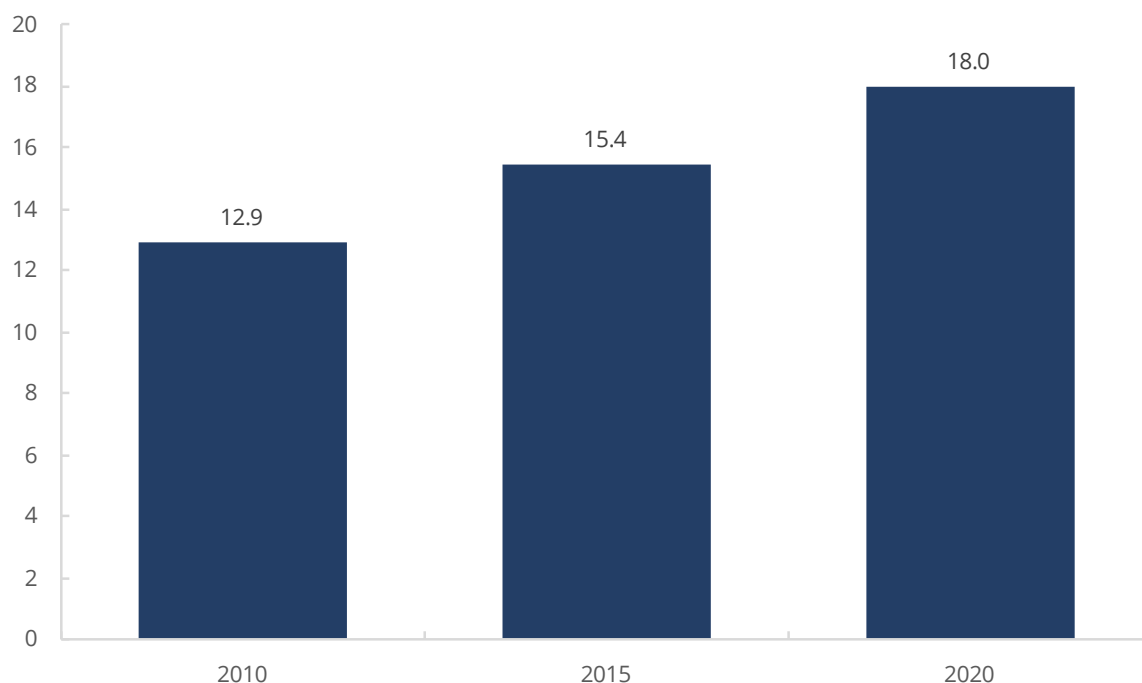
*A firm is counted if it has a branch in that area. Not included are firms and branches that do not report a zip code in CRD.

1 Large Firm = 500 or more registered representatives; Mid-Size Firm = 151-400 registered representatives; Small Firm = 1-150 registered representatives.

2 Branch and firm zip codes are linked to the 2010 Urban Area to Zip Code Tabulation Area (ZCTA) Relationship File. The Census Bureau identifies two types of urban areas: i) Urbanized Areas (UAs) of 50,000 or more people; ii) Urban Clusters (UCs) of at least 2,500 and less than 50,000 people. "Rural" encompasses all population, housing, and territory not included within an urban area.

Figure 2.10 FINRA-Registered Firms – Median Number of Years in Business, 2010–2020

(As of year-end)

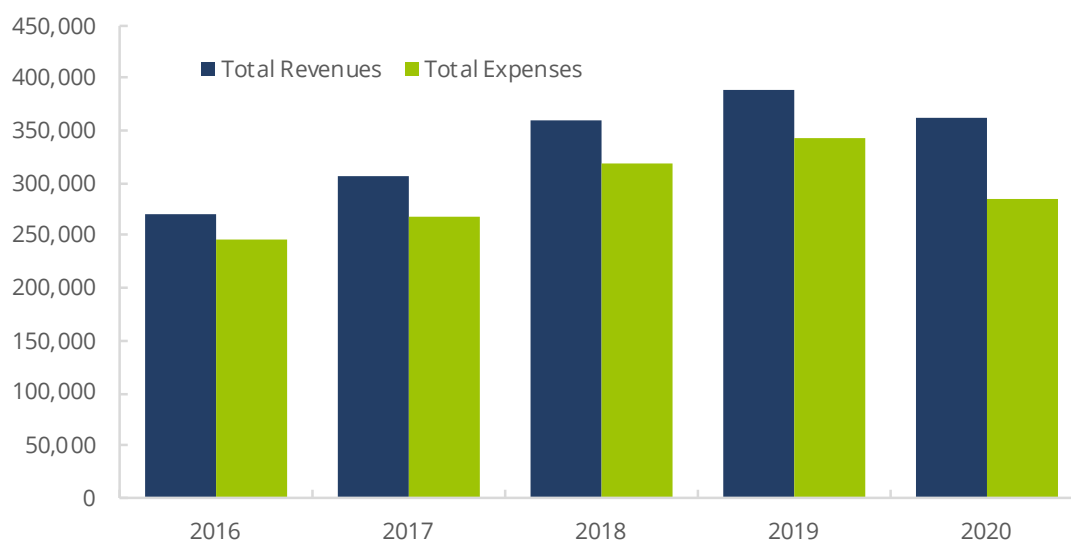


Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.11 FINRA-Registered Firms – Revenues and Expenses, 2016–2020

(In millions of U.S. dollars)



Source: Financial and Operational Combined Uniform Single (FOCUS) Reports.

Table 2.11 FINRA-Registered Firms – Aggregate Financial Information, 2016–2020

(In millions of U.S. dollars)

	2016	2017	2018	2019	2020
Total Revenues	\$271,509.45	\$305,702.76	\$361,089.37	\$388,153.64	\$361,969.55
Total Expenses	\$246,194.06	\$268,632.72	\$318,309.31	\$344,210.51	\$284,757.13
Pre-Tax Net Income	\$25,315.39	\$37,070.05	\$42,780.06	\$43,943.13	\$77,212.41

Source: Financial and Operational Combined Uniform Single (FOCUS) Reports.

II. FINRA-Registered Firms

Figure 2.12 FINRA-Registered Firms – Leaving/Entering the Industry, 2006–2020

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

Table 2.12 FINRA-Registered Firms – Leaving/Entering the Industry, 2006–2020

(Count as of year-end)

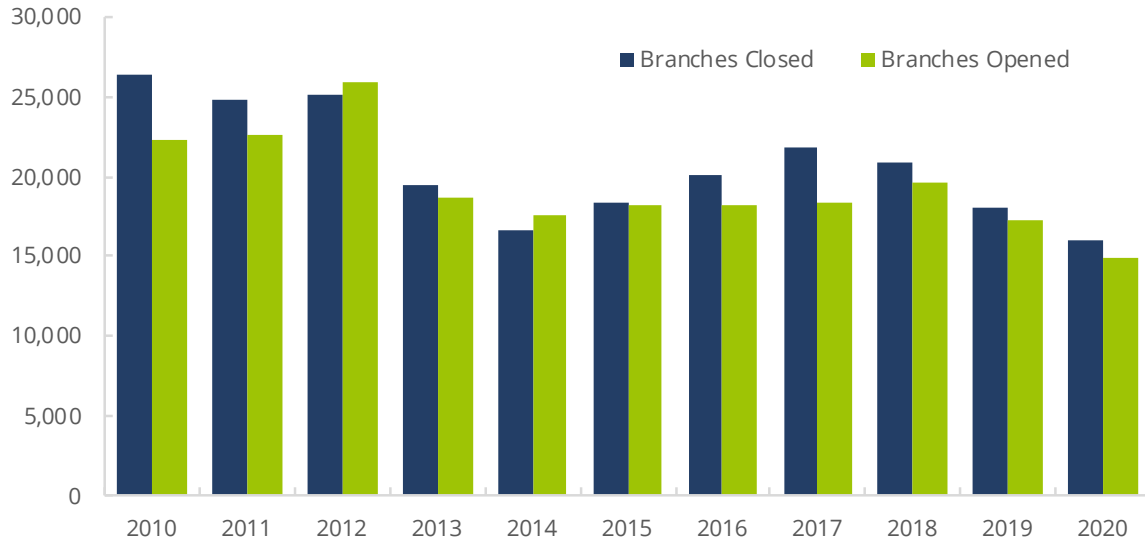
Year	Firms Leaving	% of Total	Firms Entering	% of Total	End-of-Year Total Firms
2006	-327	-6%	247	5%	5,026
2007	-312	-6%	288	6%	5,002
2008	-324	-7%	218	4%	4,896
2009	-341	-7%	162	3%	4,717
2010	-329	-7%	189	4%	4,577
2011	-294	-7%	172	4%	4,455
2012	-303	-7%	137	3%	4,289
2013	-249	-6%	106	3%	4,146
2014	-222	-5%	144	4%	4,068
2015	-244	-6%	119	3%	3,943
2016	-231	-6%	123	3%	3,835
2017	-205	-5%	96	3%	3,726
2018	-219	-6%	100	3%	3,607
2019	-206	-6%	116	3%	3,517
2020	-210	-6%	128	4%	3,435

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.13 FINRA-Registered Firm Branch Offices – Opening/Closing, 2010–2020

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

Table 2.13 FINRA-Registered Firm Branch Offices – Opening/Closing, 2010–2020

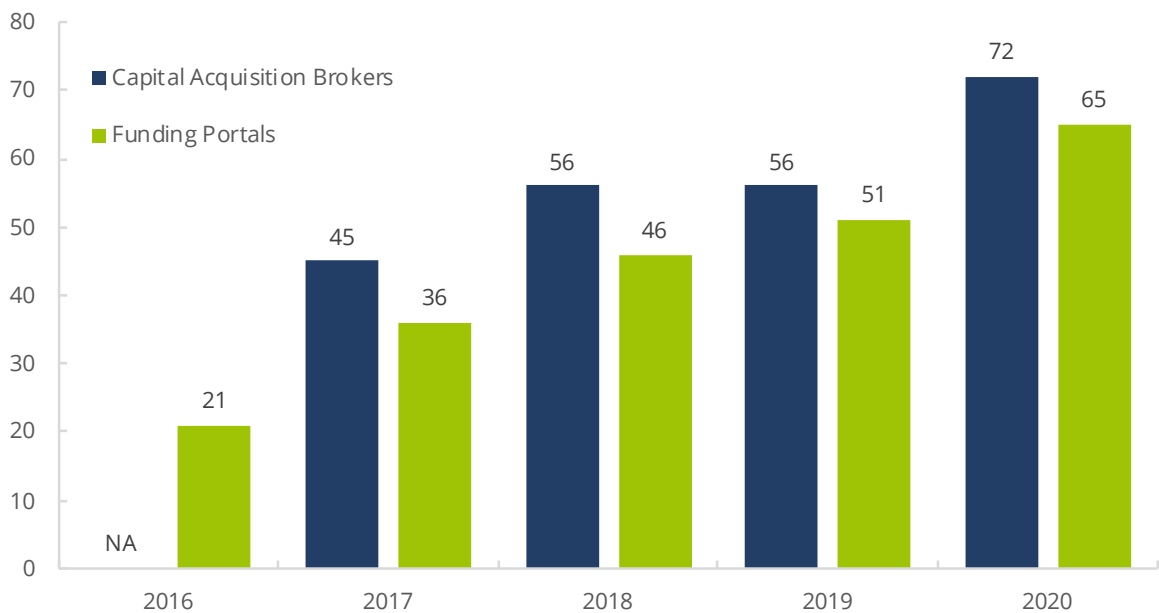
(Count as of year-end)

Year	Branches Closed	% of Total	Branches Opened	% of Total	End-of-Year Total Branches
2010	-26,324	-16%	22,336	14%	162,711
2011	-24,863	-16%	22,555	14%	160,403
2012	-25,193	-16%	25,939	16%	161,149
2013	-19,382	-12%	18,711	12%	160,478
2014	-16,554	-10%	17,522	11%	161,272
2015	-18,296	-11%	18,242	11%	161,392
2016	-20,103	-13%	18,175	11%	159,464
2017	-21,797	-14%	18,300	12%	155,967
2018	-20,875	-14%	19,569	13%	154,661
2019	-17,979	-12%	17,225	11%	153,907
2020	-15,987	-10%	14,941	10%	152,861

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.14 Spotlight: Capital Acquisition Brokers and Funding Portals, 2016–2020¹
(Count as of year-end)



Source: Financial Industry Regulatory Authority.

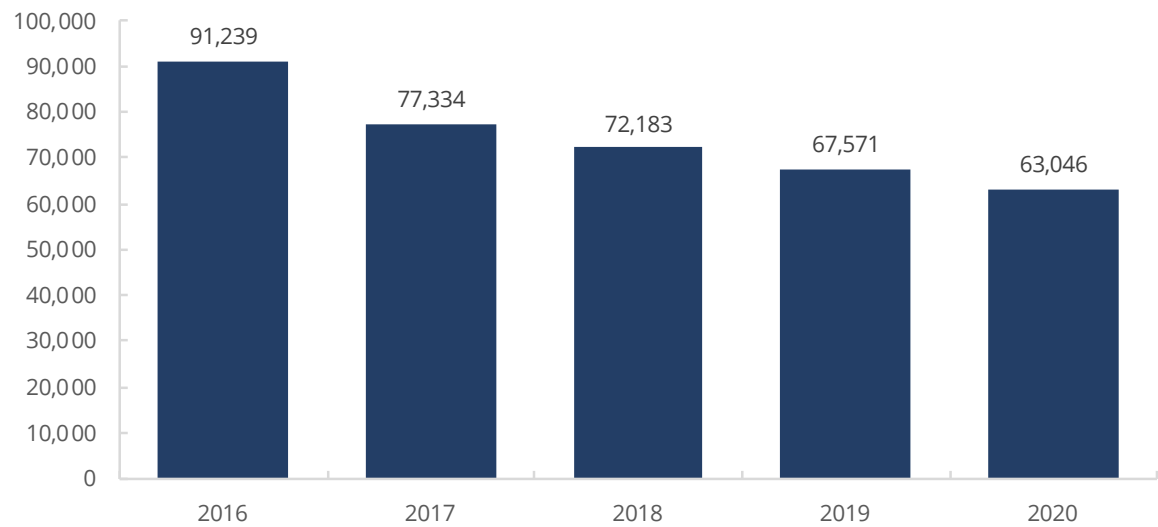
1 Capital Acquisition Brokers (CABs) engage in a limited range of activities, essentially advising companies and private equity funds on capital raising and corporate restructuring, and acting as a placement agent for sales of unregistered securities to institutional investors under limited conditions. The CAB rule took effect in 2017. Funding Portals (FPs) also engage in a limited range of activities: those prescribed under to JOBS Act and the SEC’s Regulation Crowdfunding. The FP rule took effect in 2016.

II. FINRA-Registered Firms

FINRA Rule 2210 governs broker-dealers’ communications with the public, including communications with retail and institutional investors. The rule provides standards for the content, approval, recordkeeping and filing of communications with FINRA. FINRA’s Advertising Regulation Department reviews firms’ advertisements and other communications with the public to ensure they are fair, balanced, not misleading and comply with the standards of the SEC, MSRB, SIPC, and FINRA advertising rules. FINRA rules do not require all communications to be filed, and the figures presented below therefore represent only a segment of such communication.

Figure 2.15 Advertising Regulation Filing Volumes, 2016–2020

(Count as of year-end)



Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

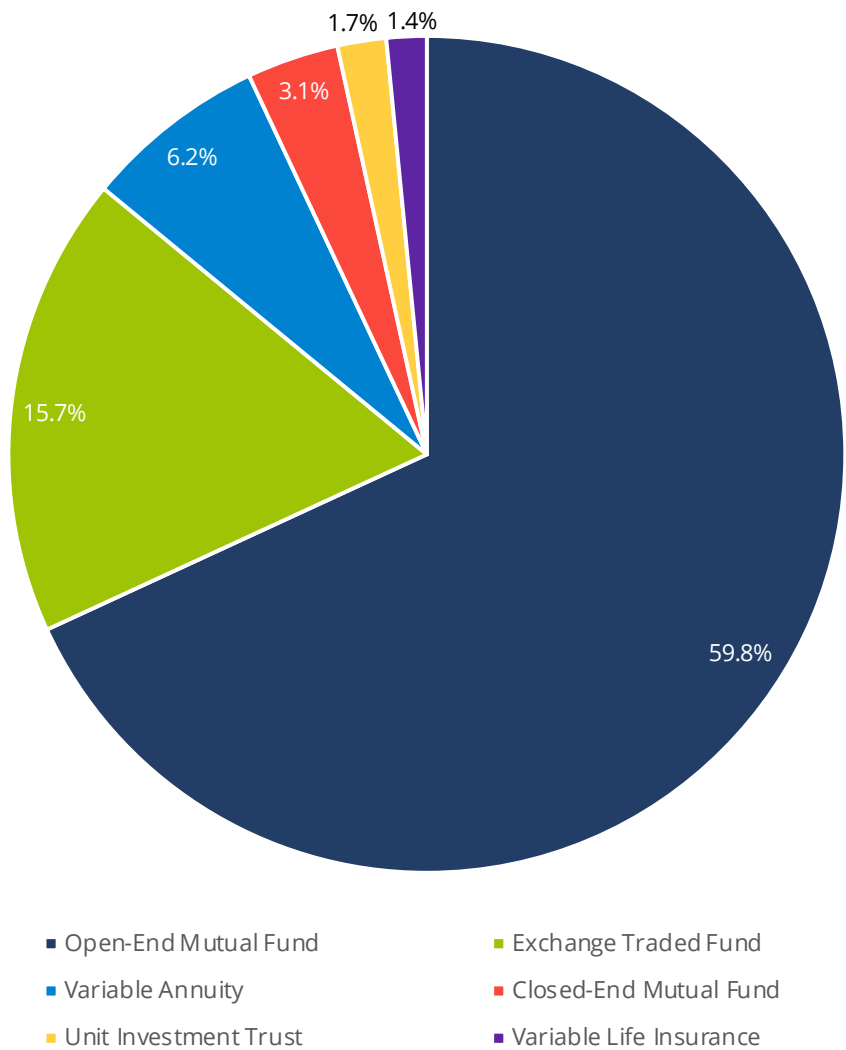
Table 2.15 FINRA-Registered Firms – Most Common Marketing Methods Filed with FINRA, 2020

Marketing Methods	Total for Period 2020
Web information public access	25,087
Fund specific information sheet(s)	12,903
Flyers & other hand delivered material	4,847
Brochures, pamphlets, & catalogs	4,666
Periodic & other performance reports	3,188
E-mail, IM, SMS or text messages	3,038
Mailed sales material	2,695
Seminar related communications	1,925
Audio/Video tapes, CDs & DVDs	880
Web information password protected	724
Information released to the press	686
Articles & 3rd party reprints	586
Research reports - equity & debt	502
Software output & IA Tools	463
Print ads, posters, & signs	360
Acct statement related communications	226
TV ads & TV broadcasts	87
Radio ads & radio broadcasts	76
Broker Dealer use only material	65
Telemarketing & other phone scripts	28
Business related stationery	14
Total	63,046

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Figure 2.16 Advertising Regulation Filing Volumes – Investment Company Product, 2020
(Percentage of Total Filings)



Source: Financial Industry Regulatory Authority.

Table 2.16 Advertising Regulation Filing Volumes – Investment Company Product, 2020

Investment Company Product Types	Percentage of Total Filings
Total Registered Investment Company Products	87.8%
Total Non-Registered Investment Company Products	12.2%

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

Table 2.17 Advertising Regulation Filing Volumes – Voluntary vs. Mandatory, 2016–2020

(Count as of year-end)

	2016	2017	2018	2019	2020
Mandatory	83,065	65,054	59,833	55,211	52,583
Voluntary	8,174	12,280	12,350	12,360	10,463

Source: Financial Industry Regulatory Authority.

II. FINRA-Registered Firms

On October 1, 2018, FINRA announced that it was moving toward an exam and risk monitoring program structure that is based on the business models of the firms FINRA oversees. FINRA has grouped firms according to the primary business(es) in which they are engaged. The following tables break down business segments by firm size.

Table 2.18 Small Firms – Business Segments as of December 2020¹

Firm Grouping	Firm Sub-Grouping	Number of Firms
Capital Markets and Investment Banking Services	M&A and Investment Banking	714
Capital Markets and Investment Banking Services	Private Placements - Institutional Investors	309
Capital Markets and Investment Banking Services	Product Originator and Wholesaler	202
Capital Markets and Investment Banking Services	Niche/Other - CMIB	109
Capital Markets and Investment Banking Services	Public Finance	47
Clearing and Carrying	Chaperone - 15a-6 Firms	80
Clearing and Carrying	Securities Financing Book	20
Clearing and Carrying	Niche/Other - Clearing	16
Clearing and Carrying	Correspondent Clearing	12
Diversified	Small Diversified*	76
Diversified	Medium Diversified - Carrying/Clearing*	12
Diversified	Medium Diversified - Non-Carrying/Clearing*	8
Diversified	Large Diversified*	1
Retail	Retail Small*	398
Retail	Public Pooled Investment Vehicles and Variable Annuities	223
Retail	Retail Small - Independent Contractor*	210
Retail	Private Placements	184
Retail	Fintech	40
Retail	Retail with Carrying/Clearing Activities	31
Retail	Retail Mid-Size & Large - Independent Contractor*	6
Retail	Retail Mid-Size & Large*	4
Trading and Execution	Institutional Brokerage	254
Trading and Execution	Medium/Small Proprietary Trading and Market-Making*	62
Trading and Execution	Alternative Trading Systems (ATS's) and Electronic Communication Networks (ECN's)	54
Trading and Execution	Large Proprietary Trading and Market-Making*	7
Total		3,079

Source: Financial Industry Regulatory Authority.

*The definition of firm size in FINRA's By-Laws may differ from the Member Firm Business Segment definitions, which may consider total assets and/or total revenue in categorizing a firm. Small Firm = 1-150 registered representatives.

1 Includes only FINRA-registered firms as of year-end.

II. FINRA-Registered Firms

Table 2.19 Mid-Size Firms – Business Segments as of December 2020¹

Firm Grouping	Firm Sub-Grouping	Number of Firms
Capital Markets and Investment Banking Services	Product Originator and Wholesaler	46
Capital Markets and Investment Banking Services	M&A and Investment Banking	11
Capital Markets and Investment Banking Services	Niche/Other - CMIB	3
Capital Markets and Investment Banking Services	Private Placements - Institutional Investors	1
Clearing and Carrying	Correspondent Clearing	3
Clearing and Carrying	Chaperone - 15a-6 Firms	1
Clearing and Carrying	Niche/Other - Clearing	1
Diversified	Medium Diversified - Carrying/Clearing	13
Diversified	Medium Diversified - Non-Carrying/Clearing	9
Diversified	Small Diversified*	4
Retail	Retail Mid-Size & Large - Independent Contractor*	39
Retail	Retail Mid-Size & Large*	18
Retail	Public Pooled Investment Vehicles and Variable Annuities	12
Retail	Retail Small - Independent Contractor*	5
Retail	Retail with Carrying/Clearing Activities	2
Retail	Private Placements	2
Retail	Retail Small*	2
Retail	Fintech	1
Trading and Execution	Institutional Brokerage	12
Trading and Execution	Large Proprietary Trading and Market-Making*	5
Trading and Execution	Medium/Small Proprietary Trading and Market-Making*	1
Total		191

Source: Financial Industry Regulatory Authority.

*The definition of firm size in FINRA's By-Laws may differ from the Member Firm Business Segment definitions, which may consider total assets and/or total revenue in categorizing a firm. Mid-Size Firm = 151-400 registered representatives.

1 Includes only FINRA-registered firms as of year-end.

II. FINRA-Registered Firms

Table 2.20 Large Firms – Business Segments as of December 2020¹

Firm Grouping	Firm Sub-Grouping	Number of Firms
Capital Markets and Investment Banking Services	Product Originator and Wholesaler	19
Capital Markets and Investment Banking Services	M&A and Investment Banking	1
Capital Markets and Investment Banking Services	Private Placements - Institutional Investors	1
Clearing and Carrying	Correspondent Clearing	3
Diversified	Medium Diversified - Carrying/Clearing*	27
Diversified	Large Diversified*	13
Diversified	Medium Diversified - Non-Carrying/Clearing*	7
Retail	Retail Mid-Size & Large - Independent Contractor*	39
Retail	Public Pooled Investment Vehicles and Variable Annuities	31
Retail	Retail Mid-Size & Large*	15
Retail	Retail with Carrying/Clearing Activities	8
Retail	Private Placements	1
Total		165

Source: Financial Industry Regulatory Authority.

*The definition of firm size in FINRA's By-Laws may differ from the Member Firm Business Segment definitions, which may consider total assets and/or total revenue in categorizing a firm. Large Firm = 500 or more registered representatives.

1 Includes only FINRA-registered firms as of year-end.

Table 2.21 Total Number of Unique Corporate Financing Filings, 2016–2020^{1, 2, 3}

(Count as of year-end)

Filing Type	2016	2017	2018	2019	2020
Total Public Offerings (FINRA Rule 5110)	1,232	1,553	1,524	1,604	2,304
Member Private Offerings (FINRA Rule 5122)	148	128	99	60	51
Private Placements of Securities (FINRA Rule 5123)	2,442	2,451	2,372	2,449	2,300

Source: Financial Industry Regulatory Authority. Data as of March 2021.

*The total number of *unique* corporate financing filings (not including amendments to filings) received by the Corporate Financing Department.

- 1 FINRA Rule 5110 requires all public offerings in which a member participates to be filed with FINRA for review, except as exempted from the filing requirement under paragraph (h).
- 2 FINRA Rule 5122 requires firms that offer or sell retail private placements of their own securities or that of a control entity to file offering documents and information about the issuer, the offering and the selling firms before the documents are provided to investors, except as exempted from the filing requirements under section (C).
- 3 FINRA Rule 5123 requires firms that sell non-proprietary, retail private placements to file with FINRA's Corporate Financing Department within 15 calendar days of the date of first sale, offering documents and information about the issuer, the offering and the selling firms, except as exempted from the filing requirements under section (B).

III. Market Activity

FINRA collects certain market data as part of its role in overseeing trading and providing transparency services. Following are select tables drawn from that data.

Table 3.1 National Market Systems (NMS) Stocks Trading Summary, 2016–2020

Year	Total Consolidated Volume	Total OTC ¹	% OTC
2016	1,848,725,192,622	678,857,487,044	36.7
2017	1,642,696,484,455	616,183,840,401	37.5
2018	1,841,855,556,392	668,455,710,212	36.3
2019	1,771,096,807,512	659,344,146,179	37.2
2020	2,773,109,114,496	1,150,323,435,489	41.5

Sources: UTP Trade Data Feed and Consolidated Tape System. Data as of March 2021.

1 OTC includes all FINRA facilities (the FINRA/Nasdaq TRF, the FINRA/NYSE TRF and the FINRA Alternative Display Facility). Differences in historical series reflect changes in underlying data.

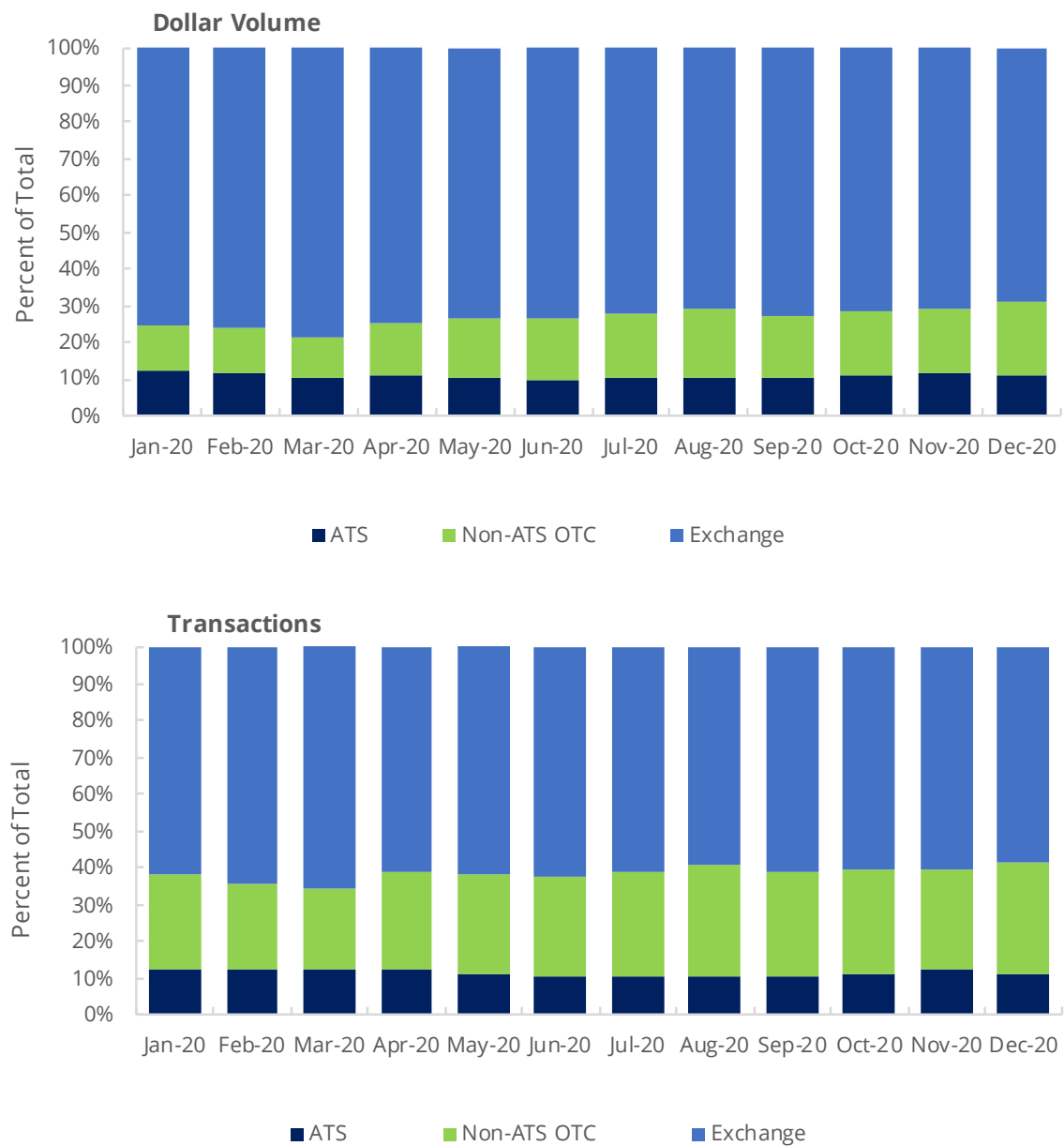
Table 3.2 National Market Systems (NMS) Stocks Trading by Venue Type, 2017–2020

		2017	2018	2019	2020
Avg. Daily Transactions	Exchange	23,753,772	28,495,951	28,318,018	43,086,738
	Alternative Trading Systems	4,092,067	4,467,009	4,421,323	6,283,268
	Non-Alternative Trading Systems OTC	2,981,842	3,647,186	3,638,730	9,282,650
	Total	30,827,681	36,610,146	36,378,071	58,652,656
Avg. Daily Volume (in \$ billions)	Exchange	176.0	235.4	209.1	296.3
	Alternative Trading Systems	36.3	43.9	39.8	54.4
	Non-Alternative Trading Systems OTC	59.8	79.3	74.3	130.4
	Total	272.1	358.7	323.2	481.0

Source: Financial Industry Regulatory Authority. Data as of March 2021.

III. Market Activity

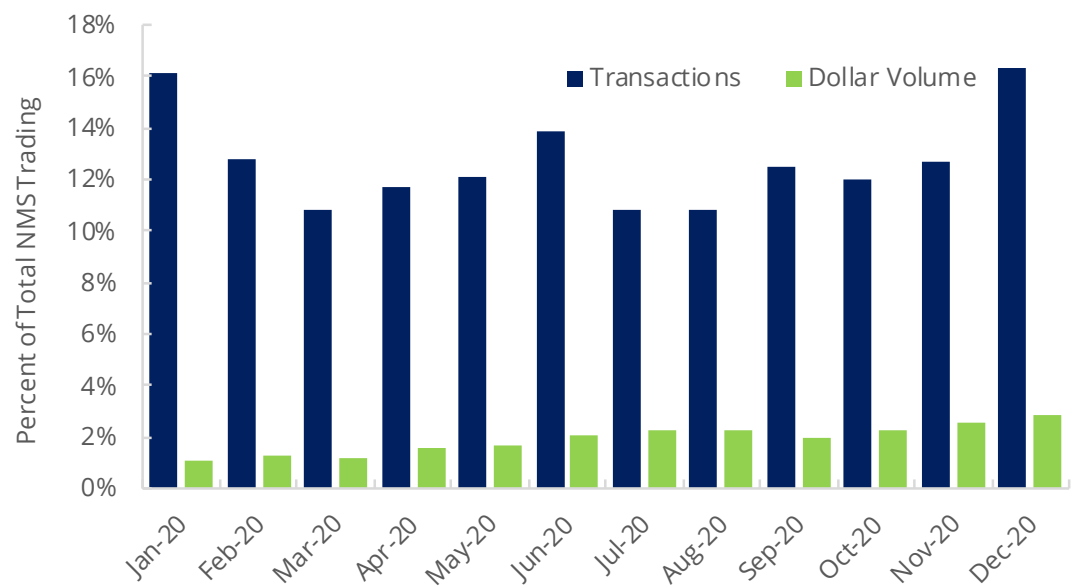
Figure 3.1 Monthly National Market Systems (NMS) Stocks Trading by Venue Type
(January 2, 2020 – December 31, 2020)



Source: Financial Industry Regulatory Authority. Data as of March 2021.

III. Market Activity

Figure 3.2 Monthly National Market Systems (NMS) Stocks Trading During Non-Exchange Hours
(January 2, 2020 – December 31, 2020)



Source: Financial Industry Regulatory Authority. Data as of March 2021.

III. Market Activity

Table 3.3 Order Audit Trail System (OATS) Activity – Total OATS Events, 2016–2020¹

Year	OATS Messages ²	Trade Executions	Number of Shares	Value of Executions (\$)
2016	727,857,074,040	3,956,598,062	3,600,740,666,499	\$57,746,838,382,520
2017	531,334,133,703	3,526,436,638	6,524,543,642,610	\$42,078,015,007,173
2018	729,701,296,497	3,974,302,137	5,725,382,645,944	\$52,733,189,221,285
2019	709,284,021,657	3,969,421,366	4,486,590,424,253	\$49,857,696,680,822
2020	1,165,005,274,005	7,742,534,063	8,543,001,368,752	\$79,121,035,610,193

Source: Financial Industry Regulatory Authority. Data as of March 2021.

1 OATS events are aggregated using the event date.

2 OATS messages include orders, order cancellations, order modifications, new order routes and trade executions.

Table 3.4 Order Audit Trail System (OATS) Activity – Daily Average OATS Events, 2016–2020¹

Year	Number of Business Days	OATS Messages ²	Trade Executions	Number of Shares	Value of Executions (\$)
2016	252	2,888,153,572	15,700,538	14,288,571,416	\$229,150,816,535
2017	251	2,116,668,839	14,049,409	25,994,025,949	\$167,638,810,372
2018	251	2,906,930,789	15,833,795	22,810,045,740	\$210,082,567,583
2019	252	2,814,333,738	15,751,589	17,803,201,168	\$197,800,786,367
2020	253	4,604,124,690	30,602,130	33,766,539,722	\$312,712,074,022

Source: Financial Industry Regulatory Authority. Data as of March 2021.

1 OATS events are aggregated using the event date.

2 OATS messages include orders, order cancellations, order modifications, new order routes and trade executions.

Table 3.5 Over-the-Counter (OTC) Equities Market Statistics, 2016–2020¹

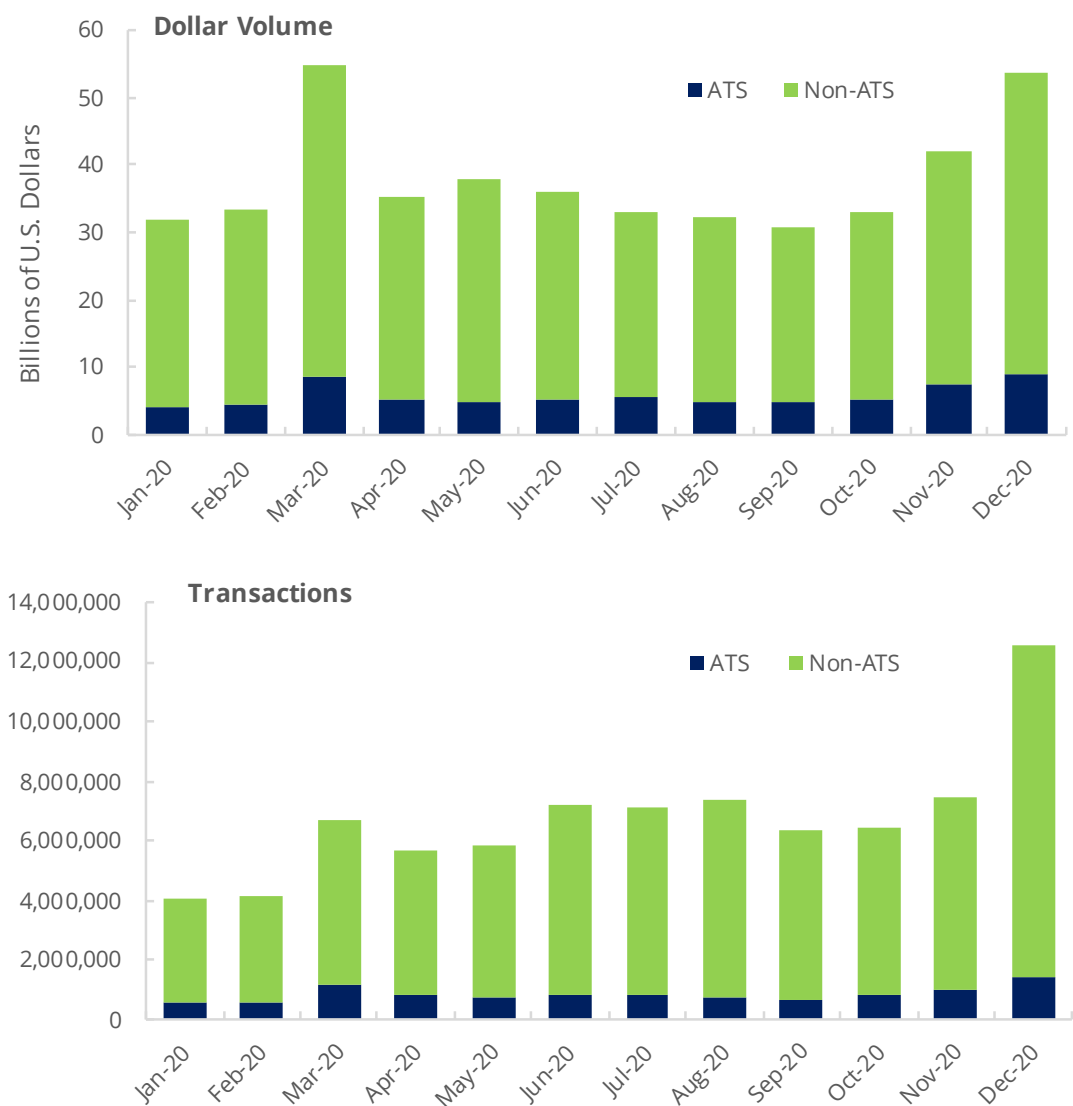
Year	Average Daily OTC Equities Share Volume	Average Daily OTC Equities Dollar Volume (\$)	Average Daily OTC Equities Transactions
2016	4,982,665,567	\$939,131,722	122,877
2017	11,107,884,572	\$1,141,485,511	162,649
2018	8,588,230,489	\$1,511,608,769	209,102
2019	6,027,132,766	\$1,327,157,208	180,381
2020	11,559,398,293	\$1,793,254,116	319,598

Source: FINRA OTCE Market Statistics. Data as of March 2021.

1 Differences in historical series reflect changes in underlying data over time.

III. Market Activity

Figure 3.3 Monthly OTC Equities Trading by Venue Type
(January 2, 2020 – December 31, 2020)



Source: FINRA OTCE Market Statistics. Data as of March 2021.

III. Market Activity

Table 3.6 TRACE Reported Fixed Income Activity by Product Type and Venue Type, 2017–2020¹

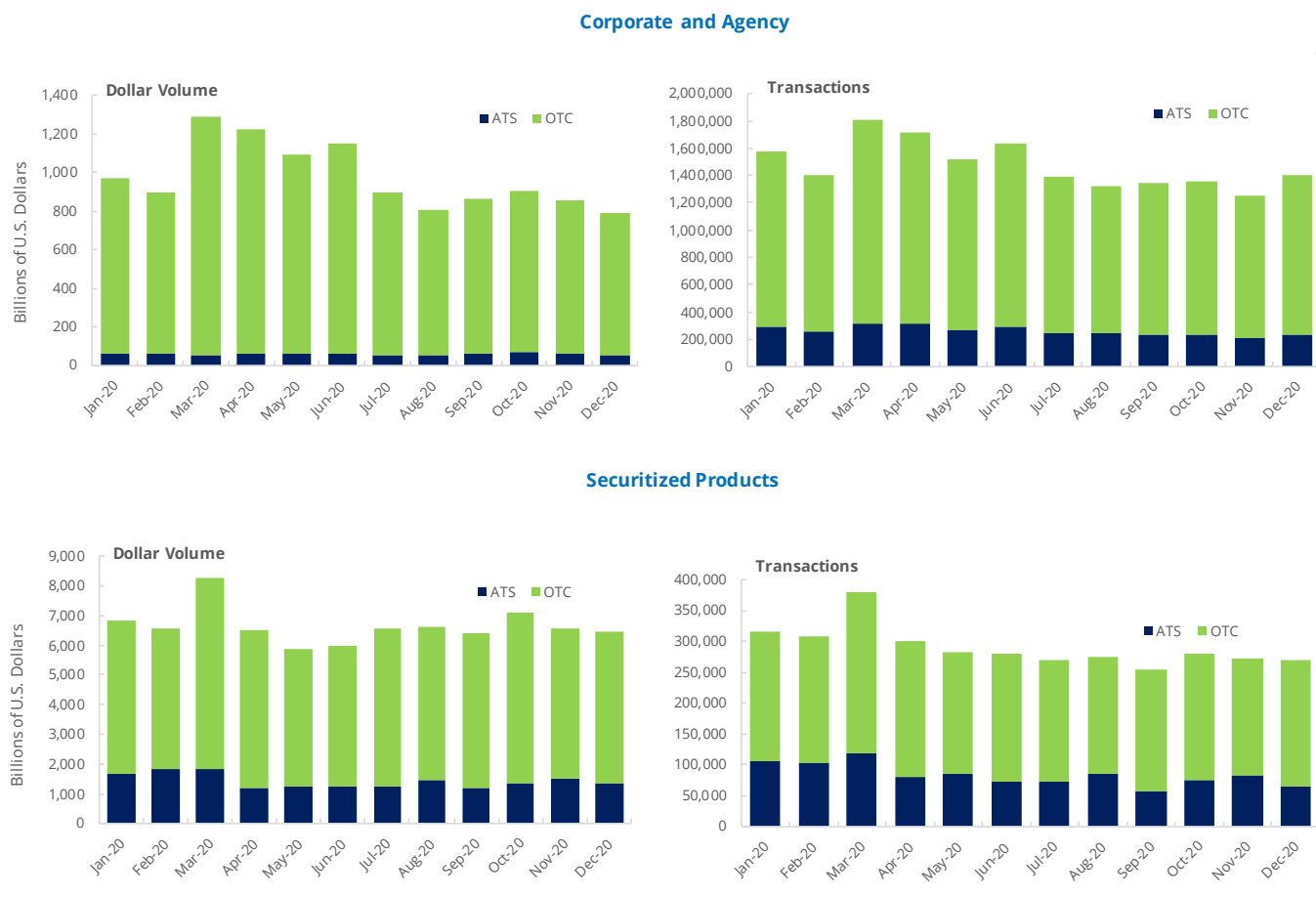
Corporate and Agency		2017	2018	2019	2020
Avg. Daily Transactions	Alternative Trading Systems	11,649	13,494	13,884	12,427
	OTC	46,810	51,388	55,338	57,556
	Total	58,459	64,882	69,222	69,983
Avg. Daily Volume (in \$ billions)	Alternative Trading Systems	1.4	1.7	2.1	2.9
	OTC	35.0	34.7	37.7	43.4
	Total	36.3	36.3	39.8	46.4
Securitized Products		2017	2018	2019	2020
Avg. Daily Transactions	Alternative Trading Systems	3,199	3,525	4,744	3,960
	OTC	9,770	9,403	9,513	9,785
	Total	12,969	12,928	14,256	13,745
Avg. Daily Volume (in \$ billions)	Alternative Trading Systems	39.4	46.4	69.0	67.9
	OTC	189.1	192.9	198.9	247.0
	Total	228.5	239.3	267.9	314.9

Source: Financial Industry Regulatory Authority. Data as of March 2021.

- 1 The Trade Reporting and Compliance Engine (TRACE) facilitates the mandatory reporting of over-the-counter secondary market transactions in eligible fixed income securities. Differences in historical series reflect changes in underlying data.

III. Market Activity

Figure 3.4 Monthly TRACE Reported Fixed Income Activity By Product Type and Venue Type¹
(January 2, 2020 – December 31, 2020)



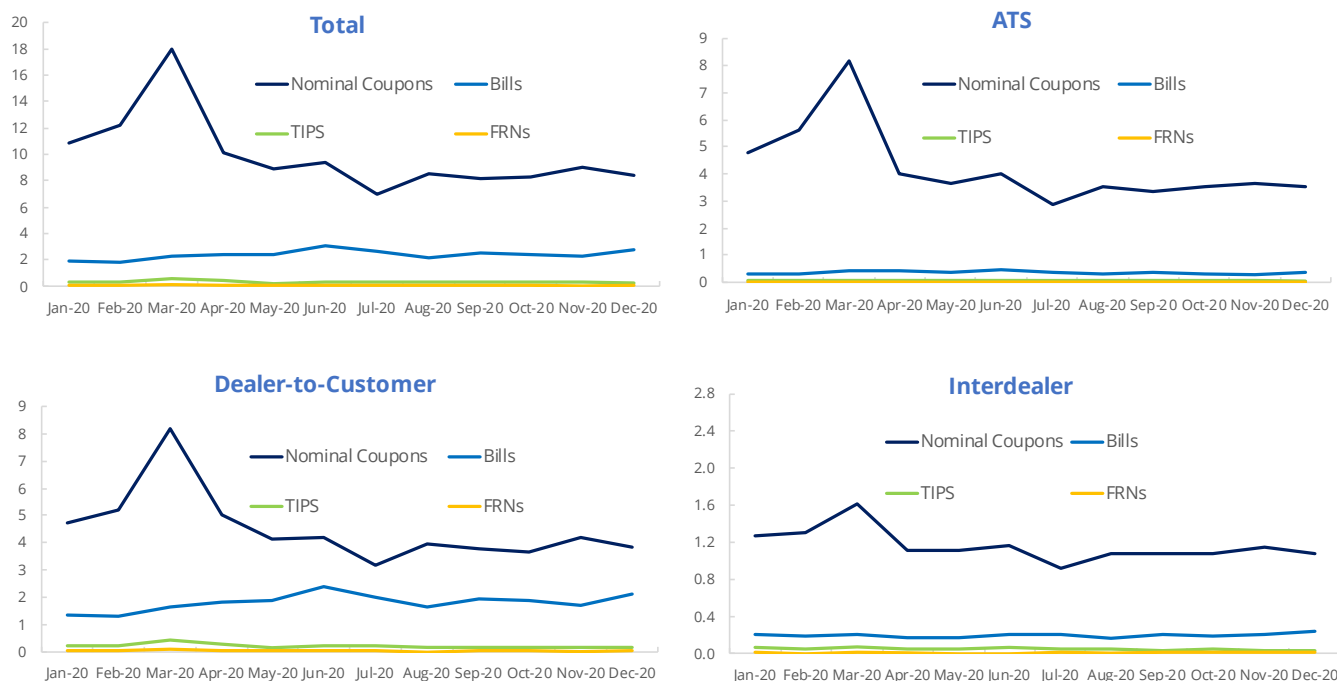
Source: Financial Industry Regulatory Authority. Data as of March 2021.

1 The Trade Reporting and Compliance Engine (TRACE) facilitates the mandatory reporting of over-the-counter secondary market transactions in eligible fixed income securities.

III. Market Activity

Figure 3.5 Monthly U.S. Treasuries Dollar Volumes by Participant and Product Type, 2020^{1,2}

(January 2, 2020 – December 31, 2020; In trillions of USD)

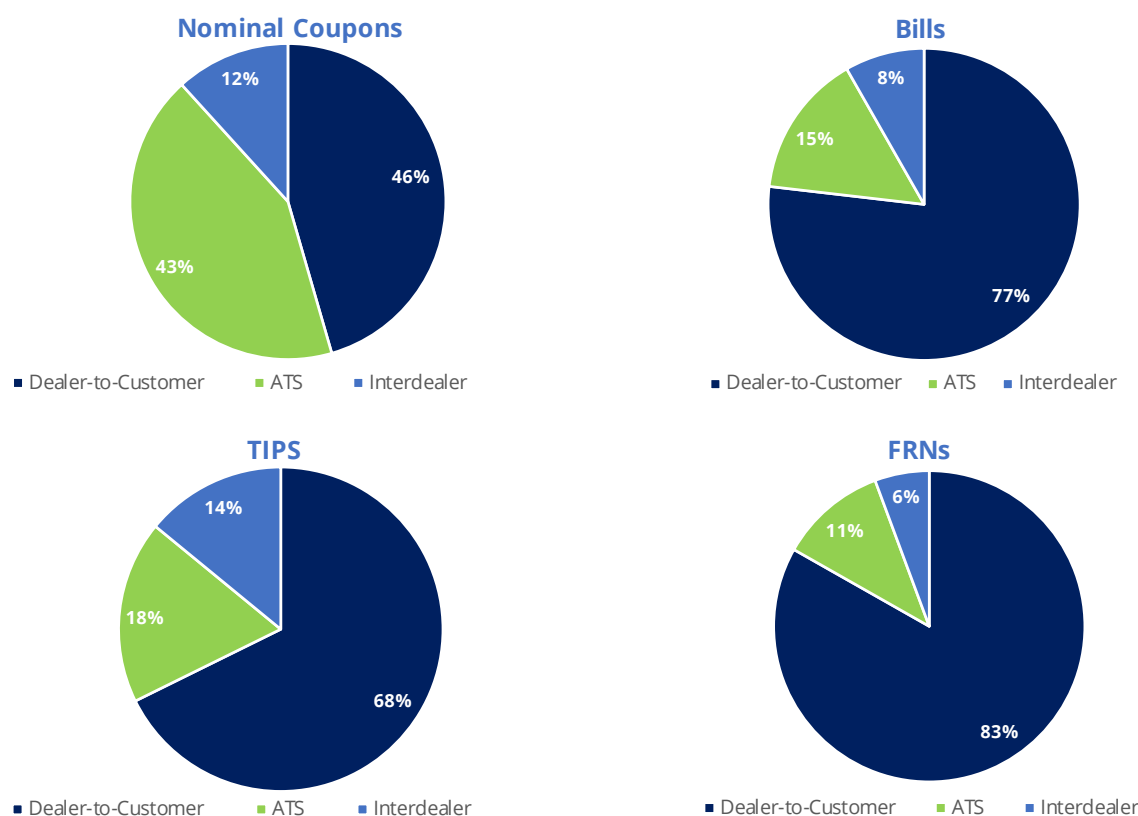


Source: Financial Industry Regulatory Authority. Data as of March 2021.

- 1 The “ATS and Interdealer” category includes the sell side of a trade data when (1) a trade is executed on an ATS (including ATS sales to non-members or non-member affiliates) or (2) a trade is executed between FINRA members outside of an ATS (i.e. dealer-to-dealer trades). The category excludes a FINRA member sell to an ATS. This approach takes into account multiple reporting of trades where a trade involves an ATS or both sides are FINRA members.
- 2 The “Dealer-to-Customer” category includes all trades (buys and sells) reported by a FINRA member against non-members or non-member affiliates. The category excludes ATS transactions with non-members and non-member affiliates (those trades are represented in the “ATS and Interdealer” category as noted above).

III. Market Activity

Figure 3.6 U.S. Treasuries Dollar Volumes by Product Type and Participant, 2020^{1, 2}
(In percent of product type)



Source: Financial Industry Regulatory Authority. Data as of March 2021.

- 1 The “ATS and Interdealer” category includes the sell side of a trade data when (1) a trade is executed on an ATS (including ATS sales to non-members or non-member affiliates) or (2) a trade is executed between FINRA members outside of an ATS (i.e. dealer-to-dealer trades). The category excludes a FINRA member sell to an ATS. This approach takes into account multiple reporting of trades where a trade involves an ATS or both sides are FINRA members.
- 2 The “Dealer-to-Customer” category includes all trades (buys and sells) reported by a FINRA member against non-members or non-member affiliates. The category excludes ATS transactions with non-members and non-member affiliates (those trades are represented in the “ATS and Interdealer” category as noted above).

