

SECURITIES AND EXCHANGE COMMISSION

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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER  
8-65843

DIVISION OF MARKET REGULATION

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**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING

11/1/07

AND ENDING

12/31/07

MM/DD/YY

MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

Gavekal Securities LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

(No. and Street)

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Moore Stephens PC

(Name - if individual, state last, first, middle name)

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions

PROCESSED

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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**REPORT OF INDEPENDENT AUDITOR**

To the Members  
GaveKal Securities LLC

We have audited the accompanying statement of financial condition of GaveKal Securities LLC ("the Company") as of December 31, 2007, and the related statements of income, changes in members' capital and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GaveKal Securities LLC as of December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on pages 9 and 10 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Moore Stephens, P.C.*

Moore Stephens, P.C.  
Certified Public Accountants

New York, New York  
February 12, 2008

**GaveKal Securities LLC**  
**Statement of Financial Condition**  
**December 31, 2007**

ASSETS

ASSETS

Cash	105,897
Receivable from members	<u>13,070</u>
	<u>\$ 118,967</u>

LIABILITIES AND MEMBERS' CAPITAL

LIABILITIES

Accounts payable and accrued expenses	<u>17,530</u>
Total Liabilities	17,530

MEMBERS' CAPITAL

	<u>101,437</u>
	<u>\$ 118,967</u>

The accompanying notes are an integral part of these financial statements

**GaveKal Securities LLC**  
**Statement of Income**  
**For the Year Ended December 31, 2007**

<b>REVENUE</b>	
Commission income	\$ 1,894,288
Other income	35,000
Interest income	<u>4,289</u>
	<u>1,933,577</u>
<b>EXPENSES</b>	
Commissions and floor brokerage	261,964
Regulatory	2,509
Professional fees	28,078
Other operating expenses	<u>2,490</u>
	<u>295,041</u>
<b>NET INCOME</b>	<u><u>\$ 1,638,536</u></u>

*END*

The accompanying notes are an integral part of these financial statements.