U.S. Securities and Exchange Commission
Washington D.C. 20549

Form 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 1996

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

Commission File Number 33-70334-A

INTERNATIONAL ASSETS HOLDING CORPORATION
(Exact name of small business issuer as specified in its charter)

Delaware	59-2921318
(State or other jurisdiction of incorporation or organization)	IRS Employer Identification No.)

250 Park Avenue South, Suite 200
Winter Park, FL 32789
(Address of principal executive offices)

(407) 629-1400
(Issuer's telephone number)

NA
(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ].

The number of shares outstanding of Common Stock was 1,444,769 as of January 29, 1997.

Transitional small business disclosure format Yes [ ] No [X]

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INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

December 31, 1996

(Unaudited)

Assets

Cash	$ 541,139
Cash deposits with clearing broker	1,364,447
Foreign currency deposits with clearing broker	520
Investments	1,364,442
Receivable from clearing broker	240,235
Receivable from affiliated company	2,422
Other receivables	119,090
Securities owned, at market value	2,734,187
Deferred income tax benefit	32,310
Property and equipment, at cost:	
Leasehold improvements	41,805
Furniture and equipment	707,997
	749,802
Less accumulated depreciation and amortization	363,019
Net property and equipment	386,783
Other assets, net of accumulated amortization of $58,002	167,238
	$ 6,952,813

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

December 31, 1996

(Unaudited)

Liabilities and Stockholders' Equity

Liabilities:	
Securities sold, but not yet purchased, at market value	$642,116
Accounts payable	132,944
Accrued employee compensation and benefits	472,306
Other accrued expenses	192,025
Income taxes payable	115,550
Deferred income taxes	12,199
Other	7,601
Total liabilities	1,574,741
Stockholders' equity:	
Preferred stock, $.01 par value. Authorized 1,000,000 shares; issued and outstanding -0- shares	---
Common stock, $.01 par value. Authorized 3,000,000 shares; issued and outstanding 1,444,769 shares	14,448
Additional paid-in capital	3,204,086
Retained earnings	2,159,538
Total stockholders' equity	5,378,072
	$ 6,952,813

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

For the Three Months Ended December 31, 1996, and 1995

(Unaudited)

	1996	1995
Revenues:		
Commissions	$2,021,907	1,881,360
Net dealer inventory and investment gains	521,784	620,918
Other revenue	144,031	157,054
Total revenues	2,687,722	2,659,332
Expenses:		
Commissions and clearing fees	1,126,563	1,051,641
Employees compensation and benefits	575,657	548,304
Communications and promotions	335,665	426,887
Other operating expenses	378,717	310,110
Total expenses	2,416,602	2,336,942
Income before income taxes	271,120	322,390
Income tax expense	113,569	135,293
Net income	$ 157,551	187,097
Earnings per common and dilutive common equivalent share:		
Primary:	$ .088	.110
Fully diluted:	$ .088	.110
Weighted average number of common and dilutive common equivalent shares outstanding:		
Primary:	2,225,414	2,005,231
Fully diluted:	2,225,414	2,005,231

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

For the Three Months Ended December 31, 1996, and 1995

(Unaudited)

		1996	1995
Cash flows from operating activities:			
Net income	$	157,551	187,097
Adjustments to reconcile net income to net cash used for operating activities:			
Net amortization and appreciation of Investments		(23,450)	(21,355)
Depreciation and amortization		37,572	23,781
Deferred income taxes		(9,163)	(195)
Cash provided by (used for) changes in:			
Receivable from clearing broker		(3,099)	(9,880)
Receivable from affiliated company		24,120	8,071
Other receivables		(11,005)	(20,972)
Securities owned		(263,592)	(372,370)
Other assets		21,213	(556)
Securities sold, but not yet purchased		(386,965)	(22,733)
Accounts payable		21,911	36,485
Accrued salaries, commissions and benefits		(371,638)	(203,860)
Other accrued expenses		35,704	(30,892)
Income taxes payable		(5,768)	(39,512)
Other liabilities		38	45
Net cash used for operating activities		(776,571)	(466,846)
Cash flows from investing activities:			
Disposal of Investments		2,250,000	2,737,000
Acquisition of Investments		(2,271,996)	(2,464,303)
Acquisition of property, equipment & other assets		(102,950)	(8,417)
Net cash provided by (used for) investing activities		(124,946)	264,280

(continued)

See accompanying notes to condensed consolidated financial statements.

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows, Continued

		1996	1995
Cash flows from financing activities:			
Acquisition of common shares related to repurchase program		(21,431)	-
Acquisition of common shares for treasury		(429)	-
Net cash used for financing activities		(21,860)	-
Net decrease in cash and cash equivalents		(923,377)	(202,566)
Cash and cash equivalents at beginning of period		2,829,483	1,604,871
Cash and cash equivalents at end of period	$	1,906,106	1,402,305
Supplemental disclosure of cash flow information:			
Cash paid for interest	$	876	2,527
Income taxes paid	$	128,500	175,000

INTERNATIONAL ASSETS HOLDING CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

December 31, 1996, and 1995

(1) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions and requirements of Form 10-QSB and, therefore, do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles. In the opinion of Management, such financial statements reflect all adjustments necessary for a fair statement of the results of operations, cash flows and financial position for the interim periods presented. Operating results for the interim periods are not necessarily indicative of the results that may be expected for the full year. It is suggested that these condensed consolidated financial statements be read in conjunction with the Company's audited consolidated financial statements for the year ending September 30, 1996, filed on Form 10-KSB (SEC File Number 33-70334-A).

As used in this Form 10-QSB, the term "Company" refers, unless the context requires otherwise, to International Assets Holding Corporation and its five wholly owned subsidiaries; International Assets Advisory Corp. ("IAAC"), Global Assets Advisors, Inc. ("GAA"), International Financial Products, Inc. ("IFP"), GlobalNet Securities, Inc. ("GNSI") and International Asset Management Corp. ("IAMC"). All significant intercompany balances and transactions have been eliminated in consolidation.

(2) Securities Owned and Securities Sold, But Not Yet Purchased

Securities owned and Securities sold, but not yet purchased at December 31, 1996, consist of trading and investment securities at quoted market values as follows:

	Owned	Sold, but not yet purchased
Obligations of U.S. Government	$ 1,057,730	-
Common stock and American Depository Receipts	1,021,761	608,778
Proprietary unit investment trusts	515,650	-
Corporate debt securities	131,614	-
Foreign government obligations	7,432	33,338
	$ 2,734,187	642,116

(3) Stock Options

On December 11, 1996, the Company granted 30,000 qualified incentive stock options which are exercisable at 20% per year beginning three years from the date of grant. The options granted on December 11, 1996 have an exercise price of $3.3125 per share and expire on December 11, 2006. As of December 31, 1996, options to purchase 455,000 shares have been granted and are outstanding under the Company Stock Option Plan.

(4) Earnings Per Common Share

Primary and fully diluted earnings per common and dilutive common equivalent share for the three months ended December 31, 1996 and 1995, have been computed by dividing adjusted net income by the weighted average number of common and dilutive common equivalent shares outstanding. Common equivalent shares represent shares of common stock issuable upon the assumed exercise of stock options and warrants.

(5) Leases

The Company occupies leased office space of approximately 13,815 square feet at 250 Park Avenue South, Winter Park, Florida. In December 1996, the Company executed an amendment to enhance this leased office space and extend the lease expiration from November 1999 to May 2001.

The Company is obligated under various noncancelable operating leases for the rental of its office facilities and certain office equipment. Rent expense associated with operating leases amounted to $76,948 and $71,421 for the three months ended December 31, 1996, and 1995, respectively. The minimum lease payments under noncancelable operating leases as of December 31, 1996, are as follows:

Fiscal Year (12 month period) Ending September 30,	
1997	$ 310,100
1998	302,000
1999	297,100
2000	299,900
2001	205,000
Thereafter	-
Total future minimum lease payments	$1,414,100

(6) Stock Repurchase Program

On October 4, 1996, the Company announced that the Board of Directors has authorized the Company to continue its repurchase of common stock up to $500,000 in the open market during the remainder of the fiscal year which ends September 30, 1997. The Board of Directors originally authorized the Company to repurchase up to $500,000 in shares of common stock in the open market during the remainder of the fiscal year ended September 30, 1996 on March 13, 1996. The stock purchases will be made in the open market from time to time as market conditions permit. The Company is required to comply with Rule 10b-18 of the Securities and Exchange Commission which regulates the specific terms in which shares may be repurchased. As of January 29, 1997, the Company has repurchased a total of 16,000 shares under this repurchase program at a total cost of $62,899.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

The Company's assets decreased from $7,528,292 at September 30, 1996, to $6,952,813 at December 31, 1996, or a decrease of $575,479. The Company's liabilities decreased from $2,285,911 at September 30, 1996, to $1,574,741 at December 31, 1996, or a decrease of $711,170. The increase in the net assets (assets less liabilities) of $135,691 primarily relates to the net income earned for the three month fiscal period.

The Company's condensed consolidated balance sheet at December 31, 1996, reflects a receivable from clearing broker, for trades which had not yet settled for cash, due to the proceeds from the sale of securities exceeding the cost of securities purchased.

Results of Operations:

The Company's principal activities, securities brokerage and the trading of and market-making in securities, are highly competitive and extremely volatile. The earnings of the Company are subject to wide fluctuations since many factors over which the Company has little or no control, particularly the overall volume of trading and the volatility and general level of market prices, may significantly affect its operations.

Three Months Ended December 31, 1996, as Compared to
the Three Months Ended December 31, 1995

The Company's revenues are derived primarily from commissions earned on the sale of securities and trading income in securities purchased or sold for the Company's account. Total revenues increased by approximately 1% for the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. For the three months ended December 31, 1996, and 1995, approximately 75% and 71%, respectively, of the Company's revenues were derived from commissions earned on the sale of securities. For the three months ended December 31, 1996, and 1995, approximately 19% and 23%, respectively, of the Company's total revenues were from net dealer inventory and investment gains (trading revenue).

Commission revenue increased by approximately $141,000, or 7% for the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. During the three months ended December 31, 1996, the overall volume of customer ticket orders increased by 14% and the average dollar amount of retail trades decreased 6% as compared to the three months ended December 31, 1995. This increase in commission revenue is despite a slight decrease in the average number of account executives from 42, as of December 31, 1995, to 41, as of December 31, 1996, or a decrease of approximately 2%.

Revenues from net dealer inventory and investment gains decreased by approximately $99,000, or 16% for the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. The decrease in trading revenue is primarily attributable to decreases in the Company's retail, fixed income and wholesale trading activities due to decreases in the volume of trading activity. The Company's trading department primarily concentrates on global securities which it believes are likely to be traded by the Company's clients. By focusing on these types of securities, trading revenue is more directly related to commission revenue and order flow.

Other revenues decreased by approximately $13,000 or 8% during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. The decrease in other revenue is primarily due to decreases in list rental income and seminar fee income.

The major expenses incurred by the Company relate to direct costs of securities operations such as commissions and clearing fees, employees' compensation and benefits and communications and promotions expense.

Total expenses increased by approximately $80,000, or 3% for the three months ended December 31, 1996, as compared to the same period in 1995. This increase is primarily attributable to increases in commissions and clearing fees, employee compensation and benefits and other operating expenses.

Commissions and clearing expenses increased approximately $75,000, or 7% during the three months ended December 31, 1996, as compared to the same period in 1995. This increase is directly related to the 7% increase in commission revenue for the same period. Employee compensation and benefits expense rose approximately $27,000, or 5% during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. The increase in employee compensation and benefits is primarily due to additional employees hired by the Company and salary increases during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995.

Overall promotion and communication expenses decreased by approximately $91,000, or 21% during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. This decrease is primarily due to the elimination of funding from the Company to IFP for promotional activities. As of October 1996, Company funding for all IFP promotional activities was ceased due to the unsuccessful efforts of IFP in generating revenues.

Other operating expenses increased approximately $69,000, or 22% during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. This increase is primarily attributable to increases in expenses incurred for rental of leased premises, insurance expense, professional fees and amortization and depreciation expense.

As a result of the above, income before income taxes decreased by approximately $51,000, or 16% during the three months ended December 31, 1996, as compared to the three months ended December 31, 1995. The Company's effective income tax rate was approximately 42% for the three months ended December 31, 1996, and 1995.

Liquidity and Capital Resources

A substantial portion of the Company's assets are liquid. At December 31, 1996, approximately 85% of the Company's assets consisted of cash, cash equivalents, and marketable securities. All assets are financed by the Company's equity capital, short-term borrowings from securities lending transactions and other payables.

IAAC is subject to the requirements of the SEC and the NASD relating to liquidity and net capital levels. At December 31, 1996, IAAC had net capital of approximately $2,458,000, which was approximately $2,358,000 in excess of its minimum net capital requirement at that date.

In the opinion of management, the Company's existing capital and cash flow from operations will be adequate to meet the Company's capital needs for at least the next 12 months in light of known and reasonably estimated trends. In addition, management believes that the Company will be able to obtain additional short or medium-term financing that may be desirable in the ordinary conduct of its business. The Company has no plans for additional financing and there can be no assurance such financing will be available.

PART II

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

a). Exhibits

(11) The Statement of Computation of Earnings Per Share is attached hereto as Exhibit 11.

(27) Broker-Dealers and Broker Dealer Holding Companies Financial Data Schedule BD is attached hereto as Exhibit 27

b). Form 8-K

No reports were filed on Form 8-K during the three months ended December 31, 1996.

Signatures

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTERNATIONAL ASSETS HOLDING CORPORATION

Date 02/14/97

/s/ Jerome F. Miceli
Jerome F. Miceli
President and Chief Operating Officer

Date 02/14/97

/s/ Jonathan C. Hinz
Jonathan C. Hinz
Chief Accounting Officer

Exhibit 11

INTERNATIONAL ASSETS HOLDING CORPORATION

STATEMENT OF COMPUTATION OF EARNINGS PER SHARE

For the Three Months Ended December 31, 1996, and 1995

	1996	1995
Adjustment of shares outstanding:		
Weighted average number of actual common shares outstanding	1,448,138	1,460,887
Weighted average number of additional common shares outstanding assuming the exercise of common stock equivalents (1)	777,276	544,344
Weighted average number of common and dilutive common equivalent shares outstanding	2,225,414	2,005,231
Adjustment of net income:		
Actual net income	$157,551	$187,097
Adjustment to net income assuming the investment of excess proceeds received from the assumed exercise of common stock equivalents, net of income taxes	$37,899	$34,354
Adjusted net income	$195,450	$221,451
Earnings per common and dilutive common equivalent share:		
Primary:	$.088	$.110
Fully diluted (2):	$.088	$.110

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(1) This calculation assumes that of all the additional common shares outstanding, assuming the exercise of all common stock equivalents, 288,954 shares of common stock are re-acquired with the proceeds therefrom as of October 1, 1996 and 292,177 shares are re-acquired as of October 1, 1995.

(2) In 1996 and 1995 there were no other potentially dilutive securities present other than the common stock equivalents (common stock warrants and common stock options), therefore, primary and fully diluted earnings per share amounts are the same.

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SEP-30-1997
Dec-31-1996
1,906,106
361,747
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4,098,629
386,783
6,952,813
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720,800
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876
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271,120
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