

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

2018-01-25 02:46PM EST
Status: Scheduled

FORM
X-17A-5

FOCUS REPORT
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)
PART II CSE 11

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16 2) Rule 17a-5(b) 17 3) Rule 17a-11 18
4) Special request by designated examining authority 19 5) Other 26

NAME OF BROKER-DEALER

SEC. FILE NO.

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED 13

8-07221

14

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

FIRM ID NO.

7691

15

ONE BRYANT PARK 20

FOR PERIOD BEGINNING (MM/DD/YY)

(No. and Street)

10/01/17

24

NEW YORK 21

NY 22

10036 23

12/31/17

25

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

Sergio J. Lupetin 30

(212)449-0049

31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

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DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ?

YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 20 _____

Manual Signatures of:

1) _____
Principal Executive Officer or Managing Partner

2) _____
Principal Financial Officer or Partner

3) _____
Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal
Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f (a))

FINRA

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

2018-01-25 02:46PM EST
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BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 12/31/17 99

SEC FILE NO. 8-07221 98

Consolidated | 198

Unconsolidated X 199

ASSETS

Allowable

Nonallowable

Total

1. Cash	\$ 1,767,404,140	200		\$ 1,767,404,140	750	
2. Cash segregated in compliance with federal and other regulations	5,686,433,738	210		5,686,433,738	760	
3. Receivable from brokers or dealers and clearing organizations:						
A. Failed to deliver:						
1. Includable in "Formula for Reserve Requirements"	522,301,147	220				
2. Other	628,246,305	230		1,150,547,452	770	
B. Securities borrowed:						
1. Includable in "Formula for Reserve Requirements"	16,360,024,285	240				
2. Other	76,105,389,389	250		92,465,413,674	780	
C. Omnibus accounts:						
1. Includable in "Formula for Reserve Requirements"	0	260				
2. Other	2,243,437,453	270		2,243,437,453	790	
D. Clearing Organizations:						
1. Includable in "Formula for Reserve Requirements"	0	280				
2. Other	13,675,607,143	290		13,675,607,143	800	
E. Other	1,012,414,497	300	\$ 94,965,160	550	1,107,379,657	810
4. Receivables from customers:						
A. Securities accounts:						
1. Cash and fully secured accounts	7,020,981,465	310				
2. Partly secured accounts	0	320	17,624,469	560		
3. Unsecured Accounts			83,280,892	570		
B. Commodity accounts	372,176,544	330	171,926	580		
C. Allowance for doubtful accounts	(0)	335	(1,029,617)	590	7,493,205,679	820
5. Receivables from non-customers:						
A. Cash and fully secured accounts	564,312,920	340				
B. Partly secured and unsecured accounts	0	350	0	600	564,312,920	830
6. Securities purchased under agreements to resell	66,998,777,067	360	0	605	66,998,777,067	840
7. Derivative Receivables:	587,545,193	291			587,545,193	801
8. Trade Date Receivable:	24,805,045	292			24,805,045	802
9. Securities and spot commodities owned, at market value:	68,658,497,519	849			68,658,497,519	850
Includes encumbered securities of	\$ 16,563,196,155	120				

PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 12/31/17

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)AllowableNonallowableTotal

10. Securities owned not readily marketable:

A. At Cost \$ 0 130 \$ 0 440 \$ 5,281,543,996 610 \$ 5,281,543,996 860

11. Other investments not readily marketable:

A. At Cost \$ 0 140B. At estimated fair value 0 450 62,372,033 620 62,372,033 870

12. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:

A. Exempted

securities \$ 0 150B. Other \$ 0 160 0 460 0 630 0 880

13. Secured demand notes- market value of collateral:

A. Exempted

securities \$ 0 170B. Other \$ 0 180 0 470 0 640 0 890

14. Memberships in exchanges:

A. Owned, at market value \$ 7,262,920 190B. Owned at cost 0 650C. Contributed for use of company, at market value 0 660 0 900

15. Investment in and receivables from affiliates, subsidiaries and associated partnerships

..... 0 480 3,876,305,959 670 3,876,305,959 910

16. Property, furniture, equipment, leasehold improvements and rights under lease agreements:

At cost (net of accumulated depreciation and amortization) 0 490 225,104,348 680 225,104,348 920

17. Other Assets:

A. Dividends and interest receivable 1,267,825,370 500 9,763,848 690B. Free shipments 0 510 22,491,254 700C. Loans and advances 0 520 0 710D. Miscellaneous 151,524,620 530 6,931,194,436 720E. Collateral accepted under SFAS 140 19,253,384,344 536F. SPE Assets 0 537 27,636,183,872 93018. TOTAL ASSETS \$ 282,901,088,184 540 \$ 16,603,788,704 740 \$ 299,504,876,888 940

BROKER OR DEALER

as of 12/31/17

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>		<u>Total</u>
19. Bank loans payable:		
A. Includable in "Formula for Reserve Requirements"	\$ 5,550,881	1460
B. Other	0	1470
20. Securities sold under repurchase agreements.		
21. Payable to brokers or dealers and clearing organizations:		
A. Failed to receive:		
1. Includable in "Formula for Reserve Requirements"	507,052,194	1490
2. Other	459,019,515	1500
B. Securities loaned:		
1. Includable in "Formula for Reserve Requirements"	3,843,948,449	1510
2. Other	31,293,726,978	1520
C. Omnibus accounts:		
1. Includable in "Formula for Reserve Requirements"	10,924,539,250	1530
2. Other	154,938	1540
D. Clearing organizations:		
1. Includable in "Formula for Reserve Requirements"	0	1550
2. Other	724,546,334	1560
E. Other	1,618,894,357	1570
22. Payable to customers:		
A. Securities accounts - including free credits of	\$ 14,058,387,988	950
B. Commodities accounts		
23. Payable to non customers:		
A. Securities accounts	0	1600
B. Commodities accounts		
24. Derivative Payables:		
25. Trade Date Payable:		
26. Securities sold not yet purchased at market value - including arbitrage		
of	\$ 1,056,835,039	960
27. Accounts payable and accrued liabilities and expenses:		
A. Drafts payable	787,525,443	1630
B. Accounts payable	18,706,073,404	1640
C. Income taxes payable	0	1650
D. Deferred income taxes	0	1660
E. Accrued expenses and other liabilities ..	2,222,066,206	1670
F. Other	0	1680
G. Obligation to return securities	21,906,746,071	1686
H. SPE Liabilities	0	1687

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 12/31/17

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY (continued)

	<u>Liabilities</u>	<u>Total</u>
28. Notes and mortgages payable:		
A. Unsecured	\$ 0	1690
B. Secured	0	1700
29. Liabilities subordinated to claims of general creditors:		
A. Cash borrowings:	12,078,000,000	1710
1. from outsiders \$ 0	970	
2. Includes equity subordination(15c3-1(d)) of	\$ 5,858,000,000	980
B. Securities borrowings, at market value:	0	1720
from outsiders \$ 0	990	
C. Pursuant to secured demand note collateral agreements:	0	1730
1. from outsiders \$ 0	1000	
2. Includes equity subordination(15c3-1(d)) of	\$ 0	1010
D. Exchange memberships contributed for use of company, at market value	0	1740
E. Accounts and other borrowings not qualified for net capital purposes	0	1750
30. TOTAL LIABILITIES	\$ 280,601,549,391	1760

Ownership Equity

31. Sole proprietorship	\$ 0	1770
32. Partnership - limited partners	\$ 0	1780
33. Corporation:		
A. Preferred stock	0	1791
B. Common stock	1,000	1792
C. Additional paid- in capital	11,025,261,009	1793
D. Retained Earnings	7,878,065,488	1794
E. Total	18,903,327,497	1795
F. Less capital stock in treasury	(0)	1796
34. TOTAL OWNERSHIP EQUITY	\$ 18,903,327,497	1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY	\$ 299,504,876,888	1810

OMIT PENNIES

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 12/31/17

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$ 18,903,327,497	3480
2. Deduct: Ownership equity not allowable for Net Capital	(0)	3490
3. Total ownership equity qualified for Net Capital	<u>18,903,327,497</u>	3500
4. Add:		
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital	<u>12,078,000,000</u>	3520
B. Other (deductions) or allowable credits (List)	<u>0</u>	3525
5. Total capital and allowable subordinated liabilities	\$ <u>30,981,327,497</u>	3530
6. Deductions and/or charges:		
A. Total non-allowable assets from Statement of Financial Condition (Notes B and C)	\$ <u>16,603,788,704</u>	3540
1. Additional charges for customers' and non-customers' security accounts	<u>36,130,066</u>	3550
2. Additional charges for customers' and non-customers' commodity accounts	<u>0</u>	3560
B. Aged fail-to-deliver:	<u>33,413,157</u>	3570
1. number of items	<u>3450</u>	
C. Aged short security differences-less reserve of	\$ <u>0</u>	3580
number of items	<u>3470</u>	
D. Secured demand note deficiency	<u>0</u>	3590
E. Commodity futures contracts and spot commodities - proprietary capital charges	<u>0</u>	3600
F. Other deductions and/or charges	<u>930,653,050</u>	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)	<u>0</u>	3615
H. Total deductions and/or charges	(<u>17,603,984,977</u>)	3620
7. Other additions and/or allowable credits (List)	<u>0</u>	3630
8. Tentative Net Capital	\$ <u>13,377,342,520</u>	3640
9. Total Market Risk Exposure	\$ <u>977,896,502</u>	3635
10. Total Credit Risk Exposure	\$ <u>73,640</u>	3679
11. Net Capital	\$ <u>12,399,372,378</u>	3750

OMIT PENNIES

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COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

12. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$ <u>1,670,164,881</u>	<u>3870</u>
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	.....	\$ <u>593,326,151</u>	<u>3880</u>
14. Net capital requirement (greater of line 12 or 13)	.....	\$ <u>1,670,164,881</u>	<u>3760</u>
15. Excess net capital (line 11 less 14)	.....	\$ <u>10,729,207,497</u>	<u>3910</u>
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	.....	% <u>37.33</u>	<u>3851</u>
17. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debits item 11 less Item 4880 page 19 divided by line 18 page 10	.....	% <u>37.33</u>	<u>3854</u>
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	.....	\$ <u>10,664,849,775</u>	<u>3920</u>

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	.....	% <u>20.08</u>	<u>3860</u>
20. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) divided by Net Capital	.....	% <u>0.00</u>	<u>3852</u>