

FOCUS REPORT

(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)

PART II CSE  11

FORM X-17A-5

(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

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED  13

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

ONE BRYANT PARK  20

(No. and Street)

NEW YORK  21      NY  22      10036  23

(City)

(State)

(Zip Code)

SEC. FILE NO.

8-07221  14

FIRM ID NO.

7691  15

FOR PERIOD BEGINNING (MM/DD/YY)

04/01/15  24

AND ENDING (MM/DD/YY)

06/30/15  25

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

William E. Tirrell  30

(212)647-4802  31

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

OFFICIAL USE

32

33

34

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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 24th day of July 20 15

Manual Signatures of:

1) \_\_\_\_\_

Managing Partner

2) *William E. Tirrell* \_\_\_\_\_

Principal Financial Officer or Partner

3) *[Signature]* \_\_\_\_\_

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. 78:f (a) )

CONFIDENTIAL TREATMENT  
 REQUESTED BY MERRILL LYNCH,  
 PIERCE, FENNER & SMITH  
 INCORPORATED UNDER FOIA

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II CSE

BROKER OR DEALER	N 2									
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED										100

STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 06/30/15 99

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Consolidated  198

Unconsolidated  199

ASSETS

Allowable

Nonallowable

Total

1. Cash	\$ 1,366,493,341	200		\$ 1,366,493,341	790	
2. Cash segregated in compliance with federal and other regulations	5,928,864,185	210		5,928,864,185	760	
3. Receivable from brokers or dealers and clearing organizations:						
A. Failed to deliver:						
1. Includable in "Formula for Reserve Requirements"	699,748,291	220				
2. Other	866,199,029	230		1,565,947,320	770	
B. Securities borrowed:						
1. Includable in "Formula for Reserve Requirements"	14,724,761,578	240				
2. Other	63,030,108,496	250		77,754,870,074	780	
C. Omnibus accounts:						
1. Includable in "Formula for Reserve Requirements"	0	260				
2. Other	937,591,782	270		937,591,782	790	
D. Clearing Organizations:						
1. Includable in "Formula for Reserve Requirements"	0	280				
2. Other	12,189,537,244	290		12,189,537,244	800	
E. Other	766,155,525	300	\$ 79,547,593	550	845,703,118	810
4. Receivables from customers:						
A. Securities accounts:						
1. Cash and fully secured accounts	7,234,280,006	310				
2. Partly secured accounts	0	320	5,240,290	560		
3. Unsecured Accounts			58,343,016	570		
B. Commodity accounts	91,371,975	330	606,124	580		
C. Allowance for doubtful accounts	( 0 )	335	( 1,756,596 )	590	7,388,084,815	820
5. Receivables from non-customers:						
A. Cash and fully secured accounts	269,363,154	340				
B. Partly secured and unsecured accounts	0	350	11,970	600	269,375,124	830
6. Securities purchased under agreements to resell	67,843,141,376	360	0	605	67,843,141,376	840
7. Derivative Receivables:	375,404,816	291			375,404,816	801
8. Trade Date Receivable:	1,759,859,542	292			1,759,859,542	802
9. Securities and spot commodities owned, at market value:	62,878,499,557	849			62,878,499,557	850
Includes encumbered securities of						
..... \$	22,034,733,720	120				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

as of 06/30/15

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

10. Securities owned not readily marketable:			
A. At Cost . . . . . \$	0 <u>130</u>	\$ 0 <u>440</u>	\$ 5,065,640,335 <u>610</u> \$ 5,065,640,335 <u>860</u>
11. Other investments not readily marketable:			
A. At Cost . . . . . \$	0 <u>140</u>		
B. At estimated fair value . . . . .	0 <u>450</u>	59,343,150 <u>620</u>	59,343,150 <u>870</u>
12. Securities borrowed under subordination agree- ments and partners' individual and capital securities accounts, at market value:			
A. Exempted securities . . . . . \$	0 <u>150</u>		
B. Other . . . . . \$	0 <u>160</u>	0 <u>630</u>	0 <u>880</u>
13. Secured demand notes- market value of collateral:			
A. Exempted securities . . . . . \$	0 <u>170</u>		
B. Other . . . . . \$	0 <u>180</u>	0 <u>640</u>	0 <u>890</u>
14. Memberships in exchanges:			
A. Owned, at market value . . . . . \$	8,138,170 <u>190</u>		
B. Owned at cost . . . . .		226,939 <u>650</u>	
C. Contributed for use of company, at market value . . . . .		0 <u>660</u>	226,939 <u>900</u>
15. Investment in and receivables from affiliates, subsidiaries and associated partnerships . . . . .	0 <u>480</u>	3,172,701,713 <u>670</u>	3,172,701,713 <u>910</u>
16. Property, furniture, equipment, leasehold improvements and rights under lease agreements: At cost (net of accumulated depreciation and amortization) . . . . .	0 <u>490</u>	149,245,800 <u>680</u>	149,245,800 <u>920</u>
17. Other Assets:			
A. Dividends and interest receivable . . . . .	797,051,611 <u>500</u>	2,619,738 <u>690</u>	
B. Free shipments . . . . .	400,000 <u>510</u>	26,244,932 <u>700</u>	
C. Loans and advances . . . . .	0 <u>520</u>	0 <u>710</u>	
D. Miscellaneous . . . . .	126,056,737 <u>530</u>	7,289,705,546 <u>720</u>	
E. Collateral accepted under SFAS 140 . . . . .	11,239,932,142 <u>536</u>		
F. SPE Assets . . . . .	974,635,551 <u>537</u>		20,456,646,257 <u>930</u>
18. TOTAL ASSETS . . . . . \$	<u>254,099,455,938</u> <u>540</u>	<u>15,907,720,550</u> <u>740</u>	<u>270,007,176,488</u> <u>940</u>

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER	as of <u>06/30/15</u>
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" .....	\$ <u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1460</span>
B. Other .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1470</span>
20. Securities sold under repurchase agreements.	<u>115,879,626,136</u> <span style="border: 1px solid black; padding: 0 2px;">1480</span>
21. Payable to brokers or dealers and clearing organizations:	
A. Failed to receive:	
1. Includable in "Formula for Reserve Requirements" .....	<u>614,004,499</u> <span style="border: 1px solid black; padding: 0 2px;">1490</span>
2. Other .....	<u>218,720,676</u> <span style="border: 1px solid black; padding: 0 2px;">1500</span>
B. Securities loaned:	
1. Includable in "Formula for Reserve Requirements" .....	<u>1,457,732,048</u> <span style="border: 1px solid black; padding: 0 2px;">1510</span>
2. Other .....	<u>21,433,374,270</u> <span style="border: 1px solid black; padding: 0 2px;">1520</span>
C. Omnibus accounts:	
1. Includable in "Formula for Reserve Requirements" .....	<u>10,581,839,878</u> <span style="border: 1px solid black; padding: 0 2px;">1530</span>
2. Other .....	<u>11,105,598</u> <span style="border: 1px solid black; padding: 0 2px;">1540</span>
D. Clearing organizations:	
1. Includable in "Formula for Reserve Requirements" .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1550</span>
2. Other .....	<u>304,021,544</u> <span style="border: 1px solid black; padding: 0 2px;">1560</span>
E. Other .....	<u>780,681,269</u> <span style="border: 1px solid black; padding: 0 2px;">1570</span>
22. Payable to customers:	
A. Securities accounts - including free credits of . . . . . \$ <u>11,200,609,496</u> <span style="border: 1px solid black; padding: 0 2px;">950</span>	<u>16,685,144,494</u> <span style="border: 1px solid black; padding: 0 2px;">1580</span>
B. Commodities accounts .....	<u>14,543,922,728</u> <span style="border: 1px solid black; padding: 0 2px;">1590</span>
23. Payable to non customers:	
A. Securities accounts .....	<u>2,024,388,402</u> <span style="border: 1px solid black; padding: 0 2px;">1600</span>
B. Commodities accounts .....	<u>2,169,956,451</u> <span style="border: 1px solid black; padding: 0 2px;">1610</span>
24. Derivative Payables: .....	<u>307,164,502</u> <span style="border: 1px solid black; padding: 0 2px;">1561</span>
25. Trade Date Payable: .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1562</span>
26. Securities sold not yet purchased at market value - including arbitrage of . . . . . \$ <u>893,784,317</u> <span style="border: 1px solid black; padding: 0 2px;">960</span>	<u>28,423,497,677</u> <span style="border: 1px solid black; padding: 0 2px;">1620</span>
27. Accounts payable and accrued liabilities and expenses:	
A. Drafts payable .....	<u>555,240,301</u> <span style="border: 1px solid black; padding: 0 2px;">1630</span>
B. Accounts payable .....	<u>11,645,396,911</u> <span style="border: 1px solid black; padding: 0 2px;">1640</span>
C. Income taxes payable .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1650</span>
D. Deferred income taxes .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1660</span>
E. Accrued expenses and other liabilities ..	<u>1,653,314,341</u> <span style="border: 1px solid black; padding: 0 2px;">1670</span>
F. Other .....	<u>0</u> <span style="border: 1px solid black; padding: 0 2px;">1680</span>
G. Obligation to return securities .....	<u>11,239,932,142</u> <span style="border: 1px solid black; padding: 0 2px;">1686</span>
H. SPE Liabilities .....	<u>974,635,551</u> <span style="border: 1px solid black; padding: 0 2px;">1687</span>

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/15</u>
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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 .....	\$	253,581,699,418 1760
<u>Ownership Equity</u>		
31. Sole proprietorship .....	\$	0 1770
32. Partnership - limited partners .....	\$	0 1020 1780
33. Corporation: .....		
A. Preferred stock .....		0 1791
B. Common stock .....		1,100 1792
C. Additional paid- in capital .....		10,526,002,330 1793
D. Retained Earnings .....		5,899,473,640 1794
E. Total .....		16,425,477,070 1795
F. Less capital stock in treasury .....	(	0) 1796
34. TOTAL OWNERSHIP EQUITY .....	\$	16,425,477,070 1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....	\$	270,007,176,488 1810

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/15

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	16,425,477,070	3480
2. Deduct: Ownership equity not allowable for Net Capital		( 0)	3490
3. Total ownership equity qualified for Net Capital		16,425,477,070	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		12,078,000,000	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities	\$	28,503,477,070	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	15,907,720,550	3540
1. Additional charges for customers' and non-customers' security accounts		24,390,000	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		21,182,389	3570
1. number of items		1,166	3450
C. Aged short security differences-less reserve of	\$	0	3460
number of items		0	3470
D. Secured demand note deficiency		0	3590
E. Commodity futures contracts and spot commodities - proprietary capital charges		0	3600
F. Other deductions and/or charges		1,623,162,729	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)		0	3615
H. Total deductions and/or charges		( 17,576,455,668)	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Tentative Net Capital	\$	10,927,021,402	3640
9. Total Market Risk Exposure	\$	1,436,390,409	3635
10. Total Credit Risk Exposure	\$	151,453	3679
11. Net Capital	\$	9,490,479,540	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/15

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	\$	1,456,789,619	3870
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	\$	677,829,571	3880
14. Net capital requirement (greater of line 12 or 13)	\$	1,456,789,619	3760
15. Excess net capital (line 11 less 14)	\$	8,033,689,921	3910
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	%	37.60	3851
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)	%	37.60	3854
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	8,033,689,920	3920

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	21.82	3860
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	%		3852