

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

FORM  
X-17A-5

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

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)

07/01/19 24

AND ENDING (MM/DD/YY)

09/30/19 25

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

Faruqe Alam 30

(980)388-0576 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 24th day of October 20 19

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. 78:f (a) )

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II

Status: Accepted

BROKER OR DEALER  
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 09/30/19 99

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Consolidated  198

Unconsolidated  199

	<u>ASSETS</u>			
	<u>Allowable</u>		<u>Nonallowable</u>	<u>Total</u>
1. Cash	\$ 1,302,156,368	200		\$ 1,302,156,368 750
2. Cash segregated in compliance with federal and other regulations	0	210		0 760
3. Receivable from brokers or dealers and clearing organizations:				
A. Failed to deliver:				
1. Includable in "Formula for Reserve Requirements"	1,665,265	220		
2. Other	34,516,035	230		36,181,300 770
B. Securities borrowed:				
1. Includable in "Formula for Reserve Requirements"	276,387,399	240		
2. Other	11,828,019	250		288,215,418 780
C. Omnibus accounts:				
1. Includable in "Formula for Reserve Requirements"	0	260		
2. Other	0	270		0 790
D. Clearing Organizations:				
1. Includable in "Formula for Reserve Requirements"	0	280		
2. Other	454,902,554	290		454,902,554 800
E. Other	0	300	\$ 72,223,950 550	72,223,950 810
4. Receivables from customers:				
A. Securities accounts:				
1. Cash and fully secured accounts	4,736,139,009	310		
2. Partly secured accounts	0	320	24,894,920 560	
3. Unsecured Accounts			33,653,311 570	
B. Commodity accounts	0	330	0 580	
C. Allowance for doubtful accounts	(0)	335	(1,460,987) 590	4,793,226,253 820
5. Receivables from non-customers:				
A. Cash and fully secured accounts	0	340		
B. Partly secured and unsecured accounts	0	350	0 600	0 830
6. Securities purchased under agreements to resell	12,409,125,419	360	0 605	12,409,125,419 840
7. Securities and spot commodities owned, at market value:				
A. Banker's acceptances, certificates of deposit and commercial paper	99,695,657	370		
B. U.S. and Canadian government obligations	50,522	380		
C. State and municipal government obligations	209,598	390		
D. Corporate obligations	165,712	400		

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II

Status: Accepted

BROKER OR DEALER	as of <u>09/30/19</u>
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

	<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
E. Stocks and warrants	\$ 8,729,852 <span style="border: 1px solid black; padding: 0 2px;">410</span>		
F. Options	139,685 <span style="border: 1px solid black; padding: 0 2px;">420</span>		
G. Arbitrage	0 <span style="border: 1px solid black; padding: 0 2px;">422</span>		
H. Other securities	0 <span style="border: 1px solid black; padding: 0 2px;">424</span>		
I. Spot Commodities	0 <span style="border: 1px solid black; padding: 0 2px;">430</span>		
J. Total inventory - includes encumbered securities of . . .	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">120</span>		\$ 108,991,026 <span style="border: 1px solid black; padding: 0 2px;">850</span>
8. Securities owned not readily marketable:			
A. At Cost	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">130</span>	\$ 14,084,182 <span style="border: 1px solid black; padding: 0 2px;">610</span>	14,084,182 <span style="border: 1px solid black; padding: 0 2px;">860</span>
9. Other investments not readily marketable:			
. . . . .	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">140</span>		
B. At estimated fair value	0 <span style="border: 1px solid black; padding: 0 2px;">450</span>	44,824,316 <span style="border: 1px solid black; padding: 0 2px;">620</span>	44,824,316 <span style="border: 1px solid black; padding: 0 2px;">870</span>
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">150</span>		
B. Other	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">160</span>	0 <span style="border: 1px solid black; padding: 0 2px;">630</span>	0 <span style="border: 1px solid black; padding: 0 2px;">880</span>
11. Secured demand notes-market value of collateral:			
A. Exempted securities	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">170</span>		
B. Other	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">180</span>	0 <span style="border: 1px solid black; padding: 0 2px;">640</span>	0 <span style="border: 1px solid black; padding: 0 2px;">890</span>
12. Memberships in exchanges:			
A. Owned, at market value	\$ 0 <span style="border: 1px solid black; padding: 0 2px;">190</span>		
B. Owned at cost		0 <span style="border: 1px solid black; padding: 0 2px;">650</span>	
C. Contributed for use of company, at market value		0 <span style="border: 1px solid black; padding: 0 2px;">660</span>	0 <span style="border: 1px solid black; padding: 0 2px;">900</span>
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	0 <span style="border: 1px solid black; padding: 0 2px;">480</span>	1,365,614,670 <span style="border: 1px solid black; padding: 0 2px;">670</span>	1,365,614,670 <span style="border: 1px solid black; padding: 0 2px;">910</span>
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)	1,120,262,072 <span style="border: 1px solid black; padding: 0 2px;">490</span>	261,484,294 <span style="border: 1px solid black; padding: 0 2px;">680</span>	1,381,746,366 <span style="border: 1px solid black; padding: 0 2px;">920</span>
15. Other Assets:			
A. Dividends and interest receivable	16,763,455 <span style="border: 1px solid black; padding: 0 2px;">500</span>	22,769 <span style="border: 1px solid black; padding: 0 2px;">690</span>	
B. Free shipments	491,125 <span style="border: 1px solid black; padding: 0 2px;">510</span>	1,452,455 <span style="border: 1px solid black; padding: 0 2px;">700</span>	
C. Loans and advances	0 <span style="border: 1px solid black; padding: 0 2px;">520</span>	0 <span style="border: 1px solid black; padding: 0 2px;">710</span>	
D. Miscellaneous	58,157,372 <span style="border: 1px solid black; padding: 0 2px;">530</span>	3,066,221,291 <span style="border: 1px solid black; padding: 0 2px;">720</span>	
E. Collateral accepted under SFAS 140	0 <span style="border: 1px solid black; padding: 0 2px;">536</span>		
F. SPE Assets	0 <span style="border: 1px solid black; padding: 0 2px;">537</span>		3,143,108,467 <span style="border: 1px solid black; padding: 0 2px;">930</span>
16. TOTAL ASSETS	\$ 20,531,385,118 <span style="border: 1px solid black; padding: 0 2px;">540</span>	\$ 4,883,015,171 <span style="border: 1px solid black; padding: 0 2px;">740</span>	\$ 25,414,400,289 <span style="border: 1px solid black; padding: 0 2px;">940</span>

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/19

STATEMENT OF FINANCIAL CONDITION  
LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities *	Non-A.I. Liabilities *	Total
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements" .....	\$ 1030	\$ 1240	\$ 0
B. Other .....	1040	1250	0
18. Securities sold under repurchase agreements.		1260	0
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements" .....	1050	1270	105,293,815
2. Other .....	1060	1280	89,592,177
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements" .....	1070		1,086,368,096
2. Other .....	1080	1290	0
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements" .....	1090		0
2. Other .....	1095	1300	0
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements" .....	1100		0
2. Other .....	1105	1310	7,519,389
E. Other .....	1110	1320	0
20. Payable to customers:			
A. Securities accounts - including free credits of ..... \$ 10,895,436,875	950		11,699,086,418
B. Commodities accounts .....	1130	1330	0
21. Payable to non customers:			
A. Securities accounts .....	1140	1340	0
B. Commodities accounts .....	1150	1350	0
22. Securities sold not yet purchased at market value - including arbitrage of ..... \$ 521,553	960		35,723,826
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable .....	1160		398,187,392
B. Accounts payable .....	1170		319,708,906
C. Income taxes payable .....	1180		986,564,669
D. Deferred income taxes .....		1370	0
E. Accrued expenses and other liabilities ..	1190		1,108,547,489
F. Other .....	1200	1380	1,170,035,610
G. Obligation to return securities .....		1386	0
H. SPE Liabilities .....		1387	0

OMIT PENNIES

\*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II

BROKER OR DEALER  
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED as of 09/30/19

STATEMENT OF FINANCIAL CONDITION  
LIABILITIES AND OWNERSHIP EQUITY (continued)

	<u>Liabilities</u>	<u>A.I. Liabilities</u> *	<u>Non-A.I. Liabilities</u> *	<u>Total</u>
24. Notes and mortgages payable:				
A. Unsecured .....	\$	1210		\$ 143,208,609 1690
B. Secured .....		1211	\$ 1390	0 1700
25. Liabilities subordinated to claims of general creditors:				
A. Cash borrowings: .....			1400	620,000,000 1710
1. from outsiders \$ .....	0 0970			
2. Includes equity subordination(15c3-1(d)) of .....	\$ 0 0980			
B. Securities borrowings, at market value: .....			1410	0 1720
from outsiders \$ .....	0 0990			
C. Pursuant to secured demand note collateral agreements: .....			1420	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 .....			1430	0 1740
E. Accounts and other borrowings not qualified for net capital purposes .....		1220	1440	0 1750
26. TOTAL LIABILITIES .....	\$	1230	\$ 1450	\$ 17,769,836,396 1760
<u>Ownership Equity</u>				
27. Sole proprietorship .....				\$ 0 1770
28. Partnership - limited partners .....	\$	0 1020		0 1780
29. Corporation: .....				
A. Preferred stock .....				0 1791
B. Common stock .....			1,000	1792
C. Additional paid- in capital .....			6,789,122,872	1793
D. Retained Earnings .....			859,172,171	1794
E. Accumulated other comprehensive income .....			(3,732,150)	1797
F. Total .....			7,644,563,893	1795
G. Less capital stock in treasury .....			( 0)	1796
30. TOTAL OWNERSHIP EQUITY .....				\$ 7,644,563,893 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....				\$ 25,414,400,289 1810

OMIT PENNIES

\* Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

## PART II

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER &amp; SMITH INCORPORATED

as of 09/30/19

## COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	7,644,563,893	3480
2. Deduct: Ownership equity not allowable for Net Capital	(	0	3490
3. Total ownership equity qualified for Net Capital		7,644,563,893	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		620,000,000	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities	\$	8,264,563,893	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	4,883,015,171	3540
1. Additional charges for customers' and non-customers' security accounts		851,683	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		408,659	3570
1. number of items	8,600	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		48,124,836	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	(	4,932,400,349	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Net Capital before haircuts on securities positions	\$	3,332,163,544	3640
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$	0	3660
B. Subordinated securities borrowings		0	3670
C. Trading and investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper		2,103,595	3680
2. U.S. and Canadian government obligations		2,008	3690
3. State and municipal government obligations		301,510	3700
4. Corporate obligations		179,931	3710
5. Stocks and warrants		2,750,441	3720
6. Options		0	3730
7. Arbitrage		0	3732
8. Other securities		0	3734
D. Undue concentration		0	3650
E. Other (List)		0	3736
10. Net Capital	\$	3,326,826,059	3740

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/19

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimal net capital required (6-2/3% of line 19)	\$		3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$		3758
13. Net capital requirement (greater of line 11 or 12)	\$		3760
14. Excess net capital (line 10 less 13)	\$		3770
15. Net capital less greater of 10% of line 19 or 120% of line 12	\$		3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$		3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	3830
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts(15c3-1(c)(1)(vii))	\$		3838
19. Total aggregate indebtedness	\$		3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	%		3850
21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 divided by line 10 less item 4880 page 12)	%		3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 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	\$	103,882,932	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note(A)	\$	1,500,000	3880
24. Net capital requirement (greater of line 22 or 23)	\$	103,882,932	3760
25. Excess net capital (line 10 less 24)	\$	3,222,943,127	3910
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	%	64.05	3851
27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits item 10 less Item 4880 page 12 divided by line 17 page 8)	%	64.05	3854
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	3,067,118,729	3920

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	7.50	3860
30. 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	%	0.00	3852

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
  1. Minimum dollar net capital requirement, or
  2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternate method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.