

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

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

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)

07/01/17 24

AND ENDING(MM/DDYY)

09/30/17 25

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

John Olmstead 30

(212) 647-4787 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 25th day of October 20 17

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))

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

PART II CSE

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

STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 09/30/17 99
 SEC FILE NO. 8-07221 98
 Consolidated 198
 Unconsolidated 199

	<u>ASSETS</u>			
	<u>Allowable</u>		<u>Nonallowable</u>	<u>Total</u>
1. Cash	\$ 1,180,994,229	200		\$ 1,180,994,229 750
2. Cash segregated in compliance with federal and other regulations	5,431,829,602	210		5,431,829,602 760
3. Receivable from brokers or dealers and clearing organizations:				
A. Failed to deliver:				
1. Includable in "Formula for Reserve Requirements"	192,345,905	220		
2. Other	1,181,087,119	230		1,373,433,024 770
B. Securities borrowed:				
1. Includable in "Formula for Reserve Requirements"	17,149,581,028	240		
2. Other	69,966,182,490	250		87,115,763,518 780
C. Omnibus accounts:				
1. Includable in "Formula for Reserve Requirements"	0	260		
2. Other	2,172,834,025	270		2,172,834,025 790
D. Clearing Organizations:				
1. Includable in "Formula for Reserve Requirements"	0	280		
2. Other	13,712,650,867	290		13,712,650,867 800
E. Other	760,716,056	300	\$ 89,822,175 550	850,538,231 810
4. Receivables from customers:				
A. Securities accounts:				
1. Cash and fully secured accounts	6,602,174,756	310		
2. Partly secured accounts	0	320	14,327,743 560	
3. Unsecured Accounts			84,424,890 570	
B. Commodity accounts	219,397,060	330	114,476 580	
C. Allowance for doubtful accounts	(0)	335	(1,097,731) 590	6,919,341,194 820
5. Receivables from non-customers:				
A. Cash and fully secured accounts	182,657,995	340		
B. Partly secured and unsecured accounts	0	350	0 600	182,657,995 830
6. Securities purchased under agreements to resell	68,065,646,080	360	0 605	68,065,646,080 840
7. Derivative Receivables:	107,494,963	291		107,494,963 801
8. Trade Date Receivable:	1,795,854,473	292		1,795,854,473 802
9. Securities and spot commodities owned, at market value:	76,586,832,448	849		76,586,832,448 850
Includes encumbered securities of				
..... \$	24,575,755,234	120		

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

2017-10-25 04:19PM EDT
Status: Accepted

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/17

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

10. Securities owned not readily marketable:			
A. At Cost \$	0 130 \$	0 440 \$	4,881,657,359 610 \$
B. At estimated fair value	0 450	60,561,131 620	4,881,657,359 860
11. Other investments not readily marketable:			
A. At Cost \$	0 140		
B. At estimated fair value	0 450	60,561,131 620	60,561,131 870
12. Securities borrowed under subordination agree- ments and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$	0 150		
B. Other \$	0 160	0 630	0 880
13. Secured demand notes- market value of collateral:			
A. Exempted securities \$	0 170		
B. Other \$	0 180	0 640	0 890
14. Memberships in exchanges:			
A. Owned, at market value \$	7,287,670 190		
B. Owned at cost		0 650	
C. 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	3,651,653,738 670	3,651,653,738 910
16. Property, furniture, equipment, leasehold improvements and rights under lease agreements: At cost (net of accumulated depreciation and amortization)	0 490	227,811,490 680	227,811,490 920
17. Other Assets:			
A. Dividends and interest receivable	718,950,358 500	4,134,517 690	
B. Free shipments	0 510	1,963,434 700	
C. Loans and advances	0 520	0 710	
D. Miscellaneous	114,778,215 530	7,128,787,205 720	
E. Collateral accepted under SFAS 140	17,770,497,556 536		
F. SPE Assets	1,582,348,745 537		27,321,460,030 930
18. TOTAL ASSETS \$	285,494,853,970 540 \$	16,144,160,427 740 \$	301,639,014,397 940

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BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>09/30/17</u>
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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"	\$ 4,999,000 1460
B. Other	0 1470
20. Securities sold under repurchase agreements.	<u>111,156,446,003</u> 1480
21. Payable to brokers or dealers and clearing organizations:	
A. Failed to receive:	
1. Includable in "Formula for Reserve Requirements"	459,729,150 1490
2. Other	435,402,779 1500
B. Securities loaned:	
1. Includable in "Formula for Reserve Requirements"	3,232,279,369 1510
2. Other	34,860,189,488 1520
C. Omnibus accounts:	
1. Includable in "Formula for Reserve Requirements"	14,776,206,956 1530
2. Other	461,552 1540
D. Clearing organizations:	
1. Includable in "Formula for Reserve Requirements"	0 1550
2. Other	566,616,408 1560
E. Other	898,662,417 1570
22. Payable to customers:	
A. Securities accounts - including free credits of \$ <u>13,531,791,075</u> 950	<u>18,562,990,692</u> 1580
B. Commodities accounts	<u>15,456,272,115</u> 1590
23. Payable to non customers:	
A. Securities accounts	<u>1,807,716,851</u> 1600
B. Commodities accounts	<u>1,883,816,385</u> 1610
24. Derivative Payables:	<u>530,391,761</u> 1561
25. Trade Date Payable:	<u>0</u> 1562
26. Securities sold not yet purchased at market value - including arbitrage of \$ <u>949,791,724</u> 960	<u>26,769,563,242</u> 1620
27. Accounts payable and accrued liabilities and expenses:	
A. Drafts payable	<u>466,710,610</u> 1630
B. Accounts payable	<u>14,585,961,670</u> 1640
C. Income taxes payable	<u>0</u> 1650
D. Deferred income taxes	<u>0</u> 1660
E. Accrued expenses and other liabilities ..	<u>2,028,009,634</u> 1670
F. Other	<u>0</u> 1680
G. Obligation to return securities	<u>20,666,914,547</u> 1686
H. SPE Liabilities	<u>1,582,348,745</u> 1687

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/17

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	\$ 282,809,689,374 1760
<u>Ownership Equity</u>	
31. Sole proprietorship	\$ 0 1770
32. Partnership - limited partners	\$ 0 1020 0 1780
33. Corporation:	
A. Preferred stock	0 1791
B. Common stock	1,000 1792
C. Additional paid- in capital	10,525,261,009 1793
D. Retained Earnings	8,304,063,014 1794
E. Total	18,829,325,023 1795
F. Less capital stock in treasury	(0) 1796
34. TOTAL OWNERSHIP EQUITY	\$ 18,829,325,023 1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY	\$ 301,639,014,397 1810

OMIT PENNIES

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 09/30/17

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	18,829,325,023	3480
2. Deduct: Ownership equity not allowable for Net Capital	(0	3490
3. Total ownership equity qualified for Net Capital		18,829,325,023	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	\$	30,907,325,023	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	16,144,160,427	3540
1. Additional charges for customers' and non-customers' security accounts		14,060,238	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		59,123,695	3570
1. number of items		1,699	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		836,620,129	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	(17,053,964,489)	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Tentative Net Capital	\$	13,853,360,534	3640
9. Total Market Risk Exposure	\$	990,227,735	3635
10. Total Credit Risk Exposure	\$	569,262	3679
11. Net Capital	\$	12,862,563,537	3750

OMIT PENNIES

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as of 09/30/17

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	\$	1,712,997,035	3870
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	\$	618,973,939	3880
14. Net capital requirement (greater of line 12 or 13)	\$	1,712,997,035	3760
15. Excess net capital (line 11 less 14)	\$	11,149,566,502	3910
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	%	40.04	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)	%	40.04	3854
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	11,109,138,130	3920

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	20.12	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