

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

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)

NEWYORK 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)

04/01/18 24
AND ENDING (MM/DD/YY)

06/30/18 25

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

Lizbeth Applebaum 30 (212) 449-4414 31

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

OFFICIAL USE

<input type="checkbox"/> 32	<input type="checkbox"/> 33
<input type="checkbox"/> 34	<input type="checkbox"/> 35
<input type="checkbox"/> 36	<input type="checkbox"/> 37
<input type="checkbox"/> 38	<input type="checkbox"/> 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES 40 NO 41



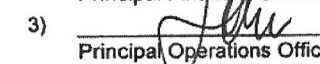
CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

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 July 2018

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

FINRA

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

as of 06/30/18

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

10. Securities owned not readily marketable:			
A. At Cost \$	0 130	\$	0 440 \$ 5,125,575,641 610 \$ 5,125,575,641 860
11. Other investments not readily marketable:			
A. At Cost \$	0 140		
B. At estimated fair value	0 450	71,113,822 620	71,113,822 870
12. Securities borrowed under subordination agreements 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 \$	6,753,420 190		
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	3,894,219,912 670	3,894,219,912 910
16. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)	0 490	251,322,278 680	251,322,278 920
17. Other Assets:			
A. Dividends and interest receivable	797,111,158 500	5,057,170 690	
B. Free shipments	0 510	19,166,649 700	
C. Loans and advances	0 520	0 710	
D. Miscellaneous	137,207,949 530	6,601,327,618 720	
E. Collateral accepted under SFAS 140	19,178,455,142 536		
F. SPE Assets	0 537		26,738,325,686 930
18. TOTAL ASSETS \$	288,384,134,463 540	\$ 16,232,915,576 740	\$ 304,617,050,039 940

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER	as of <u>06/30/18</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"	\$ 892	1460
B. Other	0	1470
20. Securities sold under repurchase agreements.	110,381,074,226	1480
21. Payable to brokers or dealers and clearing organizations:		
A. Failed to receive:		
1. Includable in "Formula for Reserve Requirements"	1,257,116,309	1490
2. Other	740,658,050	1500
B. Securities loaned:		
1. Includable in "Formula for Reserve Requirements"	4,944,531,405	1510
2. Other	38,456,908,872	1520
C. Omnibus accounts:		
1. Includable in "Formula for Reserve Requirements"	14,658,031,933	1530
2. Other	0	1540
D. Clearing organizations:		
1. Includable in "Formula for Reserve Requirements"	0	1550
2. Other	1,457,018,514	1560
E. Other	1,435,510,373	1570
22. Payable to customers:		
A. Securities accounts - including free credits of \$ <u>13,150,074,621</u> 950	17,305,309,415	1580
B. Commodities accounts	16,174,819,300	1590
23. Payable to non customers:		
A. Securities accounts	0	1600
B. Commodities accounts	2,032,015,953	1610
24. Derivative Payables:	597,766,943	1561
25. Trade Date Payable:	188,417,116	1562
26. Securities sold not yet purchased at market value - including arbitrage of \$ <u>1,157,569,897</u> 960	22,254,238,669	1620
27. Accounts payable and accrued liabilities and expenses:		
A. Drafts payable	425,579,856	1630
B. Accounts payable	16,659,125,660	1640
C. Income taxes payable	0	1650
D. Deferred income taxes	0	1660
E. Accrued expenses and other liabilities ..	1,973,142,917	1670
F. Other	0	1680
G. Obligation to return securities	21,542,460,915	1686
H. SPE Liabilities	0	1687

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/18</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	\$ 284,561,727,318	1760
<u>Ownership Equity</u>		
31. Sole proprietorship	\$ 0	1770
32. Partnership - limited partners	\$ 0	1020
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	9,030,060,712	1794
E. Total	20,055,322,721	1795
F. Less capital stock in treasury	(0)	1796
34. TOTAL OWNERSHIP EQUITY	\$ 20,055,322,721	1800
35. TOTAL LIABILITIES AND OWNERSHIP EQUITY	\$ 304,617,050,039	1810

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	20,055,322,721	3480
2. Deduct: Ownership equity not allowable for Net Capital		(0)	3490
3. Total ownership equity qualified for Net Capital		20,055,322,721	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	\$	32,133,322,721	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	16,232,915,576	3540
1. Additional charges for customers' and non-customers' security accounts		41,540,784	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		58,705,832	3570
1. number of items	5,880		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		831,576,974	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		(17,164,739,166)	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Tentative Net Capital	\$	14,968,583,555	3640
9. Total Market Risk Exposure	\$	1,461,984,291	3635
10. Total Credit Risk Exposure	\$	18,147	3679
11. Net Capital	\$	13,506,581,117	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/18</u>
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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	\$	1,808,643,143	3870
13. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries	\$	617,181,916	3880
14. Net capital requirement (greater of line 12 or 13)	\$	1,808,643,143	3760
15. Excess net capital (line 11 less 14)	\$	11,697,937,974	3910
16. Percentage of Net Capital to Aggregate Debits (line 11 divided by line 18 page 10)	%	39.15	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)	%	39.15	3854
18. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	11,336,209,345	3920

OTHER RATIOS

Part B

19. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	19.36	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	%	0.00	3852

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER	For the period (MMDDYY) from <u>04/01/18</u>	<u>3932</u>	to	<u>06/30/18</u>	<u>3933</u>
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	Number of months included in this statement			<u>3</u>	<u>3931</u>

STATEMENT OF INCOME (LOSS)
REVENUE

1. Commissions:			
a. Commissions on transactions in listed equity securities executed on an exchange	\$	155,295,964	3935
b. Commissions on transactions in exchange listed equity securities executed over-the-counter		48,497,651	3937
c. Commissions on listed option transactions		41,064,715	3938
d. Commissions on commodity transactions		36,766,870	3991
e. All other securities commissions		49,108,507	3939
f. Total commissions		330,733,707	3940
2. Gains or losses on Derivative Trading Desks			
a. Interest Rate/Fixed Income Products	\$	0	3921
b. Currency		0	3922
c. Equity Products		9,225,937	3923
d. Commodity Products		0	3924
e. Other		0	3925
f. Total gains or (losses)		9,225,937	3926
3. Gains or losses on Firm Securities Trading Accounts with Associated Hedges			
a. Interest Rate/Fixed Income	\$	619,523,095	3901
b. Currency		0	3902
c. Equity		103,028,821	3903
d. Commodity		168	3904
e. Other		0	3951
f. Total gains or (losses)		722,552,084	3950
4. Gains or losses on Firm Securities Investment Accounts:		\$	132
5. Profit from underwriting and selling groups		\$	576,460,594
a. includes underwriting income from equity securities	\$	57,952,702	4237
6. Margin Interest		\$	78,675,655
7. Other Interest		\$	831,015,292
8. Revenue from Sale of Investment Company Shares		\$	212,245,203
9. Fees for account supervision, Investment advisory and administrative services		\$	2,060,595,950
10. Revenue from research services		\$	0
11. Other revenue		\$	1,019,550,735
12. Total revenue		\$	5,841,055,289

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER	For the period (MMDDYY) from	04/01/18	3932	to	06/30/18	3933
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	Number of months included in this statement				3	3931

STATEMENT OF INCOME (LOSS)
EXPENSES

13. Registered Representatives Compensation	\$	1,381,303,265	4110
14. Clerical and administrative employees' expenses		1,443,099,317	4040
15. Floor brokerage paid to certain brokers(see definition)		0	4055
16. Commissions and clearance paid to all other brokers(see definition)		17,032,037	4145
17. Clearance paid to non-brokers(see definition)		13,886,963	4135
18. Communications		130,474,689	4060
19. Occupancy and equipment costs		209,714,728	4080
20. Promotional costs		84,817,493	4150
21. Interest Expense		1,051,327,288	4075
a. Includes interest on accounts subject to subordination agreements	\$	109,352,619	4070
22. Losses in error account and bad debts		8,577,839	4170
23. Data processing costs(including service bureau service charges)		0	4186
24. Non-recurring charges		0	4190
25. Regulatory fees and expenses		63,936,016	4195
26. Other expenses		885,037,629	4100
27. Total expenses		5,289,207,264	4200

NET INCOME

28. Income (loss) before Federal income taxes and items below (Item 12 less Item 27)	\$	551,848,025	4210
29. Provision for Federal income taxes(for parent only)		105,618,372	4220
30. Equity in earnings (losses) of unconsolidated subsidiaries not included above		58,465,832	4222
a. After Federal income taxes of	\$	58,076,260	4238
31. Extraordinary gains (losses)		0	4224
a. After Federal income taxes of	\$	0	4239
32. Cumulative effect of changes in accounting principles		0	4225
33. Net income (loss) after Federal income taxes and extraordinary item		504,695,485	4230

MONTHLY INCOME

34. Income(current month only) before provision for Federal income taxes and extraordinary items	\$	156,061,913	4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II CSE

BROKER OR DEALER

as of 06/30/18

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

AGGREGATE SECURITIES AND OTC DERIVATIVE POSITIONS

Aggregate Securities and Commodities Positions	LONG	SHORT
1. U.S. Treasury securities	\$ 21,513,598,920 8200	\$ 13,065,074,741 8201
2. U.S. Government agency and government sponsored entities	\$ 20,058,289,729 8210	\$ 555,229,923 8211
3. Securities issued by states and political subdivisions in the U.S	\$ 4,619,264,792 8220	\$ 176,006 8221
4. Foreign securities:		
a. Debt securities	\$ 867,322,270 8230	\$ 586,135,317 8231
b. Equity securities.	\$ 737,293,948 8235	\$ 510,015,491 8236
5. Money Market Instruments	\$ 663,029,364 8240	\$ 10,173,401 8241
6. Private Label Mortgage Backed Securities	\$ 1,595,463,966 8250	\$ 0 8251
7. Other Asset Back Securities	\$ 833,332,155 8260	\$ 614 8261
8. Corporate obligations.	\$ 3,464,607,627 8270	\$ 1,874,207,469 8271
9. Stocks and warrants (other than arbitrage positions)	\$ 7,576,778,837 8280	\$ 2,837,279,614 8281
10. Arbitrage	\$ 1,942,545,980 8290	\$ 1,658,376,196 8291
11. Derivatives including Options:	\$ 430,737,953 8295	\$ 597,766,943 8296
12. Spot Commodities	\$ 0 8330	\$ 0 8331
13. Investments with no ready market :		
a. Equity	\$ 317,651,299 8340	\$ 118,809,972 8341
b. Debt	\$ 4,807,924,342 8345	\$ 1,038,759,925 8346
c. Other (include limited partnership interests)	\$ 71,113,822 8350	\$ 0 8351
14. Other securities or commodities	\$ 0 8360	\$ 0 8361
15. Total	\$ 69,498,955,004 8370	\$ 22,852,005,612 8371

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

**FORMULA FOR DETERMINATION OF CUSTOMER ACCOUNT RESERVE REQUIREMENTS
OF BROKERS AND DEALERS UNDER RULE 15c3-3
(See Rule 15c3-3, Exhibit A and Related Notes)**

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (See Note A)	\$ 16,409,169,811	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (See Note B)	41,077,290	4350
3. Monies payable against customers' securities loaned (See Note C)	6,150,489,321	4360
4. Customers' securities failed to receive (See Note D)	1,273,883,103	4370
5. Credit balances in firm accounts which are attributable to principal sales to customers	5,846,950,251	4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days	8,825	4390
7. ** Market value of short security count differences over 30 calendar days old		4400
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days	203,165,090	4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days	0	4420
10. Other (List)	14,658,031,933	4425
11. TOTAL CREDITS	\$ 44,582,775,624	4430

DEBIT BALANCES

12. ** Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection (See Note E)	\$ 8,485,876,411	4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver	25,000,477,696	4450
14. Failed to deliver of customers' securities not older than 30 calendar days	578,743,340	4460
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts (See Note F)	438,729,570	4465
16. Margin required and on deposit with a clearing agency registered with the Commission under section 17A of the Act (15 U.S.C. 78q-1) or a derivatives clearing organization registered with the Commodity Futures Trading Commission under section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) related to the following types of positions written, purchased or sold in customer accounts: (1) security futures products and (2) futures contracts (and options thereon) carried in a securities account pursuant to an SRO portfolio margining rule (See Note G)	0	4467
17. Other (List)	0	4469
18. ** Aggregate debit items	\$ 34,503,827,017	4470
19. ** Less 3% (for alternative method only - see Rule 15c3-1(a)(1)(ii))	(1,035,114,811)	4471
20. ** TOTAL 15c3-3 DEBITS	33,468,712,206	4472

RESERVE COMPUTATION

21. Excess of total debits over total credits (line 20 less line 11)	\$ 0	4480
22. Excess of total credits over total debits (line 11 less line 20)	11,114,063,418	4490
23. If computation is made monthly as permitted, enter 105% of excess of total credits over total debits		4500
24. Amount held on deposit in "Reserve Bank Account(s)", including \$ 12,368,945,672 4505 value of qualified securities, at end of reporting period	12,368,945,672	4510
25. Amount of deposit (or withdrawal) including \$ 400,763,464 4515 value of qualified securities	400,763,464	4520
26. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 12,769,709,136 4525 value of qualified securities	\$ 12,769,709,136	4530
27. Date of deposit (MMDDYY)	07/03/18	4540

FREQUENCY OF COMPUTATION

28. Daily X 4332 Weekly 4333 Monthly 4334

OMIT PENNIES

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (a)(1)(ii) of Rule 15c3-1.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

**FORMULA FOR DETERMINATION OF PAB ACCOUNT RESERVE REQUIREMENTS
OF BROKERS AND DEALERS UNDER RULE 15c3-3
(See Rule 15c3-3, Exhibit A and Related Notes*)**

CREDIT BALANCES

1. Free credit balances and other credit balances in PAB security accounts (See Note A)	\$ 1,591,525,627	2110
2. Monies borrowed collateralized by securities carried for the accounts of PAB (See Note B)	0	2120
3. Monies payable against PAB securities loaned (See Note C)	1,145,904,408	2130
4. PAB securities failed to receive (See Note D)	169,212,130	2140
5. Credit balances in firm accounts which are attributable to principal sales to PAB	959,217,627	2150
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days		2152
7. ** Market value of short security count differences over 30 calendar days old		2154
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		2156
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days		2158
10. Other (List)	0	2160
11. TOTAL PAB CREDITS	\$ 3,865,859,792	2170

DEBIT BALANCES

12. Debit balances in PAB cash and margin accounts excluding unsecured accounts and accounts doubtful of collection (See Note E)	\$ 510,289,633	2180
13. Securities borrowed to effectuate short sales by PAB and securities borrowed to make delivery on PAB securities failed to deliver	517,809,446	2190
14. Failed to deliver of PAB securities not older than 30 calendar days	85,153,376	2200
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in PAB accounts (See Note F)	0	2210
16. Margin required and on deposit with a clearing agency registered with the Commission under section 17A of the Act (15 U.S.C. 78q-1) or a derivatives clearing organization registered with the Commodity Futures Trading Commission under section 5b of the Commodity Exchange Act (7 U.S.C. 7a-1) related to the following types of positions written, purchased or sold in PAB accounts: (1) security futures products and (2) futures contracts (and options thereon) carried in a securities account pursuant to an SRO portfolio margining rule (See Note G)	0	2215
17. Other (List)	0	2220
18. TOTAL PAB DEBITS	\$ 1,113,252,455	2230

RESERVE COMPUTATION

19. Excess of total PAB debits over total PAB credits (line 18 less line 11)	\$ 0	2240
20. Excess of total PAB credits over total PAB debits (line 11 less line 18)	2,752,607,337	2250
21. Excess debits in customer reserve formula computation	0	2260
22. PAB Reserve Requirement (line 20 less line 21)	2,752,607,337	2270
23. Amount held on deposit in "Reserve Bank Account(s)", including \$ 2,393,228,139 2275 value of qualified securities, at end of reporting period	2,393,228,139	2280
24. Amount of deposit (or withdrawal) including \$ 726,159,375 2285 value of qualified securities	726,159,375	2290
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 3,119,387,514 2295 value of qualified securities	\$ 3,119,387,514	2300
26. Date of deposit (MMDDYY)	07/03/18	2310

FREQUENCY OF COMPUTATION

27. Daily 2315 Weekly 2320 Monthly 2330

OMIT PENNIES

* See Notes regarding the PAB Reserve Bank Account Computation (Notes 1 through 10).

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (a)(1)(ii) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

Information for Possession or Control Requirements Under Rule 15c3-3

State the market valuation and the number of items of:

- | | | | |
|--|----|--------------|--|
| <p>1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3. Notes A and B</p> | \$ | 12,702,889 | 4586 |
| A. Number of items | | 271 | 4587 |
| <p>2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B,C and D</p> | \$ | 1,831,828 | 4588 |
| A. Number of items | | 9 | 4589 |
| | | OMIT PENNIES | |
| <p>3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 . . . Yes <input checked="" type="checkbox"/> 4584 No <input type="checkbox"/> 4585</p> | | | |

NOTES

- A--Do not include in item one customers' fully paid and excess margin securities required by Rule 15c 3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent within the time frames specified under Rule 15c3-3.
- B--State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C--Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.
- D--Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of

06/30/18

STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAct)

1. Net ledger balance			
A. Cash		\$ 11,509,610,856	7010
B. Securities (at market)		4,559,131,002	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		(1,626,115,659)	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		8,202,522,181	7032
B. Deduct market value of open option contracts granted (sold) on a contract market		(6,972,814,417)	7033
4. Net equity (deficit) (add lines 1, 2, and 3)		15,672,333,963	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount	39,176,996		7045
Less: amount offset by customer owned securities	(39,242,144)	(65,148)	7050
6. Amount required to be segregated (add lines 4 and 5)		\$ 15,672,268,815	7060

FUNDS IN SEGREGATED ACCOUNTS

7. Deposited in segregated funds bank accounts			
A. Cash		5,350,317,392	7070
B. Securities representing investments of customers' funds (at market)		0	7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		119,987,369	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash		\$ 14,957,728	7100
B. Securities representing investments of customers' funds (at market)		4,810,778,961	7110
C. Securities held for particular customers or option customers in lieu of cash (at market)		4,435,146,913	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets		38,127,310	7130
10. Exchange traded options			
A. Value of open long option contracts		8,202,522,181	7132
B. Value of open short option contracts		(6,972,814,417)	7133
11. Net equities with other FCMs			
A. Net liquidating equity		5,237	7140
B. Securities representing investments of customers' funds (at market)		0	7160
C. Securities held for particular customers or option customers in lieu of cash (at market)		3,996,720	7170
12. Segregated funds on hand (describe: _____)		0	7150
13. Total amount in segregation (add lines 7 through 12)		16,003,025,394	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)		\$ 330,756,579	7190
15. Management Target Amount for Excess funds in segregation		\$ 200,000,000	7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess		\$ 130,756,579	7198

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
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BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION
FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS

1. Amount required to be segregated in accordance with Commission regulation 32.6		\$		0	7200
2. Funds in segregated accounts					
A. Cash	\$		0	7210	
B. Securities (at market)				0	7220
C. Total					0 7230
3. Excess (deficiency) funds in segregation (subtract line 2.C from line 1)		\$			0 7240

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
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BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	\$ <u>0</u>	<u>7305</u>
1. Net ledger balance - Foreign Futures and Foreign Option Trading - All Customers		
A. Cash	\$ <u>2,580,450,171</u>	<u>7315</u>
B. Securities (at market)	<u>2,045,077,940</u>	<u>7317</u>
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade	<u>16,146,704</u>	<u>7325</u>
3. Exchange traded options		
A. Market value of open option contracts purchased on a foreign board of trade	<u>24,640,308</u>	<u>7335</u>
B. Market value of open contracts granted (sold) on a foreign board of trade	<u>(11,553,087)</u>	<u>7337</u>
4. Net equity (deficit) (add lines 1. 2. and 3.)	\$ <u>4,654,762,036</u>	<u>7345</u>
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ <u>235,731,491</u>	<u>7351</u>
Less: amount offset by customer owned securities	<u>(231,233,021)</u>	<u>7352</u>
	<u>4,498,470</u>	<u>7354</u>
6. Amount required to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$ <u>4,659,260,506</u>	<u>7355</u>
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$ <u>4,659,260,506</u>	<u>7360</u>

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
PURSUANT TO COMMISSION REGULATION 30.7

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks			
A. Banks located in the United States	\$	<u>7,781,337</u>	<u>7500</u>
B. Other banks qualified under Regulation 30.7			
Name(s): <u>See Attached</u>		<u>672,368,216</u>	<u>7520</u>
	\$		<u>680,149,553</u>
2. Securities			
A. In safekeeping with banks located in the United States	\$	<u>2,045,077,940</u>	<u>7540</u>
B. In safekeeping with other banks qualified under Regulation 30.7			
Name(s): <u>0</u>		<u>0</u>	<u>7560</u>
			<u>2,045,077,940</u>
3. Equities with registered futures commission merchants			
A. Cash	\$	<u>0</u>	<u>7580</u>
B. Securities		<u>0</u>	<u>7590</u>
C. Unrealized gain (loss) on open futures contracts		<u>0</u>	<u>7600</u>
D. Value of long option contracts		<u>0</u>	<u>7610</u>
E. Value of short option contracts	(<u>0</u>	<u>7615</u>
			<u>0</u>
4. Amounts held by clearing organizations of foreign boards of trade			
Name(s): <u>0</u>			<u>7630</u>
A. Cash	\$	<u>0</u>	<u>7640</u>
B. Securities		<u>0</u>	<u>7650</u>
C. Amount due to (from) clearing organizations - daily variation		<u>0</u>	<u>7660</u>
D. Value of long option contracts		<u>0</u>	<u>7670</u>
E. Value of short option contracts	(<u>0</u>	<u>7675</u>
			<u>0</u>
5. Amounts held by members of foreign boards of trade			
Name(s): <u>See Attached</u>			<u>7690</u>
A. Cash	\$	<u>2,334,127,313</u>	<u>7700</u>
B. Securities		<u>0</u>	<u>7710</u>
C. Unrealized gain (loss) on open futures contracts		<u>16,146,704</u>	<u>7720</u>
D. Value of long option contracts		<u>24,640,308</u>	<u>7730</u>
E. Value of short option contracts	(<u>(11,553,087)</u>	<u>7735</u>
			<u>2,363,361,238</u>
6. Amounts with other depositories designated by a foreign board of trade			
Name(s): <u>0</u>			<u>7750</u>
			<u>0</u>
7. Segregated funds on hand (describe: _____)			
			<u>0</u>
8. Total funds in separate section 30.7 accounts			
	\$	<u>5,088,588,731</u>	<u>7770</u>
9. Excess (deficiency) set Aside Funds for Secured Amount (subtract Line 7 Secured Statement page 15 from Line 8)			
	\$	<u>429,328,225</u>	<u>7380</u>
10. Management Target Amount for Excess funds in separate section 30.7 accounts			
	\$	<u>150,000,000</u>	<u>7780</u>
11. Excess (deficiency) funds in separate 30.7 accounts over (under) Management Target			
	\$	<u>279,328,225</u>	<u>7785</u>

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

COMPUTATION OF CFTC MINIMUM NET CAPITAL REQUIREMENT

Net Capital required

A. Risk-Based Requirement

i. Amount of Customer Risk

Maintenance Margin requirement 18,653,582,275 7415

ii. Enter 8% of line A.i

1,492,286,582 7425

iii. Amount of Non-Customer Risk

Maintenance Margin requirement 2,489,683,067 7435

iv. Enter 8% of line A.iii

199,174,645 7445

v. Add lines A.ii and A.iv.

1,691,461,227 7455

B. Minimum Dollar Amount Requirement

1,000,000 7465

C. Other NFA Requirement

7475

D. Minimum CFTC Net Capital Requirement.

Enter the greatest of lines A, B or C

1,691,461,227 7490

Note: If amount on Line D (7490) is greater than minimum net capital requirement computed on Line 3760 (Page 6) then enter this greater amount on Line 3760. The greater of the amount required by SEC or CFTC is the minimum net capital requirement.

CFTC Early Warning Level

1,860,607,350 7495

Note: If the Minimum Net Capital Requirement computed on Line D (7490) is:

- (1) Risk Based Requirement, enter 110% of Line A (7455), or
- (2) Minimum Dollar Requirement of \$1,000,000 enter 150% of Line B (7465), or
- (3) Minimum Dollar Requirement of \$20,000,000 for FCMs offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED"), enter 110% of Line B (7465), or
- (4) Other NFA Requirement of \$20,000,000 plus five percent of the FCM's offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED") total retail forex obligations in excess of \$10,000,000 enter 110% of Line C (7475), or
- (5) Other NFA Requirement, enter 150% of Line C (7475).

SUPPLEMENT TO
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PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

STATEMENT OF CLEARED SWAPS CUSTOMER SEGREGATION REQUIREMENTS AND
FUNDS IN CLEARED SWAPS CUSTOMER ACCOUNTS UNDER 4D(F) OF THE CEA

Cleared Swaps Customer Requirements

1. Net ledger balance			
A. Cash	\$	756,947,513	8500
B. Securities (at market)		2,678,341,831	8510
2. Net unrealized profit (loss) in open cleared swaps		2,639,575,594	8520
3. Cleared swaps options			
A. Market value of open cleared swaps option contracts purchased		0	8530
B. Market value of open cleared swaps option contracts granted (sold)		(0)	8540
4. Net equity (deficit) (add lines 1, 2, and 3)	\$	6,074,864,938	8550
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$	7,626,425	8560
Less: amount offset by customer owned securities		(7,625,435)	8570
		990	8580
6. Amount required to be segregated for cleared swaps customers (add lines 4 and 5)	\$	6,074,865,928	8590

Funds in Cleared Swaps Customer Segregated Accounts

7. Deposited in cleared swaps customer segregated accounts at banks			
A. Cash	\$	451,069,008	8600
B. Securities representing investments of cleared swaps customers' funds (at market)		0	8610
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		48,232,753	8620
8. Margins on deposit with derivatives clearing organizations in cleared swaps customer segregated accounts			
A. Cash		365,000,000	8630
B. Securities representing investments of cleared swaps customers' funds (at market)		2,832,417,255	8640
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		2,630,109,078	8650
9. Net settlement from (to) derivatives clearing organizations		39,554,368	8660
10. Cleared swaps options			
A. Value of open cleared swaps long option contracts		0	8670
B. Value of open cleared swaps short option contracts		(0)	8680
11. Net equities with other FCMs			
A. Net liquidating equity		0	8690
B. Securities representing investments of cleared swaps customers' funds (at market)		0	8700
C. Securities held for particular cleared swaps customers in lieu of cash (at market)		0	8710
12. Cleared swaps customer funds on hand (describe: _____)		0	8715
13. Total amount in cleared swaps customer segregation (add lines 7 through 12)	\$	6,366,382,462	8720
14. Excess (deficiency) funds in cleared swaps customer segregation (subtract line 6 from line 13)	\$	291,516,534	8730
15. Management Target Amount for Excess funds in cleared swaps segregated accounts	\$	150,000,000	8760
16. Excess (deficiency) funds in cleared swaps customer segregated accounts over (under) Management Target Excess	\$	141,516,534	8770

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of

06/30/18

Ownership Equity and Subordinated Liabilities maturing or proposed to be
withdrawn within the next six months and accruals, (as defined below),
which have not been deducted in the computation of Net Capital.

Type of Proposed withdrawal or Accrual (See below for code to enter)	Name of Lender or Contributor	Insider or Outsider ? (In or Out)	Amount to be withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
0			0		
4600	4601	4602	0	4603	4605
4610	0	4611	0	4612	4613
4620		4621		4622	4623
4630	0	4631	0	4632	4633
4640	0	4641	0	4642	4643
4650	0	4651	0	4652	4653
4660	0	4661	0	4662	4663
4670	0	4671	0	4672	4673
4680	0	4681	0	4682	4683
4690	0	4691	0	4692	4693
TOTAL			\$	0	4699*

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* To agree with the total on Recap (Item No. 4880)

Instructions: Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c) (2) (iv)), which could be required by the lender on demand or in less than six months.

WITHDRAWAL CODE:	DESCRIPTION
1	Equity Capital
2.	Subordinated Liabilities
3.	Accruals
4.	15c3-1(c) (2) (iv) Liabilities

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
Capital Withdrawals
PART II CSE

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

RECAP

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, which have not been deducted in the computation of Net Capital.

1. Equity Capital

A. Partnership Capital:

1. General Partners	\$	0	4700
2. Limited		0	4710
3. Undistributed Profits		0	4720
4. Other (describe below)		0	4730
5. Sole Proprietorship		0	4735

B. Corporation Capital:

1. Common Stock		0	4740
2. Preferred Stock		0	4750
3. Retained Earnings (Dividends and Other)		0	4760
4. Other (describe below)		0	4770

2. Subordinated Liabilities

A. Secured Demand Notes		0	4780
B. Cash Subordinations		0	4790
C. Debentures		0	4800
D. Other (describe below)		0	4810

3. Other Anticipated Withdrawals

A. Bonuses		0	4820
B. Voluntary Contributions to Pension or Profit Sharing Plans		0	4860
C. Other (describe below)		0	4870

Total \$ 0 4880

4. Description of Other

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$	19,550,627,236	4240
A. Net income (loss)		504,695,485	4250
B. Additions (Includes non-conforming capital of	\$	0	4262
C. Deductions (Includes non-conforming capital of	\$	0	4272
2. Balance, end of period (From Item 1800)	\$	20,055,322,721	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$	12,078,000,000	4300
A. Increases		0	4310
B. Decreases		(0
4. Balance, end of period (From item 3520)	\$	12,078,000,000	4330

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

FINANCIAL AND OPERATIONAL DATA

	<u>Valuation</u>	<u>Number</u>
1. Month end total number of stock record breaks unresolved over three business days.		
A. breaks long	\$ 0 4890	0 4900
B. breaks short	\$ 0 4910	0 4920
2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter ? (Check one)	Yes <input checked="" type="checkbox"/> 4930	No <input type="checkbox"/> 4940
A) If response is negative attach explanation of steps being taken to comply with Rule 17a-13.		
3. Personnel employed at end of reporting period:		
A. Income producing personnel		21,264 4950
B. Non-income producing personnel (all other)		20,863 4960
C. Total		42,127 4970
4. Actual number of tickets executed during current month of reporting period		399,646,622 4980
5. Number of corrected customer confirmations mailed after settlement date		82,308 4990
6. Money differences	0 5000 \$0 5010 0 5020 \$0 5030	
7. Security suspense accounts	0 5040 \$0 5050 0 5060 \$0 5070	
8. Security difference accounts	0 5080 \$0 5090 0 5100 \$0 5110	
9. Commodity suspense accounts	0 5120 \$0 5130 0 5140 \$0 5150	
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and intercompany accounts which could result in a charge-unresolved amounts over 30 calendar days	0 5160 \$0 5170 0 5180 \$0 5190	
11. Bank account reconciliations-unresolved amounts over 30 calendar days	0 5200 \$0 5210 0 5220 \$0 5230	
12. Open transfers over 40 calendar days, not confirmed	0 5240 \$0 5250 0 5260 \$0 5270	
13. Transactions in reorganization accounts-over 60 calendar days	0 5280 \$0 5290 0 5300 \$0 5310	
14. Total	0 5320 \$0 5330 0 5340 \$0 5350	
15. Failed to deliver 5 business days or longer (21 business days or longer in the case of Municipal Securities)	0 5360 \$0 5361 0 5362	
16. Failed to receive 5 business days or longer (21 business days or longer in the case of Municipal Securities)	0 5363 \$0 5364 0 5365	
17. Security concentrations (See instructions in Part I):		
A. Proprietary positions		\$ 0 5370
B. Customers' accounts under Rule 15c3-3		\$ 0 5374
18. Total of personal capital borrowings due within six months		\$ 0 5378
19. Maximum haircuts on underwriting commitments during the period		\$ 285,861,606 5380
20. Planned capital expenditures for business expansion during next six months		\$ 0 5382
21. Liabilities of other individuals or organizations guaranteed by respondent		\$ 0 5384
22. Lease and rentals payable within one year		\$ 320,284,074 5386
23. Aggregate lease and rental commitments payable for entire term of the lease		
A. Gross		\$ 1,830,641,368 5388
B. Net		\$ 0 5390

OMIT PENNIES

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

**FINANCIAL AND OPERATIONAL DATA
Operational Deductions From Capital (Note A)**

	I	II	III	IV
	No. of Items	Debits (Short Value)	Credits (Long Value)	Deductions In Computing Net Capital
1. Money suspense and balancing differences	95,923	1,815	110,599	1,814,743
	5610	5810	6010	6012
2. Security suspense and differences with related money balances	L 37	1	1	150
	5620	5820	6020	6022
	S 4	11	9	3,538
	5625	5825	6025	6027
3. Market value of short and long security suspense and differences without related money (other than reported in line 4., below)	907	49,766	39,167	13,560,362
	5630	5830	6030	6032
4. Market value of security record breaks	0	0	0	0
	5640	5840	6040	6042
5. Unresolved reconciling differences with others:				
A. Correspondents and Broker/Dealers	L 0	0	0	0
	5650	5850	6050	6052
	S 0	0	0	0
	5655	5855	6055	6057
B. Depositories	0	0	0	0
	5660	5860	6060	6062
C. Clearing Organizations	L 0	0	0	0
	5670	5870	6070	6072
	S 0	0	0	0
	5675	5875	6075	6077
D. Inter-company Accounts	0	0	0	0
	5680	5880	6080	6082
E. Bank Accounts and Loans	8	0	1,063	1,063,346
	5690	5890	6090	6092
F. Other	0	0	0	0
	5700	5900	6100	6102
G. (Offsetting) Items A. through F.	0	(0)	(0)	
TOTAL Line 5	8	0	1,063	1,063,346
	5730	5930	6130	6132
6. Commodity Differences	0	3,353	0	3,353,000
	5740	5940	6140	6142
7. Open transfers and reorganization account items over 40 days not confirmed or verified	0	0	0	0
	5760	5960	6160	6162
8. TOTAL (Line 1.-7.)	96,879	54,946	150,839	19,795,139
	5770	5970	6170	6172
9. Lines 1.-6. resolved subsequent to report date	0	0	0	0
	5775	5975	6175	6177
10. Aged Fails --to deliver	5,880	312,153	327,924	58,705,832
	5780	5980	6180	6182
--to receive	1,571	67,128	43,581	16,766,794
	5785	5985	6185	6187

(Omit 000's)

(Omit 000's)

(Omit Pennies)

NOTE A - This section must be completed as follows:

- All member organizations must complete column IV, lines 1. through 8. and 10., reporting deductions from capital as of the report date whether resolved subsequently or not (see instructions relative to each line item).
- a. Columns I, II and III of lines 1. through 8. and 10. must be completed when a Part II filing is required.
b. Columns I, II and III of lines 1. through 8. must be completed with a Part I filing, only if the total deduction on line 8 column IV equals or exceeds 25% of excess net capital as of the prior month end reporting date. All columns of line 10. require completion.
- A response to line 9., cols. I through IV and the "Potential Operational Charges Not Deducted From Capital" schedule on p. 3 are required only if:
 - the parameters cited in 2.b. above exist, and
 - the total deduction, line 8. column IV, for the current month exceeds the total deductions for the prior month by 50% or more.
- All columns and line items (1. through 10.) must be answered if required. If respondent has nothing to report enter -0-.

Other Operational Data (Items 1., 2. and 3. below require an answer)

- Item 1. Have the accounts enumerated on line 5.A. through F. above been reconciled with statements received from others within 35 days for lines 5.A. through D. and 65 days for lines 5.E. and F. prior to the report date and have all reconciling difference been appropriately comprehended in the computation of net capital at the report date? If this has not been done in all respects, answer No.
- Yes 5600
No 5601
- Item 2. Do the respondent's books reflect a concentrated position (See Instruction) in commodities? If yes report the totals (\$000 omitted) in accordance with the specific instructions; If No answer -0- for:
- A. Firm Trading and Investment Accounts A. 0 5602
B. Customers' and Non-Customers' and Other Accounts B. 0 5603
- Item 3. Does respondent have any planned operational changes? (Answer Yes or No based on specific instructions.)
- Yes 5604
No 5605

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II CSE**

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/18</u>
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**FINANCIAL AND OPERATIONAL DATA
Potential Operational Charges Not Deducted From Capital (Note B)**

	I	II	III	IV
	No. of Items	Debits (Short Value)	Credits (Long Value)	Deductions In Computing Net Capital
1. Money suspense and balancing differences	0	6210	0	6610
2. Security suspense and differences with related money balances	L	0	6220	0
	S	0	6225	0
3. Market value of short and long security suspense and differences without related money (other than reported in line 4., below)	0	6230	0	6630
4. Market value of security record breaks	0	6240	0	6640
5. Unresolved reconciling differences with others:				
A. Correspondents and Broker/Dealers	L	0	6250	0
	S	0	6255	0
B. Depositories	0	6260	0	6660
C. Clearing Organizations	L	0	6270	0
	S	0	6275	0
D. Inter-company Accounts	0	6280	0	6680
E. Bank Accounts and Loans	0	6290	0	6690
F. Other	0	6300	0	6700
G. (Offsetting) Items A. through F.	0	6310	(0)	6710
TOTAL (Line 5.)	0	6330	0	6730
6. Commodity Differences	0	6340	0	6740
TOTAL (Line 1.-6.)	0	6370	0	6770

(Omit 000's)

(Omit 000's)

(Omit Pennies)

NOTE B - This section must be completed as follows:

1. All line items (1. through 6.) and columns (I through IV) must be completed only if:
 - a. the total deductions on line 8., column IV, of the "Operational Deductions From Capital" schedule equal or exceed 25% of excess net capital as of the prior month end reporting date; and
 - b. the total deduction on line 8., column IV, for the current month exceeds the total deductions for the prior month by 50% or more. If respondent has nothing to report enter -0-.
2. Include only suspense and difference items open at the report date which were NOT required to be deducted in the computation of net capital AND which were not resolved seven (7) business days subsequent to the report date.
3. Include in column IV only additional deductions not comprehended in the computation of net capital at the report date.
4. Include on line 5. A. through F. unfavorable differences offset by favorable differences (see instructions for line 5) at the report date if resolution of the favorable items resulted in additional deductions in the computation of net capital subsequent to the report date.
5. Exclude from lines 5. A. through F. new reconciling differences disclosed as a result of reconciling with the books of account statements received subsequent to the report date.
6. Line items 1. through 5. above correspond to similar line items in the "Operational Deductions From Capital" schedule (page 2) and the same instructions should be followed except as stated in Note (B-1 through 5.) above.

CSE SUPPLEMENTARY REPORTING SCHEDULE

SCHEDULE 1 - FINRA SUPPLEMENTARY CAPITAL INFORMATION

BROKER OR DEALER	
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of 06/30/18

1. Market Risk Exposure		
A. Total Value at Risk	\$	171,385,795 3634
Value at Risk Components		
1. Fixed income VAR	\$	121,360,446 3636
2. Currency VAR	\$	2,397,642 3637
3. Commodities VAR	\$	1,138,814 3638
4. Equities VAR	\$	46,488,893 3639
5. Credit derivatives VAR	\$	0 3641
B. Diversification Benefit	\$	81,123,927 3642
C. Total Diversified VAR (1A less 1B)	\$	90,261,868 3643
D. Multiplication Factor		3 3645
E. Subtotal (1C multiply by 1D)	\$	270,785,604 3655
2. Deduction for specific risk, unless included in 1 above	\$	148,062,819 3646
3. Risk Deduction using scenario analysis	\$	0 3647
a. Fixed income	\$	0 3648
b. Currency	\$	0 3649
c. Commodities	\$	0 3651
d. Equities	\$	0 3652
e. Credit derivatives	\$	0 3653
4. Residual Marketable Securities (15c3-1(c)(2)(vi))	\$	1,043,135,869 3665
5. Total Market Risk Exposure(add lines 1E,2,3 and 4)	\$	1,461,984,292 3677
6. Credit Risk Exposure		
A. Credit Risk Charge(counter party)	\$	18,147 3676
B. Counter party concentration charge	\$	0 3659
1. Credit risk weight <20%		0 3656
2. Credit risk weight >20% and <50%		0 3657
3. Credit risk weight >50%		0 3658
C. Portfolio concentration charge	\$	0 3678
7. Total Credit Risk Exposure (add lines 6A, 6B and 6C)	\$	18,147 3688

CSE SUPPLEMENTARY REPORTING SCHEDULE

Schedule II

BROKER OR DEALER		
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED		as of <u>06/30/18</u>

GEOGRAPHIC DISTRIBUTION OF OTC DERIVATIVES EXPOSURES FOR TEN LARGEST COUNTRIES

Country	Credit Rating Category	Current Net Exposure	Net Replacement Value	Gross Replacement Value	
				Receivable	Payable
1 Dominican Republic	mlB+	18,147	18,147	18,147	
2					
3					
4					
5					
6					
7					
8					
9					
10					

GRAND TOTAL		18,147	18,147	18,147	
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7801

7802

7803

7804

Schedule II

CSE SUPPLEMENTARY REPORTING SCHEDULE

Schedule III

BROKER OR DEALER

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

as of 06/30/18

CREDIT-CONCENTRATION REPORT FOR FIFTEEN LARGEST CURRENT NET EXPOSURES IN DERIVATIVES

Counterparty Identifier	Country	Industry Segment	Rating	Gross Replacement Value		Net Replacement Value	Current Net Exposure	Total Credit Exposure	Aggregate Maximum Potential Exposure
				Receivable (Gross Gain)	Payable (Gross Loss)				
1	BANCO DE RESERVA	DE FINANCIAS	BBB			18,147	18,147	18,147	18,147
2									
3									
4									
5									
6									
7									
8									
9									
10									
Totals				18,147		18,147	18,147	18,147	18,147
				7810	7811	7812	7813	7814	7815

Schedule III

CSE SUPPLEMENTARY REPORTING SCHEDULE

Schedule IV

BROKER OR DEALER			
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED		as of <u>06/30/18</u>	

PORTFOLIO SUMMARY OF OTC DERIVATIVES EXPOSURES BY INTERNAL CREDIT RATING

Credit Rating Category	Credit Rating	Current Net Exposure	Net Replacement Value	Gross Replacement Value		Aggregate Maximum Potential Exposure
				Receivable	Payable	
1 mIB+	mIB+	18,147	18,147	18,147		18,147
2						
3						
4						
5						
6						
7						
8						
9						
10						
Totals:		18,147	18,147	18,147		18,147
		7820	7821	7822	7823	7824

Schedule IV

CSE SUPPLEMENTARY REPORTING SCHEDULE

Schedule V

BROKER OR DEALER	
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/18</u>

PORTFOLIO SUMMARY OF OTC DERIVATIVES EXPOSURES BY INDUSTRY SEGMENT

Industry Segment	Current Net Exposure	Net Replacement Value	Gross Replacement Value Receivable	Gross Replacement Value Payable	Aggregate Maximum Potential Exposure
1 <u>Financial Institution</u>	18,147	18,147	18,147		18,147
2 _____					
3 _____					
4 _____					
5 _____					
6 _____					
7 _____					
8 _____					
9 _____					
10 _____					
Totals :	18,147	18,147	18,147		18,147
	7830	7831	7832	7833	7834

Schedule V



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All Memos

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED (7691) »
Part IICSE for 2018-06 Scheduled

I7510 : Name of Other Banks Desig by Commission

Names of Banks: Citibank N.A , London, Citibank N.A., Zurich, Citibank N.A., New Zealand, Citibank N.A. Johannesburg, Citibank N.A., Singapore, Citibank N.A., Hong Kong, Citibank N.A., Tokyo, RBC Canada, Banco National De Mexico SA., Bank of America N.A., BANA London, BANA Hong Kong, BANA Singapore, BANA Australia, BANA Japan, HSBC Corporation Limited.

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I7690 : Name of Members of Foreign Boards of Trade

Members of Foreign boards of trade: ML International LTD, ML (Singapore) PTE LTD, ML Japan Securities Inc. , ML Canada Inc. , ML (Australia) Futures Ltd. , ML Far East LTD., RBC Dominion Securities Inc., Societe Generale, Samsung Futures.

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