

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)

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)

04/01/19 24

AND ENDING (MM/DD/YY)

06/30/19 25

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

_____ 30 _____ 31
NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT OFFICIAL USE

_____ 32 _____ 33
_____ 34 _____ 35
_____ 36 _____ 37
_____ 38 _____ 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 24th day of July 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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PART II

BROKER OR DEALER

as of 06/30/19

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

Allowable

Nonallowable

Total

E. Stocks and warrants	\$	5,308,425	410					
F. Options		1,292,888	420					
G. Arbitrage		0	422					
H. Other securities		0	424					
I. Spot Commodities		0	430					
J. Total inventory - includes encumbered securities of ...	\$	522,471	120			\$ 101,801,657 850		
8. Securities owned not readily marketable:								
A. At Cost	\$	0	440	\$	39,423,892	610	39,423,892 860	
9. Other investments not readily marketable:								
B. At estimated fair value		0	450		37,947,055	620	37,947,055 870	
10. 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	
11. Secured demand notes - market value of collateral:								
A. Exempted securities	\$	0	170					
B. Other	\$	0	180	0	470	0	640	890
12. Memberships in exchanges:								
A. Owned, at market value	\$	0	190					
B. Owned at cost					0	650		
C. Contributed for use of company, at market value					0	660	0	900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		0	480		334,937,150	670	334,937,150 910	
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:								
At cost (net of accumulated depreciation and amortization)		1,157,813,123	490		277,406,309	680	1,435,219,432 920	
15. Other Assets:								
A. Dividends and interest receivable		8,690,820	500		549,965	690		
B. Free shipments		925,466	510		83,762	700		
C. Loans and advances		0	520		0	710		
D. Miscellaneous		70,739,610	530		3,224,251,515	720		
E. Collateral accepted under SFAS 140		0	536					
F. SPE Assets		0	537				3,305,241,138 930	
16. TOTAL ASSETS	\$	22,655,753,127	540	\$	4,021,745,106	740	\$ 26,677,498,233 940	

PART II

BROKER OR DEALER

as of 06/30/19

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

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 1460
B. Other	1040	1250	0 1470
18. Securities sold under repurchase agreements.		1260	0 1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	140,969,138 1490
2. Other	1060	1280	0 1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		745,679,693 1510
2. Other	1080	1290	0 1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		0 1530
2. Other	1095	1300	0 1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		0 1550
2. Other	1105	1310	474,395 1560
E. Other	1110	1320	0 1570
20. Payable to customers:			
A. Securities accounts - including free credits of \$ 10,685,131,124	950		11,693,039,130 1580
B. Commodities accounts	1130	1330	0 1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	0 1600
B. Commodities accounts	1150	1350	0 1610
22. Securities sold not yet purchased at market value - including arbitrage of \$ 521,553	960		39,466,876 1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		419,735,275 1630
B. Accounts payable	1170		272,363,242 1640
C. Income taxes payable	1180		918,466,624 1650
D. Deferred income taxes		1370	0 1660
E. Accrued expenses and other liabilities	1190		1,104,381,097 1670
F. Other	1200	1380	1,206,433,040 1680
G. Obligation to return securities		1386	0 1686
H. SPE Liabilities		1387	0 1687

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 06/30/19

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		\$ 2,174,424,588 1690
B. Secured		1211	1390	0 1700
25. Liabilities subordinated to claims of general creditors:				
A. Cash borrowings:			1400	1,520,000,000 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	\$ 20,235,433,098 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				6,347,615,559 1793
D. Retained Earnings				98,308,917 1794
E. Accumulated other comprehensive income				(3,860,341) 1797
F. Total				6,442,065,135 1795
G. Less capital stock in treasury				(0) 1796
30. TOTAL OWNERSHIP EQUITY	\$			6,442,065,135 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY	\$			26,677,498,233 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 & SMITH INCORPORATED	as of <u>06/30/19</u>
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COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	6,442,065,135	3480
2. Deduct: Ownership equity not allowable for Net Capital	(0	3490
3. Total ownership equity qualified for Net Capital		6,442,065,135	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		1,520,000,000	3520
B. Other (deductions) or allowable credits (List)		0	3525
5. Total capital and allowable subordinated liabilities	\$	7,962,065,135	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	4,021,745,106	3540
1. Additional charges for customers' and non-customers' security accounts		35,656,773	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		3,228,399	3570
1. number of items	466	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		0	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)		36,761,997	3615
H. Total deductions and/or charges	(4,097,392,275	3620
7. Other additions and/or allowable credits (List)		0	3630
8. Net Capital before haircuts on securities positions	\$	3,864,672,860	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		1,977,968	3680
2. U.S. and Canadian government obligations		30,133	3690
3. State and municipal government obligations		276,744	3700
4. Corporate obligations		26,424	3710
5. Stocks and warrants		1,479,034	3720
6. Options		0	3730
7. Arbitrage		0	3732
8. Other securities		0	3734
D. Undue concentration		0	3650
E. Other (List)		0	3736
3,790,303	(3740
10. Net Capital	\$	3,860,882,557	3750

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	as of <u>06/30/19</u>
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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
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	\$	110,877,315	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)	\$	110,877,315	3760
25. Excess net capital (line 10 less 24)	\$	3,750,005,242	3910
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	%	69.64	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)	%	61.53	3854
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	3,583,689,269	3920

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	19.09	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	%		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.