SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2000

COMMISSION FILE NUMBER 1-7182

MERRILL LYNCH & CO., INC.
(Exact name of registrant as specified in its charter)

DELAWARE	13-2740599
(State of incorporation)	(I.R.S. Employer Identification No.)

4 WORLD FINANCIAL CENTER NEW YORK, NEW YORK	10080
(Address of principal executive offices)	(Zip Code)

(212) 449-1000
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

385,241,585 shares of Common Stock and 2,634,634 Exchangeable Shares as of the close of business on May 5, 2000. The Exchangeable Shares, which were issued by Merrill Lynch & Co., Canada Ltd. in connection with the merger with Midland Walwyn Inc., are exchangeable at any time into Common Stock on a one-for-one basis and entitle holders to dividend, voting, and other rights equivalent to Common Stock.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

<TABLE>
<CAPTION>

	FOR THE THREE MONTHS ENDED		
(dollars in millions, except per share amounts)	MARCH 31, 2000	MARCH 26, 1999	PERCENT INC. (DEC.)
<S>	<C>	<C>	<C>
NET REVENUES			
Commissions	$ 2,152	$ 1,567	37.3 %
Principal transactions	1,787	1,444	23.8
Investment banking	996	633	57.3
Asset management and portfolio service fees	1,390	1,110	25.2
Other	238	132	

			80.3
Subtotal	6,563	4,886	34.3
Interest and dividend revenues	4,463	3,681	21.2
Less interest expense	3,779	3,301	14.5
Net interest profit	684	380	80.0
TOTAL NET REVENUES	7,247	5,266	37.6
NON-INTEREST EXPENSES			
Compensation and benefits	3,808	2,762	37.9
Communications and technology	578	480	20.4
Occupancy and related depreciation	250	227	10.1
Advertising and market development	244	152	60.5
Brokerage, clearing, and exchange fees	192	154	24.7
Professional fees	147	117	25.6
Goodwill amortization	56	57	(1.8)
Other	397	321	23.7
TOTAL NON-INTEREST EXPENSES	5,672	4,270	32.8
EARNINGS BEFORE INCOME TAXES AND DIVIDENDS ON PREFERRED SECURITIES ISSUED BY SUBSIDIARIES	1,575	996	58.1
Income Tax Expense	489	338	44.7
Dividends on Preferred Securities Issued by Subsidiaries	49	49	-
NET EARNINGS	$ 1,037	$ 609	70.3
NET EARNINGS APPLICABLE TO COMMON STOCKHOLDERS	$ 1,028	$ 599	71.6
EARNINGS PER COMMON SHARE			
Basic	$ 2.69	$ 1.65	
Diluted	$ 2.38	$ 1.44	
DIVIDEND PAID PER COMMON SHARE	$ 0.27	$ 0.24	
AVERAGE SHARES USED IN COMPUTING EARNINGS PER COMMON SHARE			
Basic	381.6	364.0	
Diluted	432.4	415.7	

</TABLE>

See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<TABLE>
<CAPTION>

(dollars in millions)	MARCH 31, 2000	DECEMBER 31, 1999
<S>	<C>	<C>
ASSETS		
CASH AND CASH EQUIVALENTS	$ 9,738	$ 10,827
CASH AND SECURITIES SEGREGATED FOR REGULATORY PURPOSES OR DEPOSITED WITH CLEARING ORGANIZATIONS	6,077	5,880
RECEIVABLES UNDER RESALE AGREEMENTS AND SECURITIES BORROWED TRANSACTIONS	117,147	99,741
MARKETABLE INVESTMENT SECURITIES	13,030	10,145
TRADING ASSETS, AT FAIR VALUE		
Equities and convertible debentures	27,011	23,593
Corporate debt and preferred stock	22,075	20,346
Contractual agreements	21,614	22,701
U.S. Government and agencies	14,323	15,376
Non-U.S. governments and agencies	10,309	4,892
Mortgages, mortgage-backed, and asset-backed	7,554	7,394
Municipals and money markets	2,815	2,427
	105,701	96,729
Securities received as collateral, net of securities pledged as collateral	12,364	10,005
Total	118,065	106,734
SECURITIES PLEDGED AS COLLATERAL	9,031	9,699
OTHER RECEIVABLES		
Customers (net of allowance for doubtful accounts of $63 in 2000 and $56 in 1999)	45,902	39,850
Brokers and dealers	8,740	9,095
Interest and other	7,673	7,505
Total	62,315	56,450
INVESTMENTS OF INSURANCE SUBSIDIARIES	4,087	4,097
LOANS, NOTES, AND MORTGAGES (net of allowance for loan losses of $170 in 2000 and $146 in 1999)	11,308	11,187
OTHER INVESTMENTS	3,363	3,410
EQUIPMENT AND FACILITIES (net of accumulated depreciation and		

amortization of $4,223 in 2000 and $4,069 in 1999)	3,152	3,117
GOODWILL (net of accumulated amortization of $591 in 2000 and $543 in 1999)	4,845	4,952
OTHER ASSETS	1,786	1,832
	--------	--------
TOTAL ASSETS	$363,944	$328,071
	========	========

</TABLE>

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

<TABLE>
<CAPTION>

(dollars in millions, except per share amount)	MARCH 31, 2000	DECEMBER 31, 1999
<S>	<C>	<C>
LIABILITIES		
PAYABLES UNDER REPURCHASE AGREEMENTS AND SECURITIES LOANED TRANSACTIONS	$ 84,995	$ 71,578
COMMERCIAL PAPER AND OTHER SHORT-TERM BORROWINGS	28,782	25,595
DEMAND AND TIME DEPOSITS	18,323	17,602
TRADING LIABILITIES, AT FAIR VALUE		
Contractual agreements	26,521	27,030
Equities and convertible debentures	22,404	20,231
U.S. Government and agencies	13,968	10,816
Non-U.S. governments and agencies	8,066	6,311
Corporate debt, preferred stock, and other	4,384	3,405
	--------	--------
Total	75,343	67,793
	--------	--------
OBLIGATION TO RETURN SECURITIES RECEIVED AS COLLATERAL	21,395	19,704
	--------	--------
OTHER PAYABLES		
Customers	25,161	22,722
Brokers and dealers	12,632	11,397
Interest and other	19,206	18,601
	--------	--------
Total	56,999	52,720

LIABILITIES OF INSURANCE SUBSIDIARIES	4,038	4,087
LONG-TERM BORROWINGS	56,877	53,465
TOTAL LIABILITIES	346,752	312,544
PREFERRED SECURITIES ISSUED BY SUBSIDIARIES	2,725	2,725
STOCKHOLDERS' EQUITY		
PREFERRED STOCKHOLDERS' EQUITY	425	425
COMMON STOCKHOLDERS' EQUITY		
Shares exchangeable into common stock	44	59
Common stock, par value $1.33 1/3 per share; authorized: 1,000,000,000 shares; issued: 2000 - 472,716,448 ; 1999 - 472,714,925	630	630
Paid-in capital	2,814	1,863
Accumulated other comprehensive loss (net of tax)	(388)	(389)
Retained earnings	13,591	12,667
	16,691	14,830
Less: Treasury stock, at cost: 2000 - 90,755,904 shares; 1999 - 104,949,595 shares	1,526	1,817
Employee stock transactions	1,123	636
TOTAL COMMON STOCKHOLDERS' EQUITY	14,042	12,377
TOTAL STOCKHOLDERS' EQUITY	14,467	12,802
TOTAL LIABILITIES, PREFERRED SECURITIES ISSUED BY SUBSIDIARIES, AND STOCKHOLDERS' EQUITY	$363,944	$328,071

</TABLE>

See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

<TABLE>
<CAPTION>

FOR THE THREE MONTHS ENDED

(dollars in millions)	MARCH 31, 2000	MARCH 26, 1999
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 1,037	$ 609
Noncash items included in earnings:		
Depreciation and amortization	192	162
Policyholder reserves	48	54
Goodwill amortization	56	57
Amortization of stock-based compensation	119	113
Other	491	104
(Increase) decrease in operating assets(a):		
Trading assets	(9,070)	3,772
Cash and securities segregated for regulatory purposes or deposited with clearing organizations	(197)	733
Receivables under resale agreements and securities borrowed transactions	(17,406)	(14,006)
Customer receivables	(6,059)	(1,566)
Brokers and dealers receivables	355	3,818
Other	(501)	(861)
Increase (decrease) in operating liabilities(a):		
Trading liabilities	7,550	2,796
Payables under repurchase agreements and securities loaned transactions	13,417	2,885
Customer payables	2,439	(4,151)
Brokers and dealers payables	1,235	9,318
Other	698	(785)
CASH (USED FOR) PROVIDED BY OPERATING ACTIVITIES	(5,596)	3,052
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from (payments for):		
Maturities of available-for-sale securities	1,146	1,563
Sales of available-for-sale securities	667	951
Purchases of available-for-sale securities	(4,884)	(2,533)
Maturities of held-to-maturity securities	1,550	205
Purchases of held-to-maturity securities	(1,292)	(222)
Loans, notes, and mortgages	(244)	(782)
Acquisitions, net of cash acquired	-	(20)
Other investments and other assets	90	(424)
Equipment and facilities	(227)	(202)
CASH USED FOR INVESTING ACTIVITIES	(3,194)	(1,464)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from (payments for):		
Commercial paper and other short-term borrowings	3,187	(7,248)

Demand and time deposits	721	1,092
Issuance and resale of long-term borrowings	8,961	8,914
Settlement and repurchase of long-term borrowings	(5,265)	(5,921)
Issuance of treasury stock	196	75
Other common and preferred stock transactions	14	(171)
Dividends	(113)	(98)
	-------	--------
CASH PROVIDED BY (USED FOR) FINANCING ACTIVITIES	7,701	(3,357)
	-------	--------
DECREASE IN CASH AND CASH EQUIVALENTS	(1,089)	(1,769)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	10,827	12,530
	-------	-------
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 9,738	$10,761
	=======	=======

(a) Net of effects of acquisitions.

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Cash paid for:		
Income taxes	$ 130	$ 111
Interest	3,357	3,253

</TABLE>

See Notes to Consolidated Financial Statements

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
MARCH 31, 2000
(dollars in millions, except per share amounts)

NOTE 1. BASIS OF PRESENTATION

The Consolidated Financial Statements include the accounts of Merrill Lynch & Co., Inc. ("ML & Co.") and subsidiaries (collectively, "Merrill Lynch"). All material intercompany balances have been eliminated. The December 31, 1999 consolidated balance sheet was derived from the audited financial statements. The interim consolidated financial statements for the three-month periods are unaudited; however, in the opinion of Merrill Lynch management, all adjustments, consisting only of normal recurring accruals, necessary for a fair statement of the results of operations have been included.

These unaudited financial statements should be read in conjunction with the audited financial statements included in Merrill Lynch's Annual Report included as an exhibit to Form 10-K for the year ended December 31, 1999. The nature of Merrill Lynch's business is such that the results of any interim period are not necessarily indicative of results for a full year. Certain reclassifications have also been made to prior period financial statements, where appropriate, to conform to the current period presentation.

NOTE 2. SHORT-TERM BORROWINGS

Short-term borrowings at March 31, 2000 and December 31, 1999 are presented below:

<TABLE>
<CAPTION>

	MARCH 31, 2000	DEC. 31, 1999
<S>	<C>	<C>
PAYABLES UNDER REPURCHASE AGREEMENTS AND SECURITIES LOANED TRANSACTIONS		
Repurchase agreements	$ 73,656	$ 64,954
Securities loaned transactions	11,339	6,624
Total	$ 84,995	$ 71,578
COMMERCIAL PAPER AND OTHER SHORT-TERM BORROWINGS		
Commercial paper	$ 27,240	$ 24,198
Bank loans and other	1,542	1,397
Total	$ 28,782	$ 25,595
DEMAND AND TIME DEPOSITS		
Demand	$ 3,587	$ 3,498
Time	14,736	14,104
Total	$ 18,323	$ 17,602

</TABLE>

NOTE 3. COMMON STOCK

In February 2000, ML & Co. issued 1,523 shares of common stock to certain non-U.S. employees in connection with an employee incentive plan grant, thereby increasing issued shares to 472,716,448.

NOTE 4. SEGMENT INFORMATION

In reporting to management, Merrill Lynch's operating results are categorized into three business segments: the Corporate and Institutional Client Group ("CICG"), the Private Client Group ("PCG") and the Asset Management Group ("AMG"). Prior period amounts have been restated to conform to the 2000 presentation. For information on each segment's activities, see Management's Discussion and Analysis-Business Segments and the 1999 Annual Report included as an exhibit to Form 10-K.

Operating results by business segment follow:

<TABLE>
<CAPTION>

	CICG	PCG	AMG	CORPORATE ITEMS	TOTAL
THREE MONTHS ENDED MARCH 31, 2000					
<S>	<C>	<C>	<C>	<C>	<C>
Net interest revenue(a)	$ 314	$ 407	$ 19	$ (56)(b)	$ 684
All other revenues	3,047	3,009	599	(92)(c)	6,563
Net revenues	3,361	3,416	618	(148)	7,247
Non-interest expenses	2,255	2,928	502	(13)(d)	5,672

	CICG	PCG	AMG	CORPORATE ITEMS	TOTAL
Earnings (loss) before income taxes and dividends on preferred securities issued by subsidiaries	1,106	488	116	(135)	1,575
Income tax expense (benefit)	315	184	40	(50)	489
Dividends on preferred securities issued by subsidiaries	-	-	-	49	49
Net earnings (loss)	$ 791	$ 304	$ 76	$ (134)	$ 1,037
Total assets	$294,493	$61,985	$2,621	$4,845	$363,944

	CICG	PCG	AMG	CORPORATE ITEMS	TOTAL
THREE MONTHS ENDED MARCH 26, 1999					
Net interest revenue(a)	$ 173	$ 269	$ 4	$ (66)(b)	$ 380
All other revenues	2,116	2,342	491	(63)(c)	4,886
Net revenues	2,289	2,611	495	(129)	5,266
Non-interest expenses	1,622	2,223	433	(8)(d)	4,270
Earnings (loss) before income taxes and dividends on preferred securities issued by subsidiaries	667	388	62	(121)	996
Income tax expense (benefit)	194	145	21	(22)	338
Dividends on preferred securities issued by subsidiaries	-	-	-	49	49
Net earnings (loss)	$ 473	$ 243	$ 41	$ (148)	$ 609
Total assets	$259,393	$47,652	$2,401	$5,174	$314,620

</TABLE>

(a) Management views interest income net of interest expense in evaluating results.
(b) Represents Mercury financing costs.
(c) Represents the elimination of intersegment revenues.
(d) Represents goodwill amortization of $56 million and $57 million, net of elimination of intersegment expenses of $69 million and $65 million, for the three months ended March 31, 2000 and March 26, 1999, respectively.

NOTE 5. COMPREHENSIVE INCOME

The components of comprehensive income are as follows:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED	
	MARCH 31, 2000	MARCH 26, 1999
<S>	<C>	<C>
Net earnings	$1,037	$ 609
Other comprehensive income (loss), net of tax:		
Currency translation adjustment	(9)	(117)
Net unrealized gain (loss) on investment securities available-for-sale	10	(33)
Total other comprehensive income (loss), net	1	(150)
Comprehensive income	$1,038	$ 459

</TABLE>

NOTE 6. EARNINGS PER COMMON SHARE

Information relating to earnings per common share computations follows:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED	
	MARCH 31, 2000	MARCH 26, 1999
<S>	<C>	<C>
Net earnings	$ 1,037	$ 609
Preferred stock dividends	9	10
Net earnings applicable to common stockholders	$ 1,028	$ 599
(shares in thousands)		
Weighted-average shares outstanding	381,641	364,039
Effect of dilutive instruments(1)(2):		
Employee stock options	30,964	29,833
FCCAAP shares	14,108	16,548
Restricted units	5,581	5,161
ESPP shares	78	81
Dilutive potential common shares	50,731	51,623
Total weighted-average diluted shares	432,372	415,662
Basic earnings per common share	$ 2.69	$ 1.65
Diluted earnings per common share	$ 2.38	$ 1.44

</TABLE>

(1) During the 2000 first quarter and the 1999 first quarter, there were 76 thousand and 469 thousand instruments, respectively, that were considered antidilutive and were not included in the above computations.
(2) See Note 11 to Consolidated Financial Statements in the 1999 Annual Report included as an exhibit to Form 10-K for a description of these instruments.

NOTE 7. DERIVATIVES, COMMITMENTS, AND OTHER CONTINGENCIES

Merrill Lynch enters into various derivative contracts to meet clients' needs and to manage its own market risks. Derivative contracts often involve future commitments to exchange interest payment streams or currencies (such as interest rate and currency swaps or foreign exchange forwards) or to purchase or sell other financial instruments at specified terms on a specified date. Options, for example, can be purchased or written on a wide range of financial instruments such as securities, currencies, futures, and various market indices.

The notional or contractual amounts of derivatives provide only a measure of involvement in these types of transactions and represent neither the amounts subject to the various types of market risk nor the future cash requirements under these instruments. The notional or contractual amounts of derivatives used for trading purposes and included in trading inventory by type of risk follow:

(in billions)	INTEREST RATE RISK(1)(2)	CURRENCY RISK(3)	EQUITY PRICE RISK	COMMODITY PRICE RISK
MARCH 31, 2000				
Swap agreements	$ 2,540	$ 143	$ 30	$ 4
Forward contracts	92	164	-	1
Futures contracts	227	2	13	2
Options purchased	169	98	39	2
Options written	254	83	49	4
DECEMBER 31, 1999				
Swap agreements	$ 2,470	$ 175	$ 27	$ 3
Forward contracts	94	153	3	1
Futures contracts	224	3	12	3
Options purchased	216	102	53	2
Options written	270	71	53	4

(1) Certain derivatives subject to interest rate risk are also exposed to the credit spread risk of the underlying financial instrument.
(2) Forward contracts subject to interest rate risk principally represent "To Be Announced" mortgage pools that bear interest rate as well as principal prepayment risk.
(3) Included in the currency risk category are certain contracts that are also subject to interest rate risk.

The notional or contractual amounts of non-trading derivatives used to hedge market risk exposures on non-trading assets and liabilities at March 31, 2000 and December 31, 1999 follow:

(in billions)	MARCH 31, 2000	DEC. 31, 1999
Borrowings:		
Interest rate risk (1)	$ 39	$ 44
Currency risk	1	1
Equity risk	6	3
Investment securities (2)	11	11
Resale and repurchase agreements (2)	6	6
Customer receivables (2)	7	6
Investment in non-U.S. subsidiaries (3)	4	3
Other	3	3

(1) Includes $10 billion of instruments which also contain currency risk and $4 billion of instruments that also contain equity risk at both March 31, 2000 and December 31, 1999.
(2) Primarily hedging interest rate risk.
(3) Hedging currency risk.

Most of these derivatives are entered into with Merrill Lynch's derivative dealer subsidiaries, which hedge interest rate, currency, and equity risks in the normal course of their trading activities. Realized gains and losses on early terminations of derivatives are deferred over the remaining lives of the hedged assets or liabilities. At March 31, 2000, there was $20 million in deferred gains relating to a derivative contract terminated during 1999.

In the normal course of business, Merrill Lynch enters into underwriting commitments and commitments to extend credit. Settlement of these commitments as of March 31, 2000 would not have a material effect on the consolidated financial condition of Merrill Lynch.

As of March 31, 2000, Merrill Lynch has been named as parties in various actions, some of which involve claims for substantial amounts. Although the results of legal actions cannot be predicted with certainty, it is the opinion of management that the resolution of these actions will not have a material adverse effect on Merrill Lynch's financial condition; however, such resolution could have a material adverse impact on quarterly operating results in future periods, depending in part on the results for such periods. Refer to Part II - Other Information for additional information on legal proceedings.

NOTE 8. REGULATORY REQUIREMENTS

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a registered broker-dealer, is subject to the net capital requirements of Rule 15c3-1 under the Securities Exchange Act of 1934. Under the alternative method permitted by this rule, the minimum required net capital, as defined, shall not be less than 2% of aggregate debit items arising from customer transactions. At March 31, 2000, MLPF&S's regulatory net capital of $3,188 million was 11% of aggregate debit items, and its regulatory net capital in excess of the minimum required was $2,586 million.

Merrill Lynch International ("MLI"), a U.K. registered broker-dealer, is subject to the capital requirements of the Financial Services Authority ("FSA"). Financial resources, as defined, must exceed the total financial resources requirement of the FSA. At March 31, 2000, MLI's financial resources were $4,617 million and exceeded the minimum requirement by $1,091 million.

Merrill Lynch Government Securities Inc. ("MLGSI"), a primary dealer in U.S. Government securities, is subject to the capital adequacy requirements of the Government Securities Act of 1986. This rule requires dealers to maintain liquid capital in excess of market and credit risk, as defined, by 20% (a 1.2-to-1 capital-to-risk standard). At March 31, 2000, MLGSI's liquid capital of $1,472 million was 313% of its total market and credit risk, and liquid capital in excess of the minimum required was $908 million.

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Stockholders of
Merrill Lynch & Co., Inc.:

We have reviewed the accompanying condensed consolidated balance sheet of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 31, 2000, and the related condensed consolidated statements of earnings and cash flows for the three-month periods ended March 31, 2000 and March 26, 1999. These financial statements are the responsibility of Merrill Lynch's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America (hereinafter referred to as "generally accepted auditing standards"), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Merrill Lynch as of December 31, 1999, and the related consolidated statements of earnings, changes in stockholders' equity, comprehensive income and cash flows for the year then ended (not presented herein); and in our report dated February 28, 2000, we expressed an unqualified opinion and included an explanatory paragraph for the change in accounting method in 1998 for certain internal-use software development costs to conform with Statement of Position 98-1. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 1999 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Deloitte & Touche LLP

New York, New York
May 12, 2000

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Merrill Lynch & Co., Inc. ("ML & Co." and, together with its subsidiaries and affiliates, "Merrill Lynch") is a holding company that, through its subsidiaries and affiliates, provides investment, financing, advisory, insurance, and related services worldwide. Merrill Lynch conducts its businesses in global financial markets that are influenced by numerous unpredictable factors including economic conditions, monetary policies, liquidity, international and regional political events, regulatory developments, the competitive environment, and investor sentiment. These conditions or events can significantly affect the volatility of financial markets. While greater volatility increases risk, it may also increase order flow in businesses such as trading and brokerage. Revenues and net earnings may vary significantly from period to period due to these unpredictable factors and the resulting market volatility.

The financial services industry continues to be affected by the intensifying competitive environment, as demonstrated by consolidation through mergers and acquisitions, as well as diminishing margins in many mature products and services, and competition from new entrants as well as established competitors using the internet to establish or expand their businesses. In addition, the passage of the Gramm-Leach-Bliley Act in November of 1999 represented a significant accomplishment in the effort to modernize the financial services industry in the U.S. by repealing anachronistic laws that separated commercial banking, investment banking and insurance activities. The Gramm-Leach-Bliley Act, together with other changes in the financial services industry made possible by previous reforms, has increased the number of companies competing for a similar customer base.

In addition to providing historical information, Merrill Lynch may make or publish forward-looking statements about management expectations, strategic objectives, business prospects, anticipated financial performance, and other similar matters. A variety of factors, many of which are beyond its control, affect the operations, performance, business strategy, and results of Merrill Lynch and could cause actual results and experience to differ materially from the expectations expressed in these statements. These factors include, but are not limited to, the factors listed in the previous paragraphs, as well as actions and initiatives taken by both current and potential competitors, the impact of current pending and future legislation and regulation throughout the world, and the other risks detailed in the following sections.

MERRILL LYNCH UNDERTAKES NO RESPONSIBILITY TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS.

BUSINESS ENVIRONMENT

Global financial markets experienced volatility in the first quarter of 2000, after a stellar performance in 1999. Uncertainty regarding the direction of U.S. interest rates, weakness in the U.S. dollar versus the Japanese yen, and increased investor concern regarding continued economic growth contributed to lower debt underwriting activity industry-wide. Investor and issuer demand in the equity markets was up significantly from the 1999 first quarter, as investor demand led to surging trading volumes.

Long-term U.S. interest rates, as measured by the yield on the 30-year U.S. Treasury bond declined during the first quarter of 2000. Short-term U.S. rates, however, increased twice during the quarter, in February and March, when the Federal Reserve Board raised the overnight lending rate twenty-five basis points on each occasion in an effort to slow economic growth and hold down inflationary pressures. Long-term interest rates in Europe generally increased during the first quarter, and were higher compared with the 1999 first quarter. Credit spreads, which represent the risk premium over the risk-free rate paid by an issuer (based on the issuer's perceived creditworthiness), widened in the first quarter of 2000.

U.S. equity indices, which experienced extraordinary gains during 1999, were turbulent in the first quarter of 2000. The Federal Reserve Board's decision to raise the overnight lending rate on two separate occasions, in addition to investor concern about the direction of interest rates, inflation, and continued economic growth contributed to little or no growth in most equity indices.

Widely watched market indicators demonstrated the volatility that occurred during the quarter. The Nasdaq Composite Index experienced both its single biggest point drop and its record high during the quarter, ending the period up 12.4%. This represents an increase of 85.8% from the first quarter of 1999, fueled by investor demand for technology stocks. The Dow Jones Industrial Average fell 5.0% during the quarter, demonstrating a lack of investor interest in blue chip stocks, but was up 11.6% from the end of the first quarter of 1999. The S&P 500 advanced 2.0% in the quarter, and 16.5% since the end of the 1999 first quarter.

Global equity markets, as measured by the Dow Jones World Index, advanced only 1.0% during the quarter, and 22.2% since the end of the first quarter of 1999. The renewed strength of the Japanese yen and concern over rising U.S. interest rates prevented many global equity markets from achieving the significant gains recorded in the first three months of 1999. During the quarter, Tokyo stocks fell 4% in both U.S. dollar and local currency terms as the Bank of Japan's monetary policy remained unchanged. Virtually all other Asian equity markets suffered declines during the quarter, with the exception of Malaysia, which led all Dow Jones country indices with a 20% return for the quarter. Latin American equity markets were primarily unchanged from the 1999 year-end, due to lack of investor interest. European markets generally improved in the quarter, led by gains in the media and technology sectors, which rose 30% and 18%, respectively. The best overall performer in Europe was Germany, with a 9.5% increase, sparked by increased merger and acquisition activity.

Concerns over U.S. interest rates contributed to a decrease in global debt underwriting volume during the first quarter of 2000, which declined to $754 billion from $916 billion in the 1999 first quarter, according to Thomson Financial Securities Data. In the fourth quarter of 1999, global debt underwriting volume was $489 billion. A widening in corporate bond yield spreads, due to rising interest rates, caused a decline in volume of new issues. Equity underwriting, driven by technology, telecommunications, and healthcare, was more robust, as IPO underwriting in the U.S. reached $24 billion, down from a record $29 billion in the fourth quarter of 1999, but up sharply from the $9 billion reported in the 1999 first quarter.

Strategic advisory services activities remained healthy during the 2000 first quarter, reflecting a continuation of the high level of merger and acquisition activity experienced in 1999. Global announced mergers and acquisitions totalled $1.2 trillion in the 2000 first quarter, up from $1.1 trillion in the fourth quarter of 1999, and $685 billion in the year-ago period, according to Thomson Financial Securities Data. Continued consolidations in the technology and telecommunications sectors and international mergers contributed to the increased activity.

Merrill Lynch continually evaluates its businesses for profitability and performance under varying market conditions and, in light of the evolving conditions in its competitive environment, for alignment with its long-term strategic objectives. Maintaining long-term client relationships, closely monitoring costs and risks, diversifying revenue sources, and expanding strategically, all contribute to mitigating the effects of volatility on Merrill Lynch's business as a whole.

RESULTS OF OPERATIONS

<TABLE>
<CAPTION>

	FOR THE THREE MONTHS ENDED			INCREASE VERSUS 1Q00	
(dollars in millions, except per share amounts)	MARCH 31, 2000	DEC. 31, 1999	MARCH 26, 1999	4Q99	1Q99

<S> <C> C> <C> <C> <C>

Total revenues	$11,026	$9,270	$8,567	19%	29%
Net revenues	7,247	5,895	5,266	23	38
Pre-tax earnings	1,575	1,160	996	36	58
Net earnings	1,037	764	609	36	70
Net earnings applicable to common stockholders	1,028	755	599	36	72
Earnings per common share					
Basic	2.69	2.03	1.65	33	63
Diluted	2.38	1.80	1.44	32	65
Annualized return on average common stockholders' equity	31.1%	23.8%	24.6%		
Effective tax rate	31.0	29.8	33.9		

</TABLE>

The following discussion compares the first quarters of 2000 and 1999 and, where appropriate, contrasts the first quarter of 2000 with the fourth quarter of 1999.

Merrill Lynch's net earnings were a record $1.037 billion for the first quarter of 2000, up 70% from $609 million reported in the 1999 first quarter, and surpassing the previous record of $764 million set in the 1999 fourth quarter. Earnings per common share were $2.69 basic and $2.38 diluted, compared with $1.65 basic and $1.44 diluted in the 1999 first quarter.

Net revenues reached a record $7.2 billion, up 38% from the 1999 first quarter, as new highs were achieved in most revenue categories, including commissions, principal transactions, asset management and portfolio service fees, and net interest.

Annualized return on common equity was approximately 31.1% compared with 24.6% in the first quarter a year ago. The pre-tax profit margin for the first quarter of 2000 was 21.7%, the highest level reported since the full year 1993 and the first quarter of 1994.

Commissions revenues are summarized as follows:

<TABLE>
<CAPTION>

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 26, 1999	% INCREASE
<S>	<C>	<C>	<C>
Listed and over-the-counter	$ 1,253	$ 882	42 %
Mutual funds	661	483	37
Other	238	202	18
Total	$ 2,152	$ 1,567	37

</TABLE>

Commissions revenues were a record $2.2 billion, up 37% from the 1999 first quarter, due to increased trading volume of listed securities, primarily on non-U.S. exchanges, and higher proprietary and non-proprietary mutual fund sales.

Net trading revenues, representing principal transactions revenues and related net interest, are presented in the table below. Interest revenue and expense amounts are based on management's assessment of the cost to finance trading positions, after consideration of the underlying liquidity of these positions.

Trading and related hedging and financing activities affect the recognition of both principal transactions revenues and net interest and dividend revenues. In assessing the profitability of its trading activities, Merrill Lynch aggregates net interest and principal transactions revenues. For financial reporting purposes, however, realized and unrealized gains and losses on trading positions, including hedges, are recorded in principal transactions revenues. The net interest carry (i.e., the spread representing interest earned less financing costs) for trading positions, including hedges, is recorded either as principal transactions revenues or net interest revenues, depending on the nature of the specific instruments. Changes in the composition of trading inventories and hedge positions can cause the recognition of revenues within these categories to fluctuate.

<TABLE>
<CAPTION>

(in millions)	PRINCIPAL TRANSACTIONS REVENUES THREE MONTHS ENDED MAR. 31, 2000	MAR. 26, 1999	NET INTEREST REVENUES THREE MONTHS ENDED MAR. 31, 2000	MAR. 26, 1999	NET TRADING REVENUES THREE MONTHS ENDED MAR. 31, 2000	MAR. 26, 1999
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Equities and equity derivatives	$ 1,185	$ 667	$ 47	$ 5	$ 1,232	$ 672
Debt and debt derivatives	537	671	75	81	612	752
Mortgages	12	51	55	68	67	119
Foreign exchange	53	55	2	(1)	55	54
Total	$ 1,787	$ 1,444	$ 179	$ 153	$ 1,966	$ 1,597

</TABLE>

Net trading revenues were $2.0 billion, up 23% from $1.6 billion in the 1999 first quarter, driven by record revenues in equity and equity derivatives trading, partially offset by a decline in debt and debt derivatives and mortgages net trading revenues.

Equities and equity derivatives net trading revenues were a record $1.2 billion, up 83% from the 1999 first quarter, and far exceeding the previous best quarter, driven by exceptionally high trading volume in both secondary cash and equity-linked products in the U.S. and global markets.

Debt and debt derivatives net trading revenues were $612 million, down 19% from the record reported in the 1999 first quarter, partly due to decreases in corporate debt and Japanese and Latin American debt trading, compared with the corresponding period a year ago.

Mortgage net trading revenues decreased 44% from first quarter 1999 to $67 million, partially due to lower customer demand. Foreign exchange net trading revenues were $55 million, up 2% from the first quarter of 1999.

Investment banking revenues rose 57% from the 1999 first quarter to $996 million in the first quarter of 2000, as equity underwriting revenues more than doubled from the 1999 first quarter. Strategic advisory service revenues also increased from the 1999 first quarter due to higher levels of activity, particularly in Europe. A summary of Merrill Lynch's investment banking revenues follows:

<TABLE>
<CAPTION>

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	MARCH 26, 1999	% INCREASE

Underwriting	$ 623	$ 427	46 %
Strategic services	373	206	81
Total	$ 996	$ 633	57

Merrill Lynch remained the leading underwriter of total debt and equity offerings in both the U.S. and global markets during the first quarter of 2000. In addition, Merrill Lynch retained its number one position in U.S. and global debt underwriting. Merrill Lynch's underwriting market share information based on transaction value follows:

	THREE MONTHS ENDED			
	MARCH 31, 2000		MARCH 26, 1999	
	MARKET SHARE	RANK	MARKET SHARE	RANK
U.S. PROCEEDS				
Debt	15.2 %	1	15.1 %	1
Equity	9.2	5	16.3	2
Debt and equity	14.3	1	15.6	1
GLOBAL PROCEEDS				
Debt	11.4	1	11.5	1
Equity	10.6	3	11.2	3
Debt and equity	11.4	1	11.8	1

Source: Thomson Financial Securities Data statistics based on full credit to book manager.

Strategic services fees increased 81% from the 1999 first quarter to $373 million, benefiting from higher levels of merger and acquisition activity, particularly in Europe. Merrill Lynch's merger and acquisition market share information for the 2000 and 1999 first quarters based on transaction value follows:

	THREE MONTHS ENDED			
	MARCH 31, 2000		MARCH 26, 1999	
	MARKET SHARE	RANK	MARKET SHARE	RANK
COMPLETED TRANSACTIONS				
U.S.	15.7%	5	35.9%	3
Global	32.9	3	26.2	3
ANNOUNCED TRANSACTIONS				
U.S.	44.2	3	26.2	3
Global	28.3	3	21.9	3

Source: Thomson Financial Securities Data statistics based on full credit to both target and acquiring companies' advisors.

Asset management and portfolio service fees reached a record $1.4 billion, a 25% increase from a year ago. A summary of asset management and portfolio service fees is as follows:

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 26, 1999	% INCREASE
<S>	<C>	<C>	<C>
Asset management fees	$ 639	$ 526	21 %
Portfolio service fees	483	333	45
Account fees	134	127	6
Other fees	134	124	8
Total	$ 1,390	$ 1,110	25

</TABLE>

Asset management fees increased 21% from the 1999 first quarter, as a result of a 10% growth in assets under management, which reached a record $568 billion at the end of the first quarter. The growth in assets under management was attributable to a net inflow of customer assets as well as asset appreciation. Record portfolio service fees were achieved during the first quarter as assets in fee-based accounts rose 21% from the end of 1999, driven by strong growth in Unlimited Advantage (Service Mark) and ML Consults (Registered Trademark). The majority of the revenues associated with these accounts is included in portfolio service fees, with the remainder in asset management fees.

Total assets in Private Client accounts or under management were a record $1.8 trillion at the end of the first quarter of 2000, representing an increase of $307 billion, or 21%, from the end of the first quarter a year ago. Assets under management, which are included in total assets in Private Client accounts or under management, totaled $568 billion at the end of the first quarter of 2000, an increase of $53 billion from the end of the 1999 first quarter, as discussed in the previous paragraph. The changes in these balances are noted as follows:

<TABLE>
<CAPTION>

(in billions)	MARCH 26, 1999	NET CHANGES DUE TO NET NEW MONEY (1)	NET CHANGES DUE TO ASSET APPRECIATION (2)	MARCH 31, 2000
<S>	<C>	<C>	<C>	<C>
Total assets in Private Client accounts or under management	$ 1,484	$ 140	$ 167	$ 1,791
Total assets under management	515	16	37	568

</TABLE>

1. Includes reinvested dividends.
2. Includes foreign exchange translation adjustments of $(4) billion.

Other revenues were up 80% from the 1999 first quarter to $238 million, primarily as a result of higher income from partnership investments and net investment gains.

Significant components of interest and dividend revenues and interest expense follow:

<TABLE>
<CAPTION>

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 26, 1999
<S>	<C>	<C>
INTEREST AND DIVIDEND REVENUES		

Resale agreements and securities borrowed transactions	$ 1,677	$ 1,367
Trading assets	961	1,030
Margin lending	1,061	683
Other	764	601
Total	4,463	3,681
INTEREST EXPENSE		
Repurchase agreements and securities loaned transactions	1,350	1,237
Borrowings	1,379	1,111
Trading liabilities	448	526
Other	602	427
Total	3,779	3,301
NET INTEREST AND DIVIDEND PROFIT	$ 684	$ 380

</TABLE>

Interest and dividend revenues and expenses are a function of the level and mix of interest-earning assets and interest-bearing liabilities and the prevailing level, term structure, and volatility of interest rates. Net interest and dividend profit in the first quarter of 2000 was up 80% from the first quarter of 1999, mainly due to higher customer lending, changes in asset/liability composition, and higher dividends.

Merrill Lynch hedges certain of its long- and short-term borrowings, primarily with interest rate and currency swaps, to better match the interest rate and currency characteristics of the borrowings to the assets funded by borrowing proceeds. The effect of this hedging activity, which is included in "Borrowings" in the previous table, decreased interest expense by $8 million and $79 million for the 2000 and 1999 first quarters, respectively.

Merrill Lynch's non-interest expenses are summarized below:

<TABLE>
<CAPTION>

	THREE MONTHS ENDED	
(in millions)	MARCH 31, 2000	MARCH 26, 1999
<S>	<C>	<C>
Compensation and benefits	$ 3,808	$ 2,762
Non-interest expenses, excluding compensation and benefits:		
Communications and technology	578	480
Occupancy and related depreciation	250	227
Advertising and market development	244	152
Brokerage, clearing, and exchange fees	192	154
Professional fees	147	117
Goodwill amortization	56	57
Other	397	321
Total non-interest expenses, excluding compensation and benefits	1,864	1,508
Total non-interest expenses	$ 5,672	$ 4,270
Compensation and benefits as a percentage of net revenues	52.5%	52.4%
Compensation and benefits as a percentage of pre-tax earnings before compensation and benefits	70.7	73.5

</TABLE>

Non-interest expenses, excluding compensation costs, were up 24% from the 1999 first quarter. Non-interest expenses, excluding compensation costs, were 25.7% of net revenues for the first quarter of 2000, a record low, down from 28.6% in the first quarter of 1999.

Compensation and benefits, the largest expense category, were $3.8 billion, up

38% from the 1999 first quarter, as increased profitability led to higher incentive compensation. Compensation and benefits as a percentage of net revenues was 52.5% for the first quarter of 2000, virtually unchanged from the first quarter of 1999.

Communications and technology expenses were $578 million, up 20% from the 1999 first quarter, partly due to increased systems consulting costs related to various initiatives, including Direct Markets and ML Direct. Higher technology-related depreciation and increased webhosting service costs related to online initiatives also contributed to the overall increase.

Occupancy and related depreciation expense was $250 million in the first quarter of 2000, up 10% from the comparable period in 1999.

Advertising and market development expense rose 61% from the 1999 first quarter to $244 million, as a result of increased advertising costs related to the launch of new products and a new corporate branding campaign. The increase

was also driven by higher travel and entertainment expenses and sales promotion costs associated with increased business activity.

Brokerage, clearing, and exchange fees increased 25% to $192 million due to increased global transaction volume.

Professional fees were $147 million, up 26% from the 1999 first quarter, primarily due to higher legal, consulting, and employment service fees.

Goodwill amortization was $56 million in the first quarter of 2000, virtually unchanged from the first quarter a year ago. Other expenses were $397 million, up 24% from the first quarter of 1999, due in part to higher provisions related to various legal and business matters and increased business activity.

For the first quarter of 2000, the effective tax rate was 31.0%, compared to 33.9% in the first quarter of 1999.

BUSINESS SEGMENTS

Merrill Lynch reports the results of its business within three business segments: Corporate and Institutional Client Group ("CICG"), Private Client Group ("PCG"), and Asset Management Group ("AMG"). CICG's activities primarily involve providing services to corporate, institutional, and governmental clients throughout the world. PCG provides investment, financing, insurance, tax, and other financial services and products to retail clients globally. AMG provides investment management services to a wide variety of retail and institutional clients. For further information on services provided to clients within these segments, see the 1999 Form 10-K and the 1999 Annual Report included as an exhibit thereto.

Certain AMG and CICG products are distributed by PCG distribution networks, and to a more limited extent, certain AMG products are distributed through the distribution capabilities of CICG. Expenses and revenues associated with these intersegment activities are recognized in each segment and eliminated at the corporate level. Expenses of $69 million and $65 million and revenues of $92 million and $63 million for the 2000 and 1999 first quarters, respectively, were eliminated. In addition, revenue sharing agreements for shared activities are in place and the results of each segment reflect the agreed upon portion of these activities. The segment operating results exclude certain corporate items, which reduced net earnings for the 2000 and 1999 first quarters by $134 million and $148 million, respectively. (See Note 4 to Consolidated Financial Statements - Unaudited.)

CORPORATE AND INSTITUTIONAL CLIENT GROUP

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	MARCH 26, 1999
Net revenues	$3,361	$2,289
Net earnings	791	473

CICG had its best quarter ever for both net revenues and earnings, benefiting from strong performances across all regions and businesses. Net revenues were

$3.4 billion, representing a 47% increase from the first quarter of 1999, and net earnings were $791 million, up 67% from the 1999 first quarter level. Equity trading and origination revenues were both up sharply from the first quarter of 1999, due to a favorable environment for equity issuances, specifically within the technology sector. The strategic advisory business also posted strong results for the quarter, with revenues 81% above the first quarter of 1999, and only 9% below the record posted in the fourth quarter of 1999. Revenues from the Debt Markets business were slightly lower than the first quarter of 1999, as rising interest rates during the quarter led to decreased industry-wide debt underwriting activity. Merrill Lynch retained its position as the leading underwriter of total debt and equity securities, both in the U.S. and globally, as well as the #1 position in U.S. and global debt underwriting.

PRIVATE CLIENT GROUP

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 26, 1999
Net revenues	$3,416	$2,611
Net earnings	304	243

Net revenues and net earnings for PCG were $3.4 billion and $304 million, respectively, in the first quarter of 2000, up 31% and 25% from $2.6 billion and $243 million reported in the 1999 first quarter. Record revenues in both Commissions and portfolio service fees resulted from increased trading volume and growth in fee-based accounts. Also included in the first quarter 2000 results is an after-tax gain of approximately $15 million from the sale of Merrill Lynch's retail brokerage business in Puerto Rico.

Total assets in U.S. client accounts grew 6% during the first quarter of 2000, to a record $1.4 trillion with net new money inflows of $48 billion. Outside the U.S., client assets reached $149 billion, with net new money of $11 billion during the quarter. Total assets in fee-based accounts rose to $203 billion, more than double the level from a year ago, and up 21% from the end of 1999.

Unlimited Advantage, Merrill Lynch's total access fee-based account, introduced in June 1999, contributed to the segment's strong results, with an increase in revenues of more than 50% from the fourth quarter of 1999. Client assets in Unlimited Advantage accounts grew to $88 billion, representing an increase of 40% from year-end. In addition, client assets in ML Direct, the online investing service for self-directed investors, grew from $300 million at the end of 1999 to more than $2 billion during its first full quarter in operation. ML Direct was named as one of the "Best of the Web" among online brokers by Forbes magazine, and received a four-star rating in Barron's annual survey of online brokers.

In April 2000, Merrill Lynch and HSBC Holdings plc announced a new company to create the first global online banking and investment services company, serving individual customers (except in the U.S.). The new company, headquartered in London, will be launched later this year in the United Kingdom, followed by offices in Australia, Canada, Germany, Hong Kong, and Japan, with other parts of the world to follow.

ASSET MANAGEMENT GROUP

(in millions)	THREE MONTHS ENDED MARCH 31, 2000	THREE MONTHS ENDED MARCH 26, 1999
Net revenues	$618	$495
Net earnings	76	41

Net revenues and net earnings for AMG were $618 million and $76 million, respectively, in the first quarter of 2000, up 25% and 85% from $495 million and $41 million in the 1999 first quarter. Assets under management reached a record

$568 billion, up 10% from the end of the 1999 first quarter, on strong net inflows of new money for the second straight quarter. AMG launched several new funds during the quarter, including two U.S. retail offerings which collectively raised over $2.3 billion.

Internationally, AMG also performed well, with net new money in all regions, except Europe. The move to open architecture, with increased third party distribution arrangements in Europe continued, and sales of Mercury Select Trust Funds totaled nearly $2 billion for the quarter. In addition, Merrill Lynch Quantitative Advisors, the quantitative investment team formed in 1999, won significant mandates from New York City, the impact of which is not included in this quarter's results.

CAPITAL ADEQUACY AND LIQUIDITY

The primary objectives of Merrill Lynch's capital structure and funding policies are to:

1. Ensure sufficient equity capital to absorb losses,
2. Support the business strategies, and
3. Assure liquidity at all times, across market cycles, and through periods of financial stress.

These objectives and Merrill Lynch's capital structure and funding policies are discussed more fully in the 1999 Annual Report included as an exhibit to Form 10-K.

Among U.S. institutions engaged primarily in the global securities business, Merrill Lynch is one of the most highly capitalized, with $14.0 billion in common equity, $425 million in preferred stock, and $2.7 billion of preferred securities issued by subsidiaries at March 31, 2000. Preferred securities issued by subsidiaries consist primarily of Trust Originated Preferred Securities (Service Mark)("TOPrS"(Service Mark)). Based on various analyses and criteria, management believes that Merrill Lynch's equity capital base of $17.2 billion is adequate.

Merrill Lynch's leverage ratios were as follows:

	LEVERAGE RATIO(1)	ADJUSTED LEVERAGE RATIO(2)
PERIOD END		
March 31, 2000	21.2x	13.1x
December 31, 1999	21.1x	13.4x
AVERAGE (3)		
Quarter ended March 31, 2000	21.8x	13.4x
Year ended December 31, 1999	23.2x	14.4x

(1) Total assets to total stockholders' equity and preferred securities issued by subsidiaries.
(2) Total assets less (a) securities received as collateral, net of securities pledged as collateral, (b) securities pledged as collateral, and (c) receivables under resale agreements and securities borrowed transactions, to total stockholders' equity and preferred securities issued by subsidiaries.
(3) Computed using month-end balances.

An asset-to-equity leverage ratio does not reflect the risk profile of assets, hedging strategies, or off-balance sheet exposures. Thus, Merrill Lynch does not rely on overall leverage ratios to assess risk-based capital adequacy.

Commercial paper outstanding totaled $27.2 billion at March 31, 2000 and $24.2 billion at December 31, 1999, which was equal to 7.5% and 7.4% of total assets at March 31, 2000 and year-end 1999, respectively. Outstanding long-term borrowings increased to $56.9 billion at March 31, 2000 from $53.5 billion at December 31, 1999. Major components of the change in long-term borrowings during the 2000 first quarter follow:

(in billions)	

Balance at December 31, 1999	$53.5
Issuances	9.0
Maturities	(5.3)
Other, net	(0.3)
Balance at March 31, 2000(1)	$56.9

</TABLE>

(1) At the end of the 2000 first quarter, $44.7 billion of long-term borrowings had maturity dates beyond one year.

In addition to equity capital sources, Merrill Lynch views long-term debt as a stable funding source for its core balance sheet assets. Other sources of liquidity include a committed, senior, unsecured bank credit facility that, at March 31, 2000, totaled $8.0 billion and was not drawn upon. Additionally, Merrill Lynch maintains access to significant uncommitted credit lines, both secured and unsecured, from a large group of banks.

The cost and availability of unsecured financing generally are dependent on credit ratings. Merrill Lynch's senior long-term debt, preferred stock, and TOPrS were rated by several recognized credit rating agencies at March 31, 2000 as follows:

<TABLE>
<CAPTION>

RATING AGENCY	SENIOR DEBT RATINGS	PREFERRED STOCK AND TOPRS RATINGS
<S>	<C>	<C>
Duff & Phelps Credit Rating Co.	AA	AA-
Fitch IBCA, Inc.	AA	AA-
Japan Rating & Investment Information, Inc.	AA	A+
Moody's Investors Service, Inc.	Aa3	aa3
Standard & Poor's	AA-	A
Thomson Financial BankWatch, Inc.	AA+	Not Rated

</TABLE>

AVERAGE ASSETS AND LIABILITIES

Merrill Lynch monitors changes in its balance sheet using average daily balances that are determined on a settlement date basis and reported for management information purposes. Financial statement balances are recorded on a trade date basis as required under generally accepted accounting principles. The following discussion compares changes in settlement date average daily balances.

For the first three months of 2000, average total assets were $356 billion, up 7% from $333 billion for the 1999 fourth quarter. Average total liabilities increased 7% to $339 billion from $318 billion for the 1999 fourth quarter. The major components in the growth in average total assets and liabilities for the first three months of 2000 are summarized as follows:

<TABLE>
<CAPTION>

(in millions)	INCREASE (DECREASE)	CHANGE
<S>	<C>	<C>
AVERAGE ASSETS		
Trading assets	$ 8,492	8 %
Receivables under resale agreements and securities borrowed transactions	7,398	7
Customer receivables	5,709	11
Securities pledged as collateral	(3,719)	(28)
AVERAGE LIABILITIES		
Trading liabilities	$ 7,694	11 %
Commercial paper and other short-term borrowings	7,606	44
Customer payables	5,356	24
Payables under repurchase agreements and securities loaned transactions	2,387	3

- ---
</TABLE>

During the first quarter of 2000, trading assets and liabilities rose as volume increased, benefiting from higher customer demand. Additionally, receivables under resale agreements and securities borrowed transactions, and payables under repurchase agreements and securities loaned transactions rose both to meet higher funding requirements resulting from increased trading activity, and from increased matched-book activity. Higher trading volume during the quarter, as compared with the fourth quarter of 1999, also caused an increase in the average customer receivable and payable balances. The growth in average assets was partly funded by increased issuances of commercial paper during the quarter.

- --
NON-INVESTMENT GRADE HOLDINGS
- --

Non-investment grade holdings, which include transactions with highly leveraged counterparties, involve risks related to the creditworthiness of the issuers or counterparties and the liquidity of the market for such investments. Merrill Lynch recognizes these risks and, whenever possible, employs strategies to mitigate exposures. The specific components and overall level of non-investment grade positions may vary significantly from period to period as a result of inventory turnover, investment sales, and asset redeployment.

In the normal course of business, Merrill Lynch underwrites, trades, and holds non-investment grade cash instruments in connection with its investment banking, market-making, and derivative structuring activities. Non-investment grade holdings have been defined as debt and preferred equity securities rated as BB+ or lower, or equivalent ratings by recognized credit rating agencies, sovereign debt in emerging markets, amounts due under derivative contracts from non-investment grade counterparties, and other instruments that, in the opinion of management, are non-investment grade.

In addition to the amounts included in the following table, derivatives may also expose Merrill Lynch to credit risk related to the underlying security where a derivative contract can either synthesize ownership of the underlying security (e.g., long total return swaps) or potentially force ownership of the underlying security (e.g., short put options). At March 31, 2000, Merrill Lynch had derivatives with notionals of $4.0 billion with non-investment grade credit exposure. Derivatives may also subject Merrill Lynch to credit spread or issuer default risk, in that changes in credit spreads or in the credit quality of the underlying securities may adversely affect the derivatives' fair values. Merrill Lynch seeks to manage these risks by engaging in various hedging strategies to reduce its exposure associated with non-investment grade positions, such as purchasing an option to sell the related security or entering into other offsetting derivative contracts. At March 31, 2000, Merrill Lynch had derivatives with notionals of $900 million that hedge non-investment grade credit exposure.

Merrill Lynch provides financing and advisory services to, and invests in, companies entering into leveraged transactions, which may include leveraged buyouts, recapitalizations, and mergers and acquisitions. Merrill Lynch provides extensions of credit to leveraged companies in the form of senior and subordinated debt, as well as bridge financing on a select basis. In addition, Merrill Lynch syndicates loans for non-investment grade companies or in connection with highly leveraged transactions and may retain a residual portion of these loans.

Merrill Lynch holds direct equity investments in leveraged companies and interests in partnerships that invest in leveraged transactions. Merrill Lynch has also committed to participate in limited partnerships that invest in leveraged transactions. Future commitments to participate in limited partnerships and other direct equity investments will be made on a select basis.

- --
TRADING EXPOSURES

The following table summarizes Merrill Lynch's non-investment grade trading exposures:

<TABLE>
<CAPTION>

(in millions)	MARCH 31, 2000	DEC. 31, 1999
<S>	<C>	<C>
Trading assets:		

Cash instruments	$6,168	$5,630
Derivatives	4,604	4,033
Trading liabilities - cash instruments	(913)	(997)
Collateral on derivative assets	(1,779)	(1,344)
Net trading asset exposure	$8,080	$7,322

</TABLE>

Included in the preceding table are debt and equity securities and bank loans of companies in various stages of bankruptcy proceedings or in default. At March 31, 2000, the carrying value of such debt and equity securities totaled $153 million, of which 96% resulted from Merrill Lynch's market-making activities in such securities. This compared with $133 million at December 31, 1999, of which 89% related to market-making activities. In addition Merrill Lynch held distressed bank loans totaling $137 million and $86 million at March 31, 2000 and December 31, 1999, respectively.

NON-TRADING EXPOSURES

The following table summarizes Merrill Lynch's non-investment grade non-trading exposures:

<TABLE>
<CAPTION>

(in millions)	MARCH 31, 2000	DEC. 31, 1999
<S>	<C>	<C>
Marketable investment securities	$ 214	$ 58
Investments of insurance subsidiaries	115	108
Loans (net of allowance for loan losses):		
Bridge loans	131	68
Other loans(1)	1,204	818
Other investments:		
Partnership interests (2)	1,362	1,368
Other equity investments (3)	203	369

</TABLE>

(1) Represents outstanding loans to 137 and 106 companies at March 31, 2000 and December 31, 1999, respectively.
(2) Includes $691 and $599 million in investments at March 31, 2000 and December 31, 1999, respectively, related to deferred compensation plans, for which the default risk of the investments generally rests with the participating employees.
(3) Includes investments in 59 and 62 enterprises at March 31, 2000 and December 31, 1999, respectively.

The following table summarizes Merrill Lynch's commitments with exposure to non-investment grade counterparties:

<TABLE>
<CAPTION>

(in millions)	MAR. 31, 2000	DEC. 31, 1999
<S>	<C>	<C>
Additional commitments to invest in partnerships	$ 281	$ 200
Unutilized revolving lines of credit and other lending commitments	3,402(1)	2,462

</TABLE>

(1) Subsequent to the end of the first quarter, these commitments were reduced by $688 million.

<TABLE>
<CAPTION>

STATISTICAL DATA

	1ST QTR. 1999	2ND QTR. 1999	3RD QTR. 1999	4TH QTR. 1999	1ST QTR. 2000
<S>	<C>	<C>	<C>	<C>	<C>
CLIENT ASSETS (in billions):					
U.S. Client Assets	$ 1,186	$ 1,226	$ 1,191	$ 1,338	$ 1,424
Non-U.S. Client Assets	298	304	323	358	367
Total Assets in Private Client Accounts or Under Management	$ 1,484	$ 1,530	$ 1,514	$ 1,696	$ 1,791
ASSETS UNDER MANAGEMENT:	$ 515	$ 516	$ 514	$ 557	$ 568
Retail	274	275	275	291	303
Institutional	241	241	239	266	265
Equity	267	272	271	301	303
Fixed-Income/Other	248	244	243	256	265
U.S.	306	310	304	325	335
Non-U.S.	209	206	210	232	233
FEE-BASED PROGRAM ASSETS(a)	$ 98	$ 116	$ 131	$ 168	$ 203
UNDERWRITING:					
Global Debt and Equity:					
Volume (in billions)	$ 116	$ 107	$ 108	$ 85	$ 101
Market Share	11.8%	11.7%	13.6%	13.9%	11.4%
U.S. Debt and Equity:					
Volume (in billions)	$ 97	$ 83	$ 86	$ 67	$ 82
Market Share	15.6%	14.0%	16.8%	16.8%	14.3%
FULL-TIME EMPLOYEES:					
U.S.	46,100	46,700	48,000	49,000	50,100
Non-U.S.	17,000	17,300	18,000	18,200	18,500
Total	63,100	64,000	66,000	67,200	68,600
Financial Consultants and Other Investment Professionals	18,000	18,400	18,700	19,000	19,400
INCOME STATEMENT:					
Net Earnings (in millions)	$ 609	$ 673	$ 572	$ 764	$ 1,037
Annualized Return on Average Common Stockholders' Equity	24.6%	25.4%	20.2%	23.8%	31.1%

Earnings per Common Share:					
Basic	$ 1.65	$ 1.80	$ 1.52	$ 2.03	$ 2.69
Diluted	1.44	1.57	1.34	1.80	2.38
BALANCE SHEET (in millions):					
Total Assets	$314,620	$324,740	$312,936	$328,071	$363,944
Total Stockholders' Equity	10,692	11,446	12,100	12,802	14,467
Book Value Per Common Share	28.05	29.87	31.49	33.20	36.37
SHARE INFORMATION (in thousands):					
Weighted-Average Shares Outstanding:					
Basic	364,039	368,273	370,347	371,962	381,641
Diluted	415,662	421,267	419,090	420,603	432,372
Common Shares Outstanding	366,168	368,960	370,777	372,839	386,071

</TABLE>

(a) Certain prior period amounts have been restated to conform to the current period presentation.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

JAS Securities Litigation. Since the filing of ML & Co.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1999, the following events have taken place with respect to the JAS Securities Litigation described therein. Plaintiff has filed an amended complaint for breach of contract alleging damages in excess of $82 million plus interest. Merrill Lynch has moved to dismiss the amended complaint and plaintiff has moved for partial summary judgment on its claims.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On April 18, 2000, ML & Co. held its Annual Meeting of Stockholders, at which 85.0% of the shares of ML & Co. common stock outstanding and eligible to vote, either in person or by proxy, were represented, constituting a quorum. At the Annual Meeting, the following matters were voted upon: (i) the election of four directors to the Board of Directors to hold office for a term of three years; (ii) a proposal for a new performance formula governing annual bonuses and grants of restricted shares and units for certain executive officers; and (iii) a stockholder proposal concerning cumulative voting in the election of directors. Proxies for the Annual Meeting of Stockholders were solicited by the Board of Directors pursuant to Regulation 14A of the Securities Exchange Act of 1934.

The stockholders elected all four nominees to the Board of Directors as set forth in ML & Co.'s Proxy Statement. There was no solicitation in opposition to such nominees. The votes cast for or withheld from the election of directors were as follows: W.H. Clark received 324,647,680 votes in favor and 4,169,700 votes were withheld; Stephen L. Hammerman received 324,691,965 votes in favor and 4,125,415 votes were withheld; Aulana L. Peters received 323,424,369 votes in favor and 5,393,011 votes were withheld; and John J. Phelan, Jr. received 324,872,300 votes in favor and 3,945,080 votes were withheld.

The stockholders approved the proposal for a new performance formula governing annual bonuses and grants of restricted shares and units for certain executive officers. The votes cast for and against, as well as the number of abstentions for this proposal were as follows: 287,469,737 votes in favor, 37,297,953 votes against, and 4,049,690 shares abstained.

The stockholders did not approve the stockholder proposal concerning cumulative voting in the election of directors. The votes cast for and against, as well as the number of abstentions and broker non-votes for this proposal were as follows: 81,346,817 votes in favor, 168,485,371 votes against, 5,306,536 shares abstained, and 73,678,656 shares represented broker non-votes.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

(4) Instruments defining the rights of security holders, including indentures:

Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, ML & Co. hereby undertakes to furnish to the Securities and Exchange Commission, upon request, copies of the instruments defining the rights of holders of long-term debt securities of ML & Co. that authorize an amount of securities constituting 10% or less of the total assets of ML & Co. and its subsidiaries on a consolidated basis.

(11) Statement re: computation of per share earnings

(12) Statement re: computation of ratios

(15) Letter re: unaudited interim financial information

(27) Financial Data Schedule

(b) Reports on Form 8-K

The following Current Reports on Form 8-K were filed by ML & Co. with the Securities and Exchange Commission during the quarterly period covered by this Report:

(i) Current Report dated January 25, 2000, for the purpose of filing ML & Co.'s Preliminary Unaudited Earnings Summary for the three months and the year ended December 31, 1999.

(ii) Current Report dated March 3, 2000, for the purpose of filing the form of ML & Co.'s Callable Market Index Target-Term Securities (Registered Trademark)due March 5,2007 based upon Internet HOLDRs (Service Mark).

(iii) Current Report dated March 31,2000 for the purpose of filing the form of ML & Co.'s Nikkei 225 Market Index Target-Term Securities due March 30, 2007.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MERRILL LYNCH & CO., INC.
(Registrant)

Date: May 12, 2000 By: /s/ Thomas H. Patrick

Thomas H. Patrick
Executive Vice President and
Chief Financial Officer

INDEX TO EXHIBITS

Exhibits

11 Statement re: computation of per share earnings

12 Statement re: computation of ratios

15 Letter re: unaudited interim financial information

27 Financial Data Schedule

<TABLE>
<CAPTION>

EXHIBIT 11

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF PER COMMON SHARE EARNINGS
(in millions, except per share amounts)

<S>	FOR THE THREE MONTHS ENDED MARCH 31, 2000 <C>	MARCH 26, 1999 <C>
Earnings		
Net earnings	$ 1,037	$ 609
Preferred stock dividends	(9)	(10)
Net earnings applicable to common stockholders	$ 1,028	$ 599
Weighted-Average Shares Outstanding	381.6	364.0
Effect of Dilutive Instruments:		
Employee stock options	31.0	29.8
FCCAAP shares	14.1	16.6
Restricted units	5.6	5.2
ESPP shares	0.1	0.1
Dilutive potential common shares	50.8	51.7
Total Weighted-Average Diluted Shares	432.4	415.7
Basic Earnings Per Share	$ 2.69	$ 1.65
Diluted Earnings Per Share	$ 2.38	$ 1.44

</TABLE>

Basic and diluted earnings per share are based on actual numbers before rounding.

<TABLE>
<CAPTION>

EXHIBIT 12

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND
COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(dollars in millions)

	FOR THE THREE MONTHS ENDED	
	MARCH 31, 2000	MARCH 26, 1999
<S>	<C>	<C>
Pre-tax earnings from continuing operations	$ 1,575	$ 996
Add: Fixed charges (excluding capitalized interest and preferred security dividend requirements of subsidiaries) (a)	3,839	3,351
Pre-tax earnings before fixed charges	5,414	4,347
Fixed charges:		
Interest (a)	3,773	3,291
Other (b)	118	110
Total fixed charges	3,891	3,401
Preferred stock dividend requirements	14	14
Total combined fixed charges and preferred stock dividends	$ 3,905	$ 3,415
Ratio of earnings to fixed charges	1.39	1.28
Ratio of earnings to combined fixed charges and preferred stock dividends	1.39	1.27

</TABLE>

(a) Prior period amounts have been restated to conform to current period presentation.

(b) Other fixed charges consist of the interest factor in rentals, amortization of debt issuance costs, preferred security dividend requirements of subsidiaries, and capitalized interest.

EXHIBIT 15

May 12, 2000

Merrill Lynch & Co., Inc.
4 World Financial Center
New York, NY 10080

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim condensed consolidated financial information of Merrill Lynch & Co., Inc. and subsidiaries ("Merrill Lynch") as of March 31, 2000 and for the three-month periods ended March 31, 2000 and March 26, 1999 as indicated in our report dated May 12, 2000; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended March 31, 2000, is incorporated by reference in the following documents, as amended:

Filed on Form S-8:

Registration Statement No. 33-41942 (1986 Employee Stock Purchase Plan)

Registration Statement No. 33-17908 (Incentive Equity Purchase Plan)

Registration Statement No. 33-33336 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51831 (Long-Term Incentive Compensation Plan)

Registration Statement No. 33-51829 (401(k) Savings and Investment Plan)

Registration Statement No. 33-54154 (Non-Employee Directors' Equity Plan)

Registration Statement No. 33-54572 (401(k) Savings and Investment Plan (Puerto Rico))

Registration Statement No. 33-56427 (Amended and Restated 1994 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-55155 (1995 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 33-60989 (1996 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-00863 (401(k) Savings & Investment Plan)

Registration Statement No. 333-09779 (1997 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-13367 (Restricted Stock Plan for Former Employees of Hotchkis and Wiley)

Registration Statement No. 333-15009 (1997 KECALP Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-17099 (Deferred Unit and Stock Unit Plan for Non-Employee Directors)

Registration Statement No. 333-18915 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-32209 (1998 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-33125 (Employee Stock Purchase Plan for Employees of Merrill Lynch Partnerships)

Registration Statement No. 333-41425 (401(k) Savings & Investment Plan)

Registration Statement No. 333-56291 (Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-60211 (1999 Deferred Compensation Plan for a Select Group of Eligible Employees)

Registration Statement No. 333-62311 (Replacement Options; Midland Walwyn

Inc.)

Registration Statement No. 333-85421 (401(k) Savings and Investment Plan)

Registration Statement No. 333-85423 (2000 Deferred Compensation Plan For a Select Group of Eligible Employees)

Registration Statement No. 333-92663 (Long-Term Incentive Compensation Plan for Managers and Producers)

Filed on Form S-3:

Debt Securities:

Registration Statement No. 33-54218

Registration Statement No. 2-78338

Registration Statement No. 2-89519

Registration Statement No. 2-83477

Registration Statement No. 33-03602

Registration Statement No. 33-17965

Registration Statement No. 33-27512

Registration Statement No. 33-35456

Registration Statement No. 33-42041

Registration Statement No. 33-45327

Registration Statement No. 33-49947

Registration Statement No. 33-51489

Registration Statement No. 33-52647

Registration Statement No. 33-60413

Registration Statement No. 33-61559

Registration Statement No. 33-65135

Registration Statement No. 333-13649

Registration Statement No. 333-25255

Registration Statement No. 333-28537

Registration Statement No. 333-44173

Registration Statement No. 333-59997

Registration Statement No. 333-68747

Medium Term Notes:

Registration Statement No. 2-96315

Registration Statement No. 33-03079

Registration Statement No. 33-05125

Registration Statement No. 33-09910

Registration Statement No. 33-16165

Registration Statement No. 33-19820

Registration Statement No. 33-23605

Registration Statement No. 33-27549

Registration Statement No. 33-38879

Other Securities:

Registration Statement No. 33-33335 (Common Stock)

Registration Statement No. 33-45777 (Common Stock)

Registration Statement No. 33-55363 (Preferred Stock)

Registration Statement No. 333-02275 (Long-Term Incentive Compensation Plan)

Registration Statement No. 333-16603 (TOPrS)

Registration Statement No. 333-20137 (TOPrS)

Registration Statement No. 333-24889 (Long-Term Incentive Compensation Plan, and Long-Term Incentive Compensation Plan for Managers and Producers)

Registration Statement No. 333-36651 (Hotchkis and Wiley Resale)

Registration Statement No. 333-42859 (TOPrS)

Registration Statement No. 333-59263 (Exchangeable Shares of Merrill Lynch & Co., Canada Ltd. re: Midland Walwyn Inc.)

Registration Statement No. 333-67903 (Howard Johnson & Company Resale)

We are also aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

/s/ Deloitte & Touche LLP

New York, New York
May 12, 2000

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<F1> Includes $12,364 of securities received as collateral, net of securities pledged as collateral, and $9,031 of securities pledged as collateral, recorded pursuant to the provisions of Statement of Financial Accounting Standards No. 127 ("SFAS No. 127").
<F2> Includes $21,395 of obligation to return securities received as collateral, recorded pursuant to the provisions of SFAS No. 127.
<F3> Includes $2,725 of Preferred Securities issued by Subsidiaries.
</FN>

</TABLE>