Rule 424(b)(5)
Registration No. 33-52647

PROSPECTUS SUPPLEMENT
(TO PROSPECTUS DATED APRIL 21, 1995)

LOGO

MERRILL LYNCH & CO., INC.

1,250,000
GREATER OF U.S. DOLLAR/DEUTSCHE MARK--U.S. DOLLAR/JAPANESE YEN PUT CURRENCY WARRANTS, EXPIRING MAY 15, 1997

Each Greater of U.S. Dollar/Deutsche Mark--U.S. Dollar/Japanese Yen Put Currency Warrant ("Warrant") will entitle the beneficial owner thereof to receive from Merrill Lynch & Co., Inc. (the "Company") the cash value, if positive, (the "Cash Settlement Value") on the Expiration Date (as defined below), or on such earlier date as described herein, in U.S. dollars of the greater of (i) the right to sell Deutsche Mark ("DEM") 72.2 on the Exercise Date at a price of U.S. $50, which represents an exchange rate of DEM 1.4440 per U.S. $1.00, and (ii) the right to sell Japanese Yen ("JPY") 4,325 on the Exercise Date at a price of U.S. $50, which represents an exchange rate of JPY 86.50 per U.S. $1.00. The Warrants will be automatically exercised on the earlier of the fifth New York Business Day immediately preceding May 15, 1997 (the "Expiration Date") or the New York Business Day immediately preceding the date of occurrence of certain events in bankruptcy, insolvency or reorganization involving the Company or the date of the Warrants' expiration upon delisting from, or permanent suspension from trading on, the American Stock Exchange unless the Warrants are simultaneously accepted for trading pursuant to the rules of another national securities exchange (in either case, the "Exercise Date"). The Warrants are not exercisable at the option of the Holder. See "Description of the Warrants".

THE WARRANTS INVOLVE A HIGH DEGREE OF RISK, INCLUDING FOREIGN EXCHANGE RISKS AND THE RISK OF EXPIRING WORTHLESS UNLESS THE DEUTSCHE MARK OR THE JAPANESE YEN SUFFICIENTLY DEPRECIATES AGAINST THE U.S. DOLLAR. THE WARRANTS ARE NOT EXERCISABLE AT THE OPTION OF THE HOLDER. INVESTORS THEREFORE SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE PURCHASE PRICE OF THEIR WARRANTS, AND ARE ADVISED TO CAREFULLY CONSIDER THE INFORMATION UNDER "RISK FACTORS RELATING TO THE WARRANTS", "DESCRIPTION OF THE WARRANTS", "DESCRIPTION OF THE WARRANTS--AUTOMATIC EXERCISE PRIOR TO THE EXPIRATION DATE", "EXCHANGE RATES AND CASH SETTLEMENT VALUES" AND "CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS CONCERNING THE WARRANTS".

The Warrants have been approved for listing by the American Stock Exchange under the symbol "DMY.WS", subject to official notice of issuance.

	PRICE TO PUBLIC(1)	UNDERWRITING DISCOUNT(1)	PROCEEDS TO THE COMPANY(2)
Per Warrant	$4.00	$.25	$3.75
Total	$5,000,000	$312,500	$4,687,500

(1) The "Price to Public" and "Underwriting Discount" for any single transaction to purchase 250,000 Warrants or more will be $3.85 per Warrant and $.10 per Warrant, respectively.
(2) Before deducting expenses payable by the Company.

The Warrants are offered by the Underwriter, subject to prior sale, when, as and if delivered to and accepted by the Underwriter, subject to certain other conditions. The Underwriter reserves the right to reject orders in whole or in part. It is expected that delivery of the Warrants will be made on or about May 23, 1995.

This Prospectus Supplement and related Prospectus may be used by the Underwriter in connection with offers and sales related to market-making transactions in the Warrants. The Underwriter may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing market prices at the time of sale.

MERRILL LYNCH & CO.

The date of this Prospectus Supplement is May 16, 1995.

IN CONNECTION WITH THE OFFERING OF THE WARRANTS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE WARRANTS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE AMERICAN STOCK EXCHANGE, IN THE OVER-THE-COUNTER MARKET OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

The Commissioner of Insurance of the State of North Carolina has not approved or disapproved this offering nor has the Commissioner passed upon the accuracy or adequacy of this Prospectus Supplement or Prospectus.

PROSPECTUS SUPPLEMENT SUMMARY

The information below is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus Supplement and in the Prospectus.

THE OFFERING

Securities Offered.......... 1,250,000 Greater of U.S. Dollar/Deutsche Mark--U.S. Dollar/Japanese Yen Put Currency Warrants (the "Warrants"), Expiring May 15, 1997.

Cash Settlement Value....... The Cash Settlement Value of a Warrant will be determined on the Exercise Date as the amount in U.S. dollars, if positive, which is the greater of:

(i) $\text{U.S. \$50} - \left(\frac{\text{U.S. \$50 X DEM Strike Price}}{\text{DEM Spot Rate}}\right)$; and

(ii) $\text{U.S. \$50} - \left(\frac{\text{U.S. \$50 X JPY Strike Price}}{\text{JPY Spot Rate}}\right)$.

"DEM Strike Price" means DEM 1.4440 per U.S. $1.00 and "DEM Spot Rate" means the noon buying rate on the Exercise Date per U.S. $1.00 in The City of New York for cable transfers in Deutsche Marks as certified for customs purposes by the Federal Reserve Bank of New York, or, if unavailable, as described herein. "JPY Strike Price" means JPY 86.50 per U.S. $1.00 and "JPY Spot Rate" means the noon buying rate on the Exercise Date per U.S. $1.00 in The City of New York for cable transfers in Japanese Yen as certified for customs purposes by the Federal Reserve Bank of New York, or, if unavailable, as described herein.

Automatic Exercise of Warrants.................... The Warrants will be automatically exercised on the fifth New York Business Day, as hereinafter defined, immediately preceding May 15, 1997 or, if the Warrants are subject to automatic exercise in the event they cease to be traded pursuant to the rules of a national securities exchange or if certain events in bankruptcy, insolvency or reorganization involving the Company occur, the New York Business Day immediately preceding the Early Expiration Date (as defined herein). The Warrants will be automatically exercised on the Exercise Date and are not exercisable at the option of the Holder. See "Description of the Warrants--Exercise of

Warrants" and "Description of the Warrants--Automatic Exercise Prior to the Expiration Date".

Form	The Warrants will be in book-entry form and, accordingly, a beneficial owner will not be entitled to receive a certificate

	representing such Warrants. See "Description of the Warrants--Book-Entry Procedures and Settlement".
Listing	The Warrants have been approved for listing by the American Stock Exchange, subject to official notice of issuance.
American Stock Exchange Symbol	DMY.WS
Certain Risk Factors	The Warrants involve a high degree of risk, including foreign exchange risks and the risk of expiring worthless. If on the Exercise Date the DEM Strike Price is greater than or equal to the DEM Spot Rate (i.e., the Deutsche Mark has not depreciated relative to the U.S. dollar) and the JPY Strike Price is greater than or equal to the JPY Spot Rate (i.e., the Japanese Yen has not depreciated relative to the U.S. dollar), the Warrants will expire worthless. Beneficial owners will bear the foreign exchange risks of the U.S. dollar as compared to the Deutsche Mark and the Japanese Yen. INVESTORS THEREFORE SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE PURCHASE PRICE OF THEIR WARRANTS.
	It is not possible to predict the price at which the Warrants will trade in the secondary market or whether such market will be liquid or illiquid. The trading value of a Warrant is expected to be dependent on the DEM Strike Price and the JPY Strike Price, as described herein, and also upon a number of complex interrelated factors, including the expected value on the Exercise Date of the Deutsche Mark and the Japanese Yen in terms of the U.S. dollar, the volatility of the DEM/U.S.$ and JPY/U.S.$ exchange rates, the time remaining to the expiration of the Warrants, the correlation between the DEM/U.S.$ and JPY/U.S.$ exchange rates and the interest rate differential between U.S. dollar and Deutsche Mark denominated fixed income instruments and the interest rate differential between U.S. dollar and Japanese Yen denominated fixed income instruments. The value of any currency, including Deutsche Marks, Japanese Yen, and U.S. dollars, may be affected by complex political and economic factors.
	In the event that the Warrants are delisted from, or permanently suspended from trading on, the American Stock Exchange and the Warrants are not simultaneously accepted for trading pursuant to the rules of another national securities exchange, such Warrants will be automatically exercised on the New York Business Day (as defined herein) prior to the day such delisting or trading suspension becomes effective. At the time of such automatic exercise, the Warrants may be out-of-the-money such that the Cash Settlement Value would equal zero.
	The initial public offering price of the Warrants is in excess of the price a commercial user of Deutsche Marks and/or Japanese Yen might pay in the interbank market for a comparable option involving significantly larger amounts of underlying currencies.

In general, certain risks associated with the Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. The Warrants are not standardized foreign currency options of the type issued by a clearing agency regulated by the Securities and Exchange Commission.

Investors are advised to carefully consider the foregoing risk factors, and the risks and other matters discussed under "Risk Factors Relating to the Warrants", "Description of the Warrants", "Exchange Rates and Cash Settlement Values" and "Certain United States Federal Income Tax Considerations Concerning the Warrants", prior to purchasing the Warrants.

Investors in Warrants....... The American Stock Exchange recommends that the Warrants be sold only to investors with options approved accounts and that its members and member organizations and registered employees thereof make certain suitability determinations before recommending transactions in the Warrants. It is suggested that investors considering purchasing the Warrants be experienced with respect to options and option transactions and understand the risks of foreign currency transactions and reach an investment decision only after carefully considering the suitability of the Warrants in light of their particular circumstances. The Warrants are not suitable for persons solely dependent upon a fixed income, for individual retirement plan accounts or for accounts under the Uniform Gift to Minors Act. INVESTORS SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE PURCHASE PRICE OF THEIR WARRANTS.

CERTAIN IMPORTANT INFORMATION CONCERNING THE WARRANTS

A beneficial owner will receive a cash payment upon exercise only if the Warrants have a Cash Settlement Value in excess of zero on the Exercise Date. The spot exchange rates of the Deutsche Mark and the Japanese Yen on the Exercise Date as compared to the U.S. dollar will determine whether the Warrants have a positive Cash Settlement Value. The Warrants may be "out-of-the-money" (i.e., their Cash Settlement Value will be zero) when initially sold and the Warrants will be "in-the-money" (i.e., their Cash Settlement Value will be greater than zero) on the Exercise Date only if, as of such date, the Deutsche Mark or the Japanese Yen has depreciated (i.e., it takes more DEM or JPY to purchase one U.S. dollar) against the U.S. dollar to the extent that one U.S. dollar is worth more than the DEM Strike Price or the JPY Strike Price. If on the Exercise Date the DEM Strike Price is greater than or equal to the DEM Spot Rate (i.e., the Deutsche Mark has not depreciated relative to the U.S. dollar) and the JPY Strike Price is greater than or equal to the JPY Spot Rate (i.e., the Japanese Yen has not depreciated relative to the U.S. dollar), the Warrant will expire worthless and the beneficial owner will have sustained a total loss of the purchase price of such Warrant. Investors therefore should be prepared to sustain a total loss of the purchase price of their Warrants.

On May 16, 1995 the Noon Buying Rates of Deutsche Marks and Japanese Yen quoted by the Federal Reserve Bank of New York were U.S. $1 = DEM 1.4360 and JPY 86.20, respectively. Beneficial owners of Warrants will be subject to foreign exchange risks which may have important economic and tax consequences to them. See "Exchange Rates and Cash Settlement Values" and "Certain United States Federal Income Tax Considerations Concerning the Warrants".

References herein to "U.S. dollars", "U.S.$" or "$" are to the currency of the United States of America. References to "Deutsche Mark" or "DEM" are to the currency of the Federal Republic of Germany. References to "Japanese Yen" and "JPY" are to the currency of Japan.

RISK FACTORS RELATING TO THE WARRANTS

THE WARRANTS INVOLVE A HIGH DEGREE OF RISK, INCLUDING FOREIGN EXCHANGE RISKS AND THE RISK OF EXPIRING WORTHLESS. INVESTORS THEREFORE SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE PURCHASE PRICE OF THEIR WARRANTS. IT IS SUGGESTED THAT INVESTORS CONSIDERING PURCHASING THE WARRANTS BE EXPERIENCED WITH RESPECT TO OPTIONS AND OPTION TRANSACTIONS AND UNDERSTAND THE RISKS OF FOREIGN CURRENCY TRANSACTIONS AND REACH AN INVESTMENT DECISION ONLY AFTER CAREFULLY CONSIDERING ALL THE RISK FACTORS SET FORTH IN THIS SECTION OF THIS PROSPECTUS SUPPLEMENT, THE SUITABILITY OF THE WARRANTS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES AND ALL THE OTHER INFORMATION SET FORTH IN THIS PROSPECTUS SUPPLEMENT AND IN THE ACCOMPANYING PROSPECTUS.

Exercise of the Warrants. The Warrants will be automatically exercised on the

Exercise Date and are not exercisable at the option of the Holder.

Automatic Exercise of the Warrants upon Delisting. In the event that the Warrants are delisted from, or permanently suspended from trading on, the American Stock Exchange and the Warrants are not simultaneously accepted for trading pursuant to the rules of another national securities exchange, the Warrants will expire on the date such delisting or trading suspension becomes effective and will be automatically exercised on the New York Business Day immediately preceding the date of such early expiration. At the time of such automatic exercise, the Warrants may be out-of-the-money such that the Cash Settlement Value will equal zero.

Offering Price of the Warrants. The initial public offering price of the Warrants is in excess of the price a commercial user of, or dealer in options on, Deutsche Marks or Japanese Yen might pay for a comparable option involving significantly larger amounts of Deutsche Marks and Japanese Yen.

Certain Factors Affecting the Value of the Warrants. Each Warrant may have a Cash Settlement Value of zero at issuance. The difference between the trading value and the Cash Settlement Value will reflect a

number of factors, including a "time value" component for the Warrants. The "time value" of the Warrants will depend upon the time remaining to expiration, among other factors. The expiration date of the Warrants will be accelerated should the Warrants be delisted or should their trading on the American Stock Exchange be suspended permanently unless the Warrants simultaneously are accepted for trading pursuant to the rules of another national securities exchange. Any such acceleration would result in the total loss of any otherwise remaining "time value" and could occur when the Warrants are out-of-the-money, thus resulting in total loss of the purchase price of the Warrants. See "Description of the Warrants--Automatic Exercise Prior to the Expiration Date". Before selling Warrants, beneficial owners should carefully consider the trading value of the Warrants, the value of the Deutsche Mark and the Japanese Yen, the probable range of Cash Settlement Values and any related transaction costs.

It is possible that the trading value of a Warrant may decline significantly even if there is a decrease in the value of the Deutsche Mark or the Japanese Yen as compared to the U.S. dollar.

There can be no assurance as to how the Warrants will trade in the secondary market or whether such market will be liquid. The trading value of a Warrant is expected to be dependent on the Warrant Strike Prices and also upon a number of complex interrelated factors, including those listed below. The expected theoretical effect on the trading value of a Warrant of each of the factors listed below, assuming in each case that all other factors are held constant, is as follows:

(1) The DEM/U.S.$ and JPY/U.S.$ exchange rates in the forward markets. The trading value of the Warrants is expected to depend primarily on the DEM/U.S.$ and JPY/U.S.$ exchange rates expected on the Exercise Date. Because the Cash Settlement Value is determined using the DEM/U.S.$ and JPY/U.S.$ exchange rates for immediate transfers (i.e., the spot rates) on the Exercise Date, the spot rates on other days during the term of the Warrants may not affect the trading value of the Warrants. If Warrants are sold prior to the maturity date, the sale price may be at a discount from the amount expected to be payable to the beneficial owner if the then current DEM/U.S.$ and JPY/U.S.$ exchange rates at the time of such sale were to prevail until the Exercise Date because of the possible fluctuation of the DEM/U.S.$ and JPY/U.S.$ exchange rates between the time of such sale and the Exercise Date. See "Exchange Rates and Cash Settlement Values" in this Prospectus Supplement. Furthermore, the price at which a beneficial owner will be able to sell Warrants prior to the Exercise Date may be at a discount, which could be substantial, from the purchase price, if, at such time, the DEM Strike Price and the JPY Strike Price are greater than or equal to the DEM/U.S.$ exchange rate or the JPY/U.S.$ exchange rate, respectively, expected on the Exercise Date.

(2) The volatility of the DEM/U.S.$ and JPY/U.S.$ exchange rates. If the volatility of the DEM/U.S.$ or JPY/U.S.$ exchange rate increases, the trading value of a Warrant is expected to increase. If such volatility decreases, the trading value of a Warrant is expected to decrease.

(3) The interest rate differential between U.S. dollar and Deutsche Mark or Japanese Yen denominated fixed income instruments. If Deutsche Mark interest rates increase relative to U.S. dollar interest rates, the value of the Deutsche Mark in terms of the U.S. dollar in the forward market is expected to decrease and, as a result, the trading value of a Warrant is expected to increase. If Japanese Yen interest rates increase relative to U.S. dollar interest rates, the value of the Japanese Yen in terms of the U.S. dollar in the forward market is expected to decrease and, as a result, the trading value of a Warrant is expected to increase. If U.S. dollar interest rates increase relative to Deutsche Mark interest rates or

Japanese Yen interest rates, the trading value of a Warrant is expected to decrease.

(4) Correlation between DEM/U.S.$ and JPY/U.S.$ exchange rates. The higher the correlation between changes in the two exchange rates, the lower the expected value of a Warrant.

(5) The time remaining to the expiration date of the Warrants. As the time remaining to the expiration date decreases, the trading value of a Warrant is expected to decrease.

As noted above, these hypothetical scenarios are based on the assumption that all other factors are held constant. In reality, it is unlikely that only one factor would change in isolation, since changes in one factor

usually cause, or result from, changes in others. Some of the factors referred to above are, in turn, influenced by the political and economic factors discussed below.

Warrants not Standardized Options Issued by the Options Clearing Corporation. The Warrants are not standardized foreign currency options of the type issued by the Options Clearing Corporation (the "OCC"), a clearing agency regulated by the Securities and Exchange Commission. For example, unlike purchasers of OCC standardized options who have the credit benefits of guarantees and margin and collateral deposits by OCC clearing members to protect the OCC from a clearing member's failure, purchasers of Warrants must look solely to the Company for performance of its obligations to pay the Cash Settlement Value on the exercise of Warrants. In addition, OCC standardized options provide for physical delivery of the underlying foreign currency (rather than cash settlement in U.S. dollars), and permit immediate determination of value upon exercise. Further, the market for the Warrants is not expected to be generally as liquid as the market for some OCC standardized options.

The Warrants are unsecured contractual obligations of the Company and will rank on a parity with the Company's other unsecured contractual obligations and with the Company's unsecured and unsubordinated debt. However, since the Company is a holding company, the right of the Company, and hence the right of creditors of the Company (including beneficial owners of the Warrants), to participate in any distribution of the assets of any subsidiary upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of the Company itself as a creditor of the subsidiary may be recognized. In addition, dividends, loans and advances from certain subsidiaries, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, to the Company are restricted by net capital requirements under the Securities Exchange Act of 1934, as amended, and under rules of certain exchanges and other regulatory bodies.

General Risk Considerations. Options and warrants provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the currency, security, index or other measure underlying such options or warrants. In general, certain of the risks associated with the Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. However, unlike options or warrants on equities or debt securities, which are priced primarily on the basis of the value of a single underlying security, the trading value of a Warrant is likely to reflect expected exchange rates on the Exercise Date.

The purchaser of a Warrant may lose his entire investment. This risk reflects the nature of a Warrant as an asset which tends to decline in value over time and which may, depending on the relative values of the Deutsche Mark and the Japanese Yen as compared to the U.S. dollar, become worthless when it expires. Assuming all other factors are held constant, the more a Warrant is out-of-the-money and the shorter its remaining term to expiration, the greater the risk that a purchaser of the Warrant will lose all of his investment. This means that the purchaser of a Warrant who does not sell it in the secondary market will lose his entire investment in the Warrant if, at expiration, the DEM Strike Price and the JPY Strike Price are greater than or equal to the DEM Spot Rate and the JPY Spot Rate, respectively.

The fact that Warrants may become valueless upon expiration means that, in order to recover and realize a return upon his investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated exchange rate change affecting the Deutsche Mark or the Japanese Yen in terms of the U.S. dollar. If the value of the Deutsche Mark or the Japanese Yen in terms of the U.S. dollar does not decline to an extent sufficient to cover an investor's cost of the Warrant (i.e., the purchase price plus transaction costs, if any) before the Warrant expires, the investor will lose all or a part of his investment in the Warrant upon expiration. Beneficial owners will thus bear the foreign exchange risks of the U.S. dollar in terms of the Deutsche Mark and the Japanese Yen.

The American Stock Exchange recommends that Warrants be sold only to investors with options approved accounts and that its members and member organizations and registered employees thereof make certain suitability determinations before recommending transactions in Warrants. It is suggested that

investors considering purchasing Warrants be experienced with respect to options and option transactions and understand the risks of foreign currency transactions and reach an investment decision only after carefully considering the suitability of the Warrants in light of their particular circumstances. Warrants are not suitable for persons solely dependent upon a fixed income, for individual retirement plan accounts or for accounts under the Uniform Gift to Minors Act. INVESTORS SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THE PURCHASE PRICE OF THEIR WARRANTS.

Currency Exchange Markets. The value of any currency, including the Deutsche Mark, the Japanese Yen, and the U.S. dollar, may be affected by complex political and economic factors. The spot exchange rates of the Deutsche Mark and the Japanese Yen in terms of the U.S. dollar are at any moment a result of the supply and demand for the three currencies, and changes in the relative exchange rates result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in the Federal Republic of Germany, Japan and the United States, including economic and political developments in other countries. Of particular importance are the relative rates of inflation, interest rate levels, the balance of payments and the extent of governmental surpluses or deficits in the Federal Republic of Germany, in Japan and in the United States, all of which are in turn sensitive to the monetary, fiscal and trade policies pursued by the governments of the Federal Republic of Germany, Japan, the United States and other countries important to international trade and finance.

Foreign exchange rates can either be fixed by sovereign governments or float. Exchange rates of most economically developed nations, including the Federal Republic of Germany and Japan, are permitted to fluctuate in value relative to the U.S. dollar. Governments, however, sometimes do not allow their currencies to float freely in response to economic forces. Sovereign governments in fact use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing the Warrants is that their liquidity, trading value and Cash Settlement Value could be affected by governmental actions which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces and the movement of currencies across borders. There will be no adjustment or change in the terms of the Warrants in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the Deutsche Mark, the Japanese Yen, the U.S. dollar or any other currency. In contrast, the OCC has reserved the authority to adjust the terms of its standardized options for certain governmental actions and to impose special exercise settlement procedures.

The interbank market in foreign currencies is a global, around-the-clock market. Therefore, the hours of trading for the Warrants will not conform to the hours during which the Deutsche Mark, the Japanese Yen and U.S. dollar are traded. To the extent that the American Stock Exchange is closed while the markets for the Deutsche Mark and the Japanese Yen remain open, significant price and rate movements may take place in the underlying foreign exchange markets that will not be reflected immediately in the price of a Warrant on such exchange. The possibility of such movements should be taken into account in relating closing prices on the American Stock Exchange for the Warrants to those in the underlying foreign exchange markets.

There is no systematic reporting of last-sale information for foreign currencies. Reasonably current bid and offer information is available in certain brokers' offices, in bank foreign currency trading offices, and to others who wish to subscribe for this information, but such information will not necessarily reflect the DEM Noon Buying Rate or the JPY Noon Buying Rate (each as defined below) used to calculate the DEM Spot Rate and the JPY Spot Rate. There is no regulatory requirement that those quotations be firm or revised on a timely basis. The absence of last-sale information and the limited availability of quotations to individual investors may make it difficult for many investors to obtain timely, accurate data about the state of the underlying foreign exchange markets.

RECENT DEVELOPMENTS

The following summary of certain consolidated financial information concerning the Company was derived from, and is qualified in its entirety by reference to, the Company's Annual Report on Form 10-K for the year ended December 30, 1994 and the condensed consolidated financial statements and data contained in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1995 (the "Quarterly Report"). See "Incorporation of Certain Documents by Reference" in the accompanying Prospectus. The condensed consolidated financial statements contained in the Company's Quarterly Report are unaudited; however, in the opinion of management of the Company, all adjustments (consisting only of normal recurring accruals) necessary for a fair statement of the results of operations have been included.

The Company conducts its business in highly volatile markets. Consequently, the Company's results can be affected by many factors, including general market conditions, the liquidity of secondary markets, the level and volatility of interest rates and currency values, the valuation of securities positions, competitive conditions, and the size, number, and timing of transactions. In periods of unfavorable market activity, profitability can be adversely affected because certain expenses remain relatively fixed. As a result, net earnings and revenues can vary significantly from period to period. Thus, interim results may not necessarily be representative of the full year results of operations.

INCOME STATEMENT INFORMATION

(IN THOUSANDS, EXCEPT RATIOS)

	THREE MONTHS ENDED APRIL 1, 1994	THREE MONTHS ENDED MARCH 31, 1995
Revenues	$ 4,738,811	$ 5,203,877
Net revenues(1)	$ 2,831,828	$ 2,420,485
Earnings before income taxes	$ 652,208	$ 378,792
Net earnings	$ 371,759	$ 227,275
Ratio of earnings to fixed charges(2)	1.3	1.1

BALANCE SHEET INFORMATION

(IN THOUSANDS)

	AT DECEMBER 30, 1994	AT MARCH 31, 1995
Total assets	$163,749,327	$176,732,993
Long-term borrowings(3)	$ 14,863,383	$ 14,484,523
Stockholders' equity	$ 5,817,545	$ 5,704,148

Notes

(1) Net revenues are revenues net of interest expense.

(2) For the purpose of calculating the ratio of earnings to fixed charges, "earnings" consists of earnings from continuing operations before income taxes and fixed charges. "Fixed charges" consists of interest costs, that portion of rentals estimated to be representative of the interest factor, and amortization of debt expense.

(3) To finance its diverse activities, the Company and certain of its subsidiaries borrow substantial amounts of short-term funds on a regular basis. Although the amount of short-term borrowings significantly varies with the level of general business activity, on March 31, 1995, $538,157,000 of bank loans and $14,821,594,000 of commercial paper were outstanding. In addition, certain of the Company's subsidiaries lend securities and enter into repurchase agreements to obtain financing. At March 31, 1995, cash deposits for securities loaned and securities sold under agreements to repurchase amounted to $5,406,241,000 and $57,110,193,000, respectively. From April 1, 1995 to May 11, 1995, long-term borrowings, net of repayments and repurchases increased by approximately $297,552,000.

RESULTS OF OPERATIONS FOR THE PERIOD ENDED MARCH 31, 1995

Financial markets, which steadily weakened throughout 1994, improved in the first quarter of 1995 on the prospects of a slowing U.S. economy, relatively stable interest rates, and heightened investor activity. Net earnings were $227 million in the 1995 first quarter, down 39% from the record $372 million in the 1994 first quarter, but up 41% from $162 million in the 1994 fourth quarter. Total revenues in the 1995 first quarter were $5,204 million, up 10% and 16% from the 1994 first and fourth quarters, respectively. Net revenues in the 1995 first quarter were $2,420 million, down 15% from the 1994 first quarter, but up

16% from the 1994 fourth quarter. Non-interest expenses were $2,042 million, down 6% from the 1994 first quarter, but up 11% from the 1994 fourth quarter.

Commission revenues were $685 million, down 21% from the 1994 first quarter, primarily as a result of lower mutual fund and listed securities transactions revenues. Mutual fund commissions were affected by lower volumes due to declines in value experienced by most stock and bond mutual funds throughout 1994. Commissions on listed securities transactions also decreased, primarily reflecting a change in the mix of transactions between institutional and retail clients.

Interest and dividend revenues rose 38% from the 1994 first quarter to $3,029 million. Interest expense, which includes dividend expense, increased 46% to $2,783 million. Net interest profit declined 16% to $246 million as a result of a significant increase in short-term interest rates, quarter over quarter, and the continued flattening of the yield curve, which is the difference between short-term and long-term interest rates. As a result, interest spreads declined, while financing and hedging costs increased from the 1994 first quarter.

Principal transactions revenues increased 1% from the first quarter of 1994 to $675 million. Taxable fixed-income trading revenues increased as a result of higher revenues from corporate bonds and preferred stock and money market instruments. Trading results were negatively affected by higher interest rates, leading to a modest loss in mortgage-backed products and lower revenues from U.S. Government and agencies securities. Net trading results from mortgage-backed products were positive, however, when combined with related net interest income. Revenues from interest rate and currency swaps increased due to higher trading revenues from non-U.S. dollar and U.S. dollar denominated swap transactions. Municipal securities revenues advanced due to continued demand for tax-exempt investments. Equities and equity derivatives trading revenues decreased primarily as a result of lower revenues from international equities. Foreign exchange and commodities trading revenues decreased due primarily to lower commodity trading volume.

Investment banking revenues were $248 million, down 44% from the first quarter of 1994, as domestic and global underwriting volumes industrywide declined 50% and 44%, respectively, compared to volumes in the 1994 first quarter. Underwriting activity continued at low levels as relatively higher interest rates and increased cash flows from strong corporate earnings continued to decrease demand for debt and equity issuances. Lower underwriting revenues were reported in most categories, including equities, high yield securities, and corporate debt and preferred stock. Strategic services revenues, which include merger and acquisition fees and advisory fees, benefited from increased merger and acquisition advisory assignments in various industries.

Asset management and portfolio service fees increased 1% from the 1994 first quarter to $448 million principally as a result of increased fees earned from certain mutual fund investor services, variable annuity products, and asset management activities. Other revenues rose 1% from the 1994 first quarter to $117 million, reflecting higher income from partnership investments partially offset by net losses on certain other investments.

Non-interest expenses were $2,042 million, down 6% from the 1994 first quarter. Compensation and benefits expense, which represented approximately 62% of non-interest expenses, decreased 11% from the 1994 first quarter, due primarily to lower levels of variable incentive compensation. Compensation and benefits expense as a percentage of net revenues was 52.5% in the first quarter of 1995, compared with 50.5% in the year-ago period.

Occupancy costs decreased 3% from the 1994 first quarter, benefiting from continued relocation of support staff to lower cost facilities and reduced space requirements at the headquarters facility. Other facilities-related costs, which include communications and equipment rental expense and depreciation and amortization expense, rose 11% primarily due to increased usage of market information services, as well as higher depreciation expense from the purchase of technology-related equipment over the past year.

Advertising and market development expenses decreased 12% from the 1994 first quarter due to lower discretionary travel costs and reduced production-related recognition costs. Professional fees increased 5% from the year-ago quarter, due primarily to higher legal fees, partially offset by lower systems and management consulting fees. Brokerage, clearing, and exchange fees decreased 3% from the 1994 first quarter as a result of lower commodity exchange fees related to reduced trading volume. Other expenses increased 9% from the 1994 first quarter due primarily to a $26 million charge for the write-off of an asset related to a technology contract.

Income tax expense totaled $152 million in the 1995 first quarter. The effective tax rate in the 1995 first quarter was 40.0%, compared with 43.0% in the year-ago period. The decrease in the effective tax rate was attributable to lower state income taxes and higher tax-exempt interest and dividend income.

CERTAIN BALANCE SHEET INFORMATION AS OF MARCH 31, 1995

The Company believes that its equity base is adequate relative to the level and composition of its assets and the mix of its business.

In the normal course of business, the Company underwrites, trades, and holds non-investment grade securities in connection with its investment banking, market-making, and derivative structuring activities. These activities are subject to risks related to the creditworthiness of the issuers of, and the liquidity of the market for, such securities, in addition to the usual risks associated with investing in, financing, underwriting, and trading in investment grade instruments.

At March 31, 1995, the fair value of long and short non-investment grade trading inventories amounted to $3,446 million and $471 million, respectively, and in the aggregate (i.e. the sum of long and short trading inventories), represented 4.1% of aggregate consolidated trading inventories.

At March 31, 1995, the carrying value of extensions of credit provided to corporations entering into leveraged transactions aggregated $225 million (excluding unutilized revolving lines of credit and other lending commitments of $45 million), consisting primarily of senior term and subordinated financings to 34 medium-sized corporations. Subsequent to March 31, 1995, the Company extended financing to a non-investment grade counterparty totaling $15 million. At March 31, 1995, the Company had no bridge loans outstanding. Loans to highly leveraged corporations are carried at unpaid principal balances less a reserve for estimated losses. The allowance for loan losses is estimated based on a review of each loan, and consideration of economic, market, and credit conditions. Direct equity investments made in conjunction with the Company's investment and merchant banking activities aggregated $261 million at March 31, 1995, representing investments in 76 enterprises. Equity investments in privately-held companies for which sale is restricted by government or contractual requirements are carried at the lower of cost or estimated net realizable value. At March 31, 1995, the Company held interests in partnerships, totaling $102 million (recorded on the cost basis), that invest in highly leveraged transactions and non-investment grade securities. At March 31, 1995, the Company also committed to invest an additional $91 million in partnerships that invest in leveraged transactions.

The Company's insurance subsidiaries hold non-investment grade securities. As a percentage of total insurance investments, non-investment grade securities were 4.5% at March 31, 1995. Non-investment grade securities of insurance subsidiaries are classified as available-for-sale and are carried at fair value.

At March 31, 1995, the largest non-investment grade concentration consisted of government and corporate obligations of a Latin American sovereign totaling $307 million, of which $38 million represented on-balance-sheet hedges for off-balance-sheet financial instruments. No one industry sector accounted for more than 23% of total non-investment grade positions. At March 31, 1995, the Company held an aggregate carrying value of $227 million in debt and equity securities of issuers in various stages of bankruptcy proceedings or in default, of which 75% resulted from the Company's market-making activities in such securities.

DESCRIPTION OF THE WARRANTS

GENERAL

An aggregate of 1,250,000 Warrants will be issued. The Warrants will be issued under a Warrant Agreement (the "Warrant Agreement"), to be dated as of May 23, 1995, between the Company and Citibank, N.A., as Warrant Agent (the "Warrant Agent"). The following statements with respect to the Warrants are summaries of the detailed provisions of the Warrant Agreement, the form of which is filed as an exhibit to the Registration Statement relating to the Warrants. Wherever particular provisions of the Warrant Agreement or terms defined therein are referred to, such provisions or definitions are incorporated by reference as a part of the statements made, and the statements are qualified in their entirety by such reference.

A Warrant will not require, or entitle, a beneficial owner to sell or purchase Deutsche Marks or Japanese Yen to or from the Company. The Company will make only a U.S. dollar cash settlement, if any, upon automatic exercise of the Warrants.

The Warrants will expire on May 15, 1997 (the "Expiration Date") or on such earlier date as described under "Exercise of Warrants" and "Automatic Exercise Prior to the Expiration Date". The Warrants will be automatically exercised on the Exercise Date, as set forth under "Exercise of Warrants", and are not exercisable at the option of the Holder. The term "New York Business Day", as used herein, means any day other than a Saturday or a Sunday or a day on which commercial banks in The City of New York are required or authorized by law or executive order to be closed.

The Warrants are unsecured contractual obligations of the Company and will rank on a parity with the Company's other unsecured contractual obligations and with the Company's unsecured and unsubordinated debt. However, since the Company is a holding company, the right of the Company, and hence the right of creditors of the Company (including beneficial owners of the Warrants), to participate in any distribution of the assets of any subsidiary upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of the Company itself as a creditor of the subsidiary may be recognized. In addition, dividends, loans and advances from certain subsidiaries, including Merrill Lynch, Pierce, Fenner & Smith Incorporated, to the Company are restricted by net capital requirements under the Securities Exchange Act of 1934, as amended, and under rules of certain exchanges and other regulatory bodies.

EXERCISE OF WARRANTS

The Warrants are not exercisable at the option of the Holder. The Warrants will be automatically exercised on the fifth New York Business Day immediately preceding the Expiration Date or, if an Early Expiration Date (as defined herein) occurs, the New York Business Day immediately preceding the Early Expiration Date (the "Exercise Date").

The Warrant Agent will obtain the Cash Settlement Value on the Exercise Date from the Calculation Agent and will pay the Cash Settlement Value of the Warrants to the Securities Depository by check on the Expiration Date and, if May 15, 1997 is not a New York Business Day, on the next succeeding New York

Business Day. If an Early Expiration Date occurs, as described below under "Automatic Exercise Prior to the Expiration Date", the Warrant Agent will pay the Cash Settlement Value of the Warrants to the Securities Depository by check on the fifth New York Business Day following the Early Expiration Date. See "Description of the Warrants--Book-Entry Procedures and Settlement".

CASH SETTLEMENT VALUE

The Cash Settlement Value of a Warrant will be determined on the Exercise Date as the amount in U.S. dollars, if positive, which is the greater of:

(i) the amount computed by subtracting from U.S. $50 an amount equal to U.S. $50 times a fraction, the numerator of which is DEM 1.4440 per U.S. $1.00, and the denominator of which is the DEM Spot Rate on such Exercise Date. The "DEM Spot Rate" on the Exercise Date will be determined by Merrill Lynch International Bank, an affiliate of the Company, or successor thereto (the "Calculation Agent") and will equal (a) the noon buying rate per U.S. $1.00 in The City of New York on the Exercise Date for cable transfers in Deutsche Marks as certified for customs purposes by the Federal Reserve Bank of New York (the "DEM Noon Buying Rate") as reported on page 1FEE of The Reuter Monitor Money Rates Service (or such page as may replace that page), or (b) if the DEM Noon Buying Rate does not appear on such page by 1:00 p.m. on the Exercise Date, the DEM Noon Buying Rate on the Exercise Date as otherwise announced by the Federal Reserve Bank of New York, or (c) if the Federal Reserve Bank of New York has not quoted such rate by 1:30 p.m. on the Exercise Date, the offered spot rate of Deutsche Marks per U.S. $1.00 on such date for a transaction amount approximately equivalent to U.S. $50 times the aggregate number of Warrants issued, quoted at approximately 1:30 p.m., New York City time, by a leading bank in the foreign exchange markets as may be selected by the Calculation Agent; and

(ii) the amount computed by subtracting from U.S. $50 an amount equal to U.S. $50 times a fraction, the numerator of which is JPY 86.50 per U.S. $1.00, and the denominator of which is the JPY Spot Rate on such Exercise Date. The "JPY Spot Rate" on the Exercise Date will be determined by the Calculation Agent and will equal (a) the noon buying rate per U.S. $1.00 in The City of New York on the Exercise Date for cable transfers in Japanese Yen as certified for customs purposes by the Federal Reserve Bank of New York (the "JPY Noon Buying Rate") as reported on page 1FEE of The Reuter Monitor Money Rates Service (or such page as may replace that page), or (b) if the JPY Noon Buying Rate does not appear on such page by 1:00 p.m. on the Exercise Date, the JPY Noon Buying Rate on the Exercise Date as otherwise announced by the Federal Reserve Bank of New York, or (c) if the Federal Reserve Bank of New York has not quoted such rate by 1:30 p.m. on the Exercise Date, the offered spot rate of Japanese Yen per U.S. $1.00 on such date for a transaction amount approximately equivalent to U.S. $50 times the aggregate number of Warrants issued, quoted at approximately 1:30 p.m., New York City time, by a leading bank in the foreign exchange markets as may be selected by the Calculation Agent.

The Cash Settlement Value will be rounded, if necessary, to the nearest cent (with one-half cent being rounded upwards).

BOOK-ENTRY PROCEDURES AND SETTLEMENT

Upon issuance, all Warrants will be represented by one registered global Warrant (the "Global Warrant"). The Global Warrant will be deposited with, or on behalf of, The Depository Trust Company, as Securities Depository, and registered in the name of the Securities Depository or a nominee thereof. Unless and until it is exchanged in whole or in part for Warrants in definitive form in the limited circumstances described below, the Global Warrant may not be transferred except as a whole by the Securities Depository to a nominee of such Securities Depository or by a nominee of such Securities Depository to such Securities Depository or another nominee of such Securities Depository or by such Securities Depository or any such nominee to a successor of such Securities Depository or a nominee of such successor.

The Securities Depository has advised the Company as follows: The Securities Depository is a limited-purpose trust company organized under the Banking Law of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provision of Section 17A of the Securities Exchange Act of 1934, as amended. The Securities Depository was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. The Securities Depository's participants include securities brokers and dealers (including the Underwriter), banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own the Securities Depository. Access to the Securities Depository book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Persons who are not participants may beneficially own securities held by the Securities Depository only through participants.

Ownership of beneficial interests in the Warrants will be limited to entities which have accounts with the Securities Depository ("Agent Members") or persons that may hold interests through Agent Members. The Securities Depository has advised the Company that upon the issuance of the Global Warrant representing the Warrants, the Securities Depository will credit, on its book-entry registration and transfer system, the Agent Members' accounts with the respective aggregate amounts of the Warrants represented by the Global Warrant. Ownership of beneficial interests in the Global Warrant will be shown on, and the transfer of such ownership interests will be effected only through, records maintained by the Securities Depository (with respect to interests of Agent Members) and on the records of Agent Members (with respect to interests of persons held through Agent Members). The laws of some states may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to own, transfer or pledge beneficial interests in the Global Warrant.

So long as the Securities Depository, or its nominee, is the registered owner of the Global Warrant, the Securities Depository or its nominee, as the case may be, will be considered the sole owner or Holder of the Warrants represented by the Global Warrant for all purposes under the Warrant Agreement. Except as provided below, owners of beneficial interests in the Global Warrant will not be entitled to have the Warrants represented by the Global Warrant registered in their names, will not receive or be entitled to receive physical delivery of the Warrants in definitive form and will not be considered the owners or Holders thereof under the Warrant Agreement. Accordingly, each person owning a beneficial interest in the Global Warrant must rely on the procedures of the Securities Depository and, if such person is not an Agent Member, on the procedures of the Agent Member through which such person owns its interest, to exercise any rights of a Holder under the Warrant Agreement. The Company understands that under existing industry practices, in the event that the Company requests any action of Holders or that an owner of a beneficial interest in such a Global Warrant desires to give or take any action which a Holder is entitled to give or take under the Warrant Agreement, the Securities Depository would authorize the Agent Members holding the relevant beneficial interests to give or take such action, and such Agent Members would authorize beneficial owners owning through such Agent Members to give or take such action or would otherwise act upon the instructions of beneficial owners through them.

The Cash Settlement Value resulting from the exercise of Warrants registered in the name of the Securities Depository or its nominee will be paid by the Warrant Agent to the Securities Depository. None of the Company, the Warrant Agent or any other agent of the Company or agent of the Warrant Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests or for supervising or reviewing any records relating to such beneficial ownership interests. The Company expects that the Securities Depository, upon receipt of payment of the Cash Settlement Value in respect of the Global Warrant, will credit the accounts of the Agent Members with payment in amounts proportionate to their respective beneficial interests in the Global Warrant, as shown on the records of the Securities Depository. The Company also expects that payments by Agent Members to owners of beneficial interests in the Global Warrant will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Agent Members. It is suggested that purchasers of Warrants with accounts at more than one brokerage firm effect transactions in the Warrants, only through the brokerage firm or firms which hold that purchaser's Warrants.

If the Securities Depository is at any time unwilling or unable to continue as depository and a successor Securities Depository is not appointed by the Company within 90 days or if the Company is subject to certain events in bankruptcy, insolvency or reorganization, the Company will issue Warrants in definitive form in exchange for the Global Warrant. In addition, the Company may at any time determine not to have the Warrants represented by the Global Warrant and, in such event, will issue Warrants in definitive form in exchange for the Global Warrant. In any such instance, an owner of a beneficial interest in the Global Warrant will be entitled to have a number of Warrants equivalent to such beneficial interest registered in its name and will be entitled to physical delivery of such Warrants in definitive form.

LISTING OF THE WARRANTS

The Warrants have been approved for listing by the American Stock Exchange, subject to official notice of issuance. The American Stock Exchange will expect to cease trading the Warrants on such Exchange as of the close of business on the Expiration Date.

AUTOMATIC EXERCISE PRIOR TO THE EXPIRATION DATE

In the event that the Warrants are delisted from, or permanently suspended from trading on, the American Stock Exchange and the Warrants are not simultaneously accepted for trading pursuant to the rules of another national securities exchange, the Warrants will expire on the date such delisting or trading suspension becomes effective (an "Early Expiration Date") and the Warrants will be automatically exercised on the New York Business Day immediately preceding such Early Expiration Date, and the Cash Settlement Value, if any (determined as provided under "Exercise of Warrants"), of such automatically exercised Warrants will be paid on the fifth New York Business Day following such Early Expiration Date. Settlement shall otherwise occur as described under "Book-Entry Procedures and Settlement". The Company will notify Holders as soon as practicable of such delisting or trading suspension. The Company has agreed in the Warrant Agreement that it will not seek delisting of the Warrants or suspension of their trading on the American Stock Exchange.

The Warrants may also expire on the date of occurrence of certain events in bankruptcy, insolvency or reorganization involving the Company (any such date also being an "Early Expiration Date") and the Warrants will be automatically exercised as of the New York Business Day immediately preceding such Early Expiration Date. The Cash Settlement Value, if any (determined as provided under "Cash Settlement Value"), of such automatically exercised Warrants will be due and payable on the fifth New York Business Day following such Early Expiration Date. Settlement will otherwise occur as described under "Book-Entry Procedures and Settlement".

MODIFICATION

The Warrant Agreement and the terms of the Warrants may be amended by the Company and the Warrant Agent, without the consent of the beneficial owners of any Warrants, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein, or in any other manner which the Company may deem necessary or desirable and which will not materially and adversely affect the interests of the beneficial owners of the Warrants.

The Company and the Warrant Agent also may modify or amend the Warrant Agreement and the terms of the Warrants, with the consent of the beneficial owners of not less than a majority in number of the then

outstanding Warrants affected, provided that no such modification or amendment that changes the DEM Spot Rate or the JPY Spot Rate so as to adversely affect the beneficial owner, changes the Expiration Date or otherwise materially and adversely affects the exercise rights of the beneficial owners of the Warrants or reduces the percentage of the number of outstanding Warrants, the consent of whose beneficial owners is required for modification or amendment of a Warrant Agreement or the terms of Warrants may be made without the consent of the beneficial owners of Warrants affected thereby.

MERGER AND CONSOLIDATION

The Company may consolidate or merge with or into any other corporation, and the Company may sell, lease or convey all or substantially all of its assets to any corporation, provided that the corporation (if other than the Company) formed by or resulting from any such consolidation or merger or which shall have received such assets shall be a corporation organized and existing under the laws of the United States of America or a state thereof and shall assume payment of the Cash Settlement Value with respect to all unexercised Warrants, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of the Warrant Agreement and of the Global Warrant to be performed by the Company.

EXCHANGE RATES AND CASH SETTLEMENT VALUES

The following table sets forth the monthly averages of the noon buying rates in New York per U.S. dollar for the Deutsche Mark and the Japanese Yen for the period from January 1990 through April 1995, and the average of the noon buying rates in New York per U.S. dollar for the Deutsche Mark and the Japanese Yen for the period from May 1, 1995 through May 16, 1995. The historical experience of Deutsche Mark/U.S. dollar and Japanese Yen/U.S. dollar exchange rates should not be taken as indications of future performance and no assurance can be given that the values of the Deutsche Mark and the Japanese Yen will not increase relative to the U.S. dollar and thereby cause the Cash Settlement Value with respect to the Warrants to equal zero.

		DEM/U.S. $1	JPY/U.S. $1
1990:	January	1.6914	144.98
	February	1.6758	145.69
	March	1.7053	153.31
	April	1.6863	158.46
	May	1.6630	154.04
	June	1.6832	153.70
	July	1.6375	149.04
	August	1.5702	147.46
	September	1.5701	138.44
	October	1.5238	129.59
	November	1.4857	129.22
	December	1.4982	133.89
1991:	January	1.5091	133.70
	February	1.4805	130.54
	March	1.6122	137.39
	April	1.7027	137.11
	May	1.7199	138.22
	June	1.7828	139.75
	July	1.7852	137.83
	August	1.7435	136.82
	September	1.6933	134.30
	October	1.6893	130.77
	November	1.6208	129.63
	December	1.5630	128.04
1992:	January	1.5788	125.46
	February	1.6186	127.70
	March	1.6616	132.85
	April	1.6493	133.54
	May	1.6225	130.77
	June	1.5726	126.84
	July	1.4914	125.88
	August	1.4475	126.23
	September	1.4514	122.60
	October	1.4851	121.17
	November	1.5875	123.88
	December	1.5822	124.04

		DEM/U.S. $1	JPY/U.S. $1
1993:	January	1.6144	124.99
	February	1.6414	120.76
	March	1.6466	117.02
	April	1.5964	112.41
	May	1.6071	110.34
	June	1.6547	107.41
	July	1.7157	107.69
	August	1.6944	103.77

	September	1.6219	105.57
	October	1.6405	107.02
	November	1.7005	107.88
	December	1.7105	109.91
1994:	January	1.7426	111.44
	February	1.7355	106.30
	March	1.6909	105.10
	April	1.6984	103.48
	May	1.6565	103.75
	June	1.6271	102.53
	July	1.5674	98.44
	August	1.5646	99.94
	September	1.5491	98.77
	October	1.5195	98.35
	November	1.5396	98.04
	December	1.5716	100.18
1995:	January	1.5302	99.77
	February	1.5022	98.24
	March	1.4061	90.52
	April	1.3812	83.69
	May (May 1 through May 16)	1.3973	84.50

</TABLE>
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Source: January 1990 through April 1995: Federal Reserve Board Statistical Release G.5(405). May 1, 1995 through May 16, 1995: calculated by the Company using daily exchange rates as quoted in Federal Reserve Board Statistical Release H.10(512).

The following graph sets forth the monthly averages of the noon buying rates in New York per U.S. dollar for the Deutsche Mark and the Japanese Yen since January 1990. The historical experience of Deutsche Mark/U.S. dollar and Japanese Yen/U.S. dollar exchange rates should not be taken as indications of future performance and no assurance can be given that the values of the Deutsche Mark and the Japanese Yen will not increase relative to the U.S. dollar and thereby cause the Cash Settlement Value with respect to the Warrants to equal zero.

DEM/U.S. $1 AND JPY/U.S. $1 EXCHANGE RATES--HISTORICAL PERFORMANCE
MONTHLY AVERAGES

[The graph sets forth the monthly averages of the noon buying rates in New York per U.S. dollar for the Deutsche Mark and the Japanese Yen for the period from January 1990 through April 1995, with the left vertical axis specifying the buying rate for the Deutsche Mark in a range from 1.2500 to 2.0000 in increments of .2500 and the right vertical axis specifying the buying rate for the Japanese Yen in a range from 75 to 175 in increments of 25, and the horizontal axis specifying the time period, in increments of four months, from January 1990 to January 1995, and in a three month increment from January 1995 to April 1995.]

On May 16, 1995 the Noon Buying Rates of Deutsche Marks and Japanese Yen quoted by the Federal Reserve Bank of New York were U.S. $1 = DEM 1.4360 and JPY 86.20, respectively.

The information presented in this Prospectus Supplement relating to the exchange rates of the Deutsche Mark and the Japanese Yen as compared to the U.S. dollar is furnished as a matter of information only. The fluctuations in the Deutsche Mark/U.S. dollar and the Japanese Yen/U.S. dollar exchange rates that have occurred in the past are not necessarily indicative of fluctuations in that rate which may occur over the term of the Warrants.

As discussed under "Description of the Warrants", the spot exchange rate of the Deutsche Mark or the Japanese Yen in terms of the U.S. dollar on the Exercise Date will determine the Cash Settlement Value of a Warrant. Depreciation of the Deutsche Mark or the Japanese Yen in terms of the U.S. dollar (i.e., appreciation of the U.S. dollar in terms of the Deutsche Mark or the Japanese Yen) will result in a greater Cash Settlement Value. Conversely, appreciation of the Deutsche Mark and the Japanese Yen in terms of the U.S. dollar (i.e., depreciation of the U.S. dollar in terms of the Deutsche Mark and the Japanese Yen) will result in a lesser or zero Cash Settlement Value of a Warrant.

Set forth below is an illustration of the Cash Settlement Values of Warrants at exercise based on various hypothetical DEM Spot Rates and JPY Spot Rates. THE ACTUAL CASH SETTLEMENT VALUE OF A WARRANT WILL DEPEND ENTIRELY ON THE ACTUAL DEM SPOT RATE AND THE ACTUAL JPY SPOT RATE ON THE EXERCISE DATE. The

illustrative Cash Settlement Values in the table do not reflect any "time value" for a Warrant, which may be reflected in trading value, and are not necessarily indicative of potential profit or loss, which are also affected by purchase price and transaction costs.

<TABLE>
<CAPTION>

DEM RATES		JPY RATES		
HYPOTHETICAL DEM SPOT RATES (DEM/U.S. $1)	CASH SETTLEMENT VALUE BASED UPON DEM SPOT RATES	HYPOTHETICAL JPY SPOT RATES (JPY/U.S. $1)	CASH SETTLEMENT VALUE BASED UPON JPY SPOT RATES	CASH SETTLEMENT VALUE OF A WARRANT
<S>	<C>	<C>	<C>	<C>
1.6600...........	$6.51..........	99.00.............	$6.31........	$6.51
1.5880...........	4.53..........	96.00.............	4.95........	4.95
1.5160...........	2.37..........	90.00.............	1.94........	2.37
1.4440(/1/)..... or below.....	0.00..........	86.50(/1/)........ or below...	0.00........	0.00

</TABLE>

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(/1/) Strike Prices

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS CONCERNING THE WARRANTS

The following is a summary of the principal United States Federal income tax consequences of the purchase, ownership and disposition of a Warrant. The following discussion of certain United States Federal income tax consequences to beneficial owners of the Warrants applies only to a person who holds a Warrant as a capital asset and does not purport to address the United States Federal income tax consequences to special classes of investors including persons who are securities or options dealers, persons who do not hold the Warrants as capital assets or persons who may hold the Warrants as part of an integrated transaction (e.g., as part of a hedge or straddle for tax purposes). Prospective purchasers of Warrants are urged to consult their own tax advisors as to the application of the United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Warrants arising under the laws of any other taxing jurisdiction.

As used herein, the term "U.S. Holder" means a beneficial owner of a Warrant that is for United States Federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate or trust the income of which is subject to United States Federal income taxation regardless of its source or (iv) any other person whose income or gain in respect of a Warrant is effectively connected with the conduct of a United States trade or business. As used herein, the term "non-U.S. Holder" means a beneficial owner of a Warrant that is not a U.S. Holder.

In the opinion of Brown & Wood, counsel to the Company, although there is no authority directly dealing with instruments such as the Warrants, a Warrant should be treated as a nonequity option for purposes of Section 1256 of the Internal Revenue Code of 1986, as amended (the "Code"), which must be "marked-to-market". Accordingly, a U.S. Holder of a Warrant will be required to treat such Warrant as if sold for its fair market value on the last business day of the U.S. Holder's taxable year and will be required to recognize taxable gain or loss for that taxable year in an amount equal to the difference between the fair market value of the Warrant on the last business day of such taxable year and the U.S. Holder's adjusted tax basis in the Warrant. A U.S. Holder's adjusted tax basis in a Warrant will equal such U.S. Holder's initial investment in the Warrant, increased or decreased by any net gain or loss recognized by the U.S. Holder in respect of the Warrant in prior taxable years. Any gain or loss recognized by a U.S. Holder of a Warrant in accordance with the preceding rules will generally be treated as 60 percent long-term capital gain or loss and 40 percent short-term capital gain or loss.

Upon the sale, exchange, exercise or expiration of a Warrant, a U.S. Holder will be required to recognize taxable gain or loss in an amount equal to the difference between the amount realized upon such sale, exchange, exercise or expiration and the U.S. Holder's adjusted tax basis in the Warrant. Such gain or loss would generally be treated as 60 percent long-term capital gain or loss and 40 percent short-term capital gain or loss.

Despite the foregoing, assuming that the U.S. Holder's functional currency (as defined in Section 985 of the Code) is the U.S. dollar, any gain or loss recognized by a U.S. Holder in respect of a Warrant (as described above) will be treated entirely as ordinary income or loss if the U.S. Holder elects, or has previously elected, under Section 988 of the Code, to treat its acquisition of the Warrant as a "Section 988 Transaction" giving rise to foreign currency gain or loss. This election would extend to certain other contracts which are subject to Section 1256 of the Code and which are required to be marked-to-market, including certain regulated futures contracts and nonequity options, entered into by the U.S. Holder in the current or subsequent taxable years, and would be irrevocable without the consent of the Internal Revenue Service ("IRS"). A U.S. Holder of Warrants should consult its own tax advisor concerning the consequences and mechanics of making this election prior to making such election.

NON-U.S. HOLDERS

Gains realized on the sale, exchange or exercise of a Warrant by a non-U.S. Holder will not be subject to United States Federal income or withholding tax in respect of such amounts, assuming the income is not effectively connected with a United States trade or business of the non-U.S. Holder. Certain other exceptions may be applicable, and a non-U.S. Holder should consult its own tax advisor in this regard.

Under current law, the fair market value of a Warrant may be includible in the estate of an individual non-U.S. Holder for United States Federal estate tax purposes, unless an applicable estate tax treaty provides otherwise. Individual non-U.S. Holders should consult their own tax advisors concerning the United States Federal estate tax consequences, if any, of investing in the Warrants.

BACKUP WITHHOLDING

A beneficial owner of a Warrant may be subject to backup withholding at the rate of 31 percent with respect to the gross proceeds upon a sale or exercise of a Warrant if such beneficial owner fails to supply an accurate taxpayer identification number and does not establish, when required, that it is an exempt recipient or a non-U.S. Holder. Any amount withheld under the backup withholding rules would be allowed as a refund or a credit against the beneficial owner's United States Federal income tax provided the required information is furnished to the IRS.

USE OF PROCEEDS

A substantial portion of the proceeds from the sale of the Warrants may be used to hedge market risks with respect to the payment at expiration of the Warrants. The Company does not intend to confine its hedging activities to any particular domestic or foreign exchanges.

UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriter") has agreed, subject to the terms and conditions of the Underwriting Agreement and a Terms Agreement, to purchase from the Company all of the Warrants offered hereby. The Underwriting Agreement and Terms Agreement provide that the Underwriter will purchase all the Warrants if any are purchased.

The Underwriter has advised the Company that it proposes initially to offer all or part of the Warrants directly to the public at the offering prices set forth on the cover page of this Prospectus Supplement and to certain dealers at such price less a concession not in excess of $.12. After the initial public offering, the public offering prices and concession may be changed.

An affiliate of the Underwriter will receive a fee from the Company for assisting the Company in arranging hedging of the Company's currency risks with respect to the Warrants.

The underwriting of the Warrants will conform to the requirements set forth in the applicable sections of Schedule E to the By-Laws of the National Association of Securities Dealers, Inc.

VALIDITY OF THE WARRANTS

The validity of the Warrants will be passed upon for the Company and for the Underwriter by Brown & Wood, New York, New York.

NO DEALER, SALESPERSON OR OTHER INDIVIDUAL HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS IN CONNECTION WITH THE OFFER MADE BY THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR BY THE UNDERWRITER. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL UNDER ANY CIRCUMSTANCE CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS

NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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PROSPECTUS SUPPLEMENT

PROSPECTUS

LOGO

MERRILL LYNCH & CO., INC.

1,250,000
GREATER OF U.S. DOLLAR/DEUTSCHE MARK--U.S. DOLLAR/JAPANESE YEN
PUT CURRENCY WARRANTS,
EXPIRING MAY 15, 1997

PROSPECTUS SUPPLEMENT

MERRILL LYNCH & CO.

MAY 16, 1995